

## **BUSINESS STRATEGY ANALYSIS AND RECOMMENDATION FOR HEMYO PHOTO AND VIDEOGRAPHY**

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**Abstract**— *Hemyo photo and videography has been established for 1 year in Bandung with their market segment was in the making of music video clip and promotional video for a product brand. But, because of the market segment and the area location in which they operating have a low buying power it raised a strategy issue for the company to enter a new market segment. Hemyo have to analyze the internal and external condition before continuing to do a strategy analysis for the future growth of the company. The methodology analysis used to assess the problem was SFAS Analysis, Strategic Diamond and Porter's Five Forces. And after the internal and external analysis has completed, it then proceed using the SWOT Analysis. The SFAS analysis shows that Hemyo should focus their strategy based on priority which based on the time factor. The result shows that the short term priority for them is in the Marketing area. The SWOT analysis shows that the company should fix their internal organization before trying to enter a new market. The strategies then managed into implementation plans that being described in detail the steps and the estimated duration. If the proposed strategy does not run as expected, an exit strategy has been prepared which is letting it run dry.*

*Key words: SFAS, Strategic Diamond, Porter's Five Forces, SWOT*

### **I. INTRODUCTION**

This final project is one of the courses which must be taken as a graduation requirement and aims to examine student's ability to discover, analyze, and solve the problem by implementing and integrating knowledge and skills that are acquired during the lectures. Business type that used to analyze is a production house which has a band and a product brand as target market. Topic that was examined is an issue which is in the restaurant as business object to be examined so that expected will be beneficial to the progress of this restaurant.

#### *a) Company History*

Hemyo Photo and Videography is a company that works in the creative industry who offer not only a service but also an add value to the product of their customer. It was first established in Bandung with 3 persons as the founder. Back in November 2010 the date where Hemyo first established, they only have one low spec computer to support their whole activity, while now the company has lots of videography and photography tools as their assets. Just in one year of establishment, they have been able to get a project making clip video of Java Jive<sup>1</sup> band and Andry Moehamad Project (Andry Moehamad is guitarist in MAHADEWA, a band lead by Ahmad Dhani<sup>2</sup>).

Every company should have a vision and mission so that the company would have a direction to where the company should go. Without a vision and mission, companies would run with no direction and it will bring troubles in the long future. Hemyo have vision and mission as shown:

#### **Vision**

*To be the first that's comes in mind when people thinking about media promotion and video clip.*

#### **Mission**

*Give the best add value to whatever our customer needs.*

From their vision and mission, Hemyo has a motto that should be obeyed by everyone who works inside, which are:

- 1. Never do project the same as before:*  
which means we should never do any

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<sup>1</sup> A band from Indonesia, famous in the late 90's period

<sup>2</sup> Used to be one of the personnel from a famous band in Indonesia, and then currently working as a producer at Republic Cinta Management which he owned.

project same as what we did before, it must have a renewal or improvisation in every project, whatever it is.

2. *Give more than what they ask*: which means we have to give our best and even more in completing every project, we have to give our 110% or 120% when serving our client.
3. *Always do double or triple recheck in every project*: which means in every project, before we gave it to our customer, or when working on it, we have to make sure about the detail and do a recheck so we don't make our client disappointed.

b) *Industry Background*

The media promotion, video and photography are a large industrial world in which people could come and go easily but it's difficult to survive inside it. There are lots of competitors as a company or as a personal where they competing each other to survive inside the industry.

As we all know, Bandung is one of the city that have a lots of potential people who work in the creative industry, mainly in the art area, whether in design, photography, videography, architect, music and many else. There are lots of people who after graduating from college, and then they enter in the creative field industry. There are always people who don't pay too much attention about the quality whenever they hire people to do photo or video work, they only concern about the completion of the job and get the result. These kinds of people tend to search a company or people who give the cheapest price.

The clients who pay more attention to the final result of the photo or the video, they tend to be more cautious with the background of the company who do their project. Therefore, a portfolio is very important, to show what a production house is able to do, it can act to show the list of project that has been worked so far and to show the final result of the project.

There are a lot of product that videography could give, for example Television Commercial (TVC), video clip, teaser, documentation, company profile, tutorial, video information, and many else. The product are depends on the client, if the client is a band, the product was video clip, documentation, and teaser. If the client is a brand, the product was teaser, TVC and company profile.

For band or brand, they need a video for their marketing tools. They use it in the internet, because it is hard to enter national television channel. There are a lot of brand who used video as their marketing media in the internet, and it was proven to be satisfying as long as they have another marketing activity to support it for example a publish it trough "Facebook" or "Twitter".

c) *Business Scope*

Hemyo limiting the scope of their services to just video for band and for product brand only. Those two was the most preferred way to enter the market, since they have lots of network in band and product brand in Bandung area. Although, sometimes they also take part making a wedding or pre-wedding video, but the main focus still in band and product brand

d) *Issue Encountered*

The growth of band and product brands in Bandung area can be considered quite big. But the problem is that most of the starting band or brand does not have a large capital, because of the financial condition that they were just a new starting up band or brand, although if they have a large capital as their investment, most of the company would be allocating their budget for production.

Therefore the payments are not enough to continue for future growth only by targeting this market. Before Hemyo targeting a new market, an analysis about the internal and external factor in the industry is needed in order to give more detailed information about the current condition. Whether they are ready to enter a new market or not

## II. BUSINESS ANALYSIS

In this chapter will explain about the business exploration that faced by Hemyo. Business issues will be explored related to the company situation analysis and business situation that faced by the company at this time.

### A. *Conceptual Framework*

The method in finding the data is by using interview and research for a secondary data. Most of the interview data would be used to gives a brief explanation about the company itself and comment from client about the credibility of Hemyo. To analyze the industrial environment, the method is by using Porter methodology analysis and Strategic diamond. After that, for the strategy formulation, the

methodologies that will be used are SFAS analysis and TOWS analysis. This in the final result will give a recommended strategy.

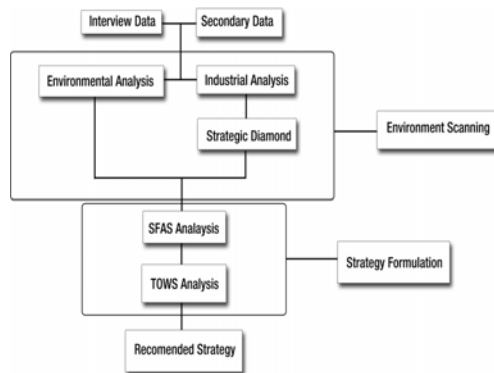


Figure 2.1 Conceptual Framework

By this method is expected to produce a strategic step that will be hold firm in facing of company's business issues. In making the conceptual framework, business strategy analysis was conducted relating to analyze the internal and external condition of the company, in order to be able to determine the very best strategic action.

### B. Internal Assessment

#### a) Organizational Structure

At this current stage, Hemyo implemented neither divisional structure nor functional structure or any other complex organizational structure. As mentioned in the previous chapter, the main people inside the company consist only two people, therefore none of the organizational structure would be suited to be implemented for the current condition. Every project mainly worked by two people, while the rest are outsourced. The responsibility for the entire project is held by the company, therefore they always strict in the outsourcing activity.

#### b) Marketing

In terms of marketing, they do not have any division related to marketing. Clients that come to them, all of them was based on mouth-to-mouth marketing effects from the previous clients. This is one of the weaknesses in Hemyo, the lack of marketing, which greatly affect their daily business activity. Up to this point, the reason why there is always another customer who comes to use Hemyo was due to the good result and performance of past project. If the clients are not satisfied with the result, the company could lose their clients and because of the lack of marketing, it will be difficult to find another client for a long time.

#### c) Marketing Mix

### Products

Photo and video, mainly focused in the band and promotional brand needs. Also sometimes take any design project, but not as the main focus product that Hemyo deliver.

### Price

Hemyo could be considered as one of the production house who has the lowest price in the market. It is reasonable to set the price list at low level, since they were a new player in the market and still need to be noticed by the clients. Setting a low price level would be the best possible method for the time being.

### Promotion

Hemyo does not have a marketing division in the organizational structure. Rather, they emphasize their promotional activity through a mouth-to-mouth marketing strategy. The entire project that has been worked by the company is being put in online video sharing website such as Youtube.com and Vimeo.com so that people could see the entire portfolio.

### Place

Hemyo office is located in Jl. Cigadung raya no 98, Bandung, Indonesia. The place for the office does not affect their daily business activity, since every time they have a meeting with clients, it was never in our office, but rather on a café or we come to their office. The office was being used as the production base and to have an internal meeting with the outsourced worker whenever there's a project comes.

### C. Operational Workflow

First, the client will meet the marketing representative to discuss about the projects insight, here; the marketing representative will gather any information about the clients demands. After that, the marketing representative will ask the team creative to make a proposed concept based on the information that has been gathered. If the proposed concept got an approval from the client, the process continues to internal brief, but if the concept does not get an approval, the marketing representative should discuss it again with the client.

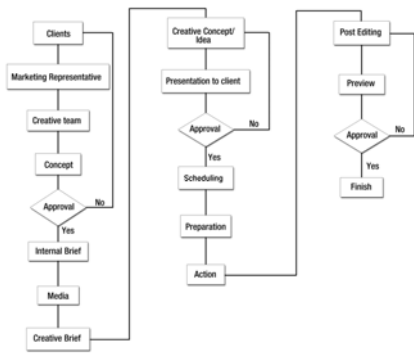


Figure 2.2 Operational Workflow

In the internal brief stage, the outsourced worker are started to be gathered, and then discuss it about the concept that will be worked on. The media consist of finding references for any type of media whether from a video or photo or even article that could be used to support and give idea for the purpose creating a deeper concept. After that, there will be a creative brief which will produce a deeper creative concept regarding the project. The differences in this stage are that, the concept will also consist of story board, script, detailed information about the project concept. If the concept are being approved by the client, then proceed create a schedule plan about the time when will the project activity will be taken. If it does not gain approval from the client, go back reviewing the creative concept.

After the project activity are taken, which consist of photo shoot or shooting video, and then proceed to post editing process. In the post editing process, the activity was editing a photo or video project following the guidelines which is the creative concept. After the post editing are done, then the outcome would be presented to the clients, if there is any revision the process go back to post editing, while if there are no revision, the project are finish by giving the product to the client.

*D. Environmental Assessment*

Before taking a decision about what the company should do, first, analyzing the internal and external factors should provide a more detailed information and insight of the current condition of the company.

*a) Five-Forces Porter's Analysis*

To analyze the industrial environment, the method was using porter's 5 forces analysis<sup>3</sup>. Porter's model outlines the primary forces that

<sup>3</sup> A framework for industry analysis and business strategy development formed by Michael E. Porter and Harvard Business School in 1979

determine competitiveness within an industry and illustrates how those forces are related. The model suggests that in order to develop effective organizational strategies, managers must understand and react to those external forces within an industry that determine an organization's level of competitiveness within an industry.

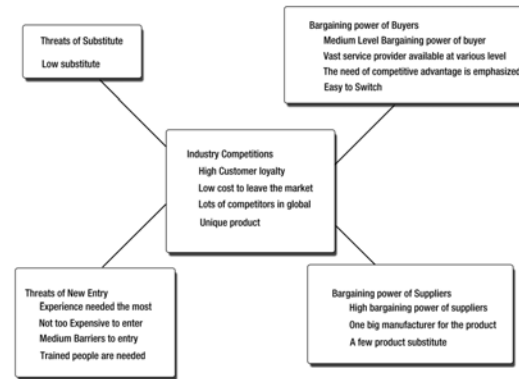


Figure 2.3 Porter's Five Forces Analysis

- *The Threat of Entrants*

To enter the videography or photography industry, the barrier is quite difficult. It is not too expensive to buy the equipment (considering if the limit is 100 million rupiah), people with a large source of capital could easily buy the equipment for this field. And to add more, the equipment also could be used as one of hobby for people who loved photography. And the price would not decline so much because the product hold a prime position in the market and the user who search for this equipment with a low price are many.

- *Bargaining power of buyer*

The bargaining power of the buyers are consider in the medium level, because although most buyer have the upper hand as the one giving the job, but sometimes if the services provider have a good reputation. The buyers usually loose the power to bargain. The service provider in the term of video and photography are vast. There are many people or production house that could give these services with a various price range. But the factors that determine the price and the level of the provider were in the final result. Although there are lots of people or production house, but the final result which have been considered well are still far less, maybe even it can be considered the number of production house that give the best result are still lacking.

- *Bargaining power of supplier*

Much of the works in the videography and photography industry nowadays tend to use Canon or Nikon as their equipment. The market is hold by this two giant corporate brand. There is several other brands, but people did not trust this brand very much. For their professional work, people will choose Canon or Nikon as their main equipment tools provider. The other brands are like Tamron (for the lenses), Sony, Leica, Olympus, Panasonic, Pentax and many others. Each of these brand are competing each other, but none of this could beat the Canon and Nikon position in the market.

- *Threat of substitutes*

The threats for a substitute product can be categorized as low, because there are no substitute products in this matter. The product that being sold in this industry are photo and video, there are no other substitute product that could replace this. Let's say for example, the product is a pen, people could easily find another substitute product like a pencil, or an ink pen. But for photo or video, there are no any other substitute products that will affect the position of this product in the market.

- *Competitive Industry*

In global coverage area, there are almost 117 listed production house spread in all over Indonesia an 90% of it are located in Jakarta. In Bandung there are only 10 listed production house, and surely there are many others production house that has not been listed. Most of the production house has established more than 2-3 years which make their position in the market are hard to win over. And most of the production houses already have their own niche market which they take the job regularly from. It means that there are still many other market that they have not enter, which make the competition in those market are becoming less competitive, considering the number of production house in Bandung are not as many as in Jakarta.

b) *Strategic Diamond*

Donald Hambrick and James Fredrickson created the Strategy Diamond as a way to show what the actual bits and pieces of a strategy are and how they fit together. Strategy is about making important choices, and the real power of a Strategy Diamond is that it integrates important choices into a bigger picture, instead of as a piecemeal approach.

The strategy diamond provides executives and consultants a concise, coherent way to analyze, integrate, summarizes, and communicate product, business, and corporate level strategies. The model covers strategy

formulation; it helps answer questions about what the strategy is and what it will be in the future.

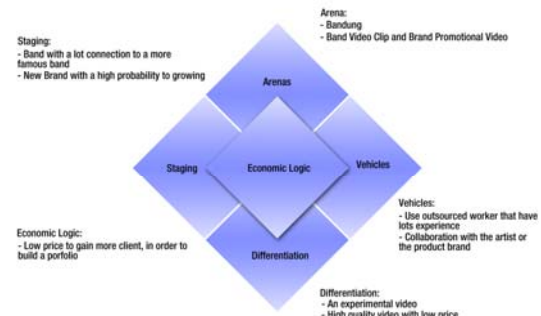


Figure 2.4 Strategic Diamond

- *Arena*

In the Hemyo business strategy the arena is in Bandung area, where the company office is located. It is safer to start in the area, that they know more about the situation and condition, rather than in other places where they don't know very well about the environment condition. Although in the future, they have a plan to open an office in other places, but not until the position is safe and settled in Bandung.

- *Differentiator*

The differences between Hemyo and any other production house that makes it become our advantage is that, they were known as more experimental and unique compared to any other production house. This "experimental" mainly caused by whenever we do video projects, we always try to be wild in the making concept process. The reference have to always from the other country, creative concept, award winning video, but never compare it with the video build by our people, because the video industry in our country is far left behind from the world videos industry. Although by doing this the shooting process would be more difficult but the result would be better rather than if we compare it with the video build by our people. For example, one of the band video that the company has been build, the song tempo are reduced 30%, so the artist should follow the tempo when shooting, and then in the post editing process the tempo brought back to normal, which is, 100%, and the result is the video has a strange move due to the effect of the tempo brought back to normal.

- *Vehicles*

Vehicles identify the degree to which the strategy relies on internal development efforts relative to partnering with or acquisition of external parties. Hemyo sometimes do a collaboration project with artist or brand, for example the Alleia band, at that time, they does not have a portfolio in documenter category, therefore they create a collaboration project with Alleia band when they a do a performance in Jakarta, which soon after that, several months later they got a job making video clip for Javajive Band. Later be known that, Alleia band was being promoted by Capunk, one of the personnel of Javajive Band.

- *Staging and Pacing*

Staging and pacing refer to the sequence and speed of strategic moves. This element helps identify decision points since strategic moves don't have a single possible pathway. Hemyo focusing its client into three categories in this starting up phase, which are:

1. A band with lots connection to a famous band.
2. A new brand with a high probability of growing.

- *Economic Logic*

The economic logic for Hemyo is set a low price to gain more clients in this starting up phase, in order to build a portfolio that could be use in the future. As mentioned before, a portfolio is one of the most important key to success in the field of video and photography. It was reasonable to setting a low price in this phase because if the price is high and we don't have any portfolio, people won't use our services. In order to have a basis setting the price at high level, a good portfolio is strongly needed.

### III. BUSINESS SOLUTION

#### A. *Situational Analysis*

The user of the SFAS Matrix reduces the amount of factors to a manageable number, puts weights on each factor, calculating them, and evaluating the factor's duration (short-term = 1 year and below, intermediate = 1 to 3 years, or long-term 3 years and above). The weights reflect the priority of each factor as a determinant of Hemyo's future success. The highest-weighted EFAS and IFAS factors should appear in the SFAS Matrix.

| Strategic Factors  | Weight | Rating | Weighted Scores | Short Term | Mid Term | Long Term |
|--|--------|--------|-----------------|------------|----------|-----------|
| S1 Network well established to support the line of work                    | 0.1    | 3.2    | 0.32            |            | X        |           |
| S2 Quality Culture   | 0.1    | 4.5    | 0.45            |            | X        |           |
| W1 Lack of employee because of have not been capable giving monthly salary | 0.1    | 4.1    | 0.41            |            | X        |           |
| W2 Low Level of Equipment  | 0.05   | 3.2    | 0.16            |            |          | X         |
| W4 No Marketing units to do promotion                                      | 0.15   | 3.8    | 0.57            | X          |          |           |
| O1 The Underdog in the video clip business                                 | 0.05   | 2.5    | 0.25            |            | X        |           |
| O3 Competitor price level is high  | 0.05   | 3.5    | 0.18            |            |          | X         |
| O4 Low level of competition  | 0.1    | 2.7    | 0.27            |            | X        |           |
| T1 Competitor advanced at several  | 0.15   | 4      | 0.60            | X          |          |           |

Table 2.1 SFAS Analysis

|  |          |   |      |   |  |  |
|--|----------|---|------|---|--|--|
| area such as experience, equipment, worker and network |          |   |      |   |  |  |
| T2 Failed build a good reputation in the market        | 0.15     | 4 | 0.60 | X |  |  |
| <b>Total Scores</b>                                    | <b>1</b> |   |      |   |  |  |

*B. Review of Mission Statement and Objectives*

The importance in analyzing these factors lies in the interdependence with the company’s mission and objectives. To start with the analysis, the mission statement has to be recalled:

*“Give the best add value to whatever our customer needs”*

The mission statement state it clearly that Hemyo tries it best to give more to their clients more than what they ask. They give a bonus video to their client and also be more experiment in the concept for the video work. Those two was the main factors they were able to survive and satisfied their clients. Not only just finishing the project, but also they try to positioning themselves in the clients’ point of view, to know what is the clients demand and what is their expectation from this project.

The other factors in the strategic point lead to finding a way to gain clients. Due to the current condition where Hemyo does not have any marketing division, makes the marketing activity become one of the critical weaknesses. Therefore, a lot of the strategic factors lead to a point where network is become their main focus, to cover up the lack of marketing units. All in all, the mission statement is also leads Hemyo to be able provide a good resolution about the lack of marketing. This is because, whenever the clients satisfied, they will spread the news about Hemyo to their relation. Giving add value to their product in our way could be considered as one of marketing strategy that being adapted as the company mission.

*C. Strategic Advice*

To come up with a strategic alternative, the TOWS Matrix analysis will be used. The TOWS analysis were used because it will give a better look intelligently at how to take advantage of the opportunities and at the same time minimizing the impact of weaknesses to protect against threats.

Table 2.2 TOWS Analysis

|  | <b>Strength</b>   | <b>Weakness</b>   |
|--|---|---|
| <b>Internal Factors and External Factors</b>   | S1 Network well established to support the line of work | W1 Lack of employee because of have not been capable giving monthly salary          |
|  | S2 Quality Culture                                      | W2 Low Level of Equipment   |
|  |   | W3 No marketing units to do promotion   |
| <b>Opportunities</b>   |   |   |
| O1 The Underdog in the video clip business   | S1, O2 Quickly penetrating the market using the network | W1, W3, O1 Outsourcing skilled worker when doing a project to gain market           |
| O2 Low Level of Competition  | S2, O1 Focusing the quality culture to gain reputation  | W2, O1 Use the available equipment to show creative idea and producing a good video |
| O3 Competitor price level is high  | S2, O3 Producing a qualified video with a cheaper price | W3, O2, O3 Giving incentive to anyone who offer a project                           |
| <b>Threats</b>   |   |   |
| T1 Competitor advanced at several area such as experience, equipment, worker and network | S1, T2 Build a good base network to maintain reputation | W1, W3, T2 Expand the network   |
| T2 Failed build a good reputation in the market  | S2, T1 Competing in the idea, not in the equipment      | W2, T1 Renting the lack of equipment that is needed to completing the project       |

- *Marketing Strategy*

S1, O2 Quickly penetrating the market using network, the low level of competition in the market create an opening to enter the market, therefore Hemyo should use this condition advantage to quickly enter the market and secure their position.

S2, O3 Producing a qualified video with a cheaper price. The price for the video making is expensive, for example the making of video clip for a band the minimum price could go up to 50 million rupiah, while the cost to produce most of the time is not higher than 15 million rupiah, even less sometimes. Hemyo should start by setting a cheaper price but with a quality that above the competitor to attract client.

S1, T2 Build a good base network to maintain reputation. There is this threat that Hemyo failed building reputation in the market. To overcome this threat the best strategy would be create a network that is close to Hemyo so that Hemyo could maintain a good reputation in the market using the network to spread the news.

W1, W3, T2 Expand the network. The last marketing strategy to overcome the weaknesses and threats is by expanding the network. The larger network will give a better feedback for Hemyo.

- *Operations Strategy*

S2, O1 Focusing the quality culture to gain reputation. The main idea for this Operations strategy is based on the opportunity that currently Hemyo is considered as the underdog in the video clip industry. A better quality product would make the reputation easily spread.

W2, O1 Use the available equipment to show creative idea and produce a good video. Creativity is the best weapon to overcome any obstacle. Do not let ourselves to be depended on the equipment that we used. When we could produce the same quality as those who use better equipment, the moment we use the same equipment, the quality of the video would surely become better.

S2, T1 Competing in the idea, not in the equipment. Shows the customer that what's their search are not a solely on the equipment used in the making process, but the idea of the product itself. The most priceless thing in art industry is the idea not the amount of equipment used.

- *Human Resources*

W1, W3, O1 Outsourcing skilled worker when doing a project to gain market. To overcome the lack of worker, the best strategy is by outsourcing a skilled worker to do the work only when there is a project. By doing that, not also we could reduce the amount of fix cost that the company spend, but also finding a better candidates for the position needed in the company.

- *Financial*

W3, O2, O3 Giving incentive to anyone who offers a project. Everyone would feel happy if by just offering a job, or recommending Hemyo to people that in needs, and then they get an incentive from the project income. The amount of incentive given is as much as 10% of net income per project.

W2, T1 Renting the lack of equipment that is needed to completing the project. The lack of equipment does not hold the business activity. To overcome it we could easily rent the equipment that is needed to make the video, although it would cost more rather than if we have the equipment, but while we're saving the money to buy the equipment, renting would be the most fitting solution to fix the problem

#### IV. CONCLUSION AND IMPLEMENTATION PLAN

Strategy implementations are needed in order to control whether the implementation is a success or a failure. Strategy implementation is the sum total of activities and choices required for the execution of a strategic plan. It is the process where objectives, strategies, and policies are put into action through the development of programs, budgets, and procedures.

##### A. *Strategic Implementation*

Hemyo should build a strategy implementation which consist a set of activities related for the strategy proposed. The activities should have a time to-start and time to-end, and also the person in charge for the activity. When building the strategy implementation, the set of activities have to be able to be measured so that we could have an overview whether the strategies are a failure or a success.

When building a strategy implementation we have to take into consideration the financial and human resources conditions, so the activities will be able to be implemented without giving pressure to the company if the activities are hard to do.

This table below will show all the activities inside the proposed strategy plan for Hemyo and the person in charge for each activity:

Table 4.1 Strategy Implementation Hemyo

| Strategy   | Activity  | Start  | End    | Pers on In Charge |
|--|---|--------|--------|-------------------|
| S1, O2<br>Quickly penetrating the market using the network                             | Build a company website and spread it using internet as the media | 10-Sep | 30-Sep |                   |
| S2, O1<br>Focusing the quality culture to gain reputation                              | Set a base comparis on for every video project                    | 1-Aug  | 1-Oct  |                   |
| S2, O3<br>Producing a qualified video with a cheaper price                             | Calculatin g the expense for every project                        | 1-Aug  | 9-Aug  |                   |
| W1, W3, O1<br>Outsourcing skilled worker when doing a project to gain market           | Find a suitable skilled worker by meeting lots of creative people | 1-Aug  | 31-Dec |                   |
| W2, O1<br>Use the available equipment to show creative idea and producing a good video | Find lots of good references and try to copy it                   | 1-Aug  | 15-Sep |                   |
| W3, O2, O3<br>Giving incentive to anyone who offer a project                           | Calculatin g budget allocation in every project for incentive     | 1-Aug  | 9-Aug  |                   |

|  |   |        |        |                        |
|--|---|--------|--------|------------------------|
| S1, T2<br>Build a good base network to maintain reputation | Active and be nice to all the people surround     | 1-Aug  | 31-Dec |                        |
| S2, T1<br>Competing in the idea, not in the equipment      | Practice creating fresh idea by join competiti on | 15-Sep | 31-Dec |                        |
| W1, W3, T2<br>Expand the network                           | Join a community                                  | 1-Sep  | 31-Dec |                        |
| W2, T1<br>Renting the lack of equipment that is needed     | Find an equipmen t renting                        | 1-Aug  | 31-Aug | Iqba l Mau lana Kam il |

The activities to implement the strategy that are shown in the table was the easiest set of activity by taking in consideration, the amount of people inside Hemyo. For the current condition, Hemyo are not suitable for a more integrated and more complex activity. All of the activities are set to get a fresh start in January 2013 and to measure the marketing efficiency implemented by only 2 people for the time being. Though if the number of employee arises, the activity would also be changed

*B. Strategic Measurement*

The strategy measurement established in order to analyze whether the activities are well performed or not. The measurement plans have to be easy to analyze, so that if the activities are not well performed we could act quickly. For example if the strategy to penetrating the market can not be analyzed, we could not tell whether the company has or has not been successfully penetrating the market. And if the company have a set of strategies that should start after they enter the market, those strategy will failed, although maybe the strategy could run just as planned, but it will have less effect compared if the company has successfully enter the market. Therefore, when building the strategy measurement for Hemyo while taking into consideration about the current condition, the set of measurement plans for Hemyo is very simple. The strategic measurement plan is shown in the table below:

Table 4.2 Strategic Measurement

| Strategy   | Activity  | Measurement                    |
|--|---|--------------------------------|
| S1, O2<br>Quickly penetrating the market using the network                             | Build a company website and spread it using internet as the media | Amount of job increase         |
| S2, O1<br>Focusing the quality culture to gain reputation                              | Set a base comparison for every video project                     | Interview with the client      |
| S2, O3<br>Producing a qualified video with a cheaper price                             | Calculating the expense for every project                         | Setting a pricelist            |
| W1, W3, O1<br>Outsourcing skilled worker when doing a project to gain market           | Find a suitable skilled worker by meeting lots of creative people | Find a suitable employee       |
| W2, O1<br>Use the available equipment to show creative idea and producing a good video | Find lots of good references and try to copy it                   | Number of appreciator increase |
| W3, O2, O3<br>Giving incentive to anyone who offer a project                           | Calculating budget allocation in every project for incentive      | Setting a pricelist            |
| S1, T2<br>Build a good base network to maintain reputation                             | Active and be nice to all the people surround                     | Increasing in network number   |
| S2, T1<br>Competing in the idea, not in the  | Practice creating fresh idea by join a video                      | Number of appreciator increase |

|  |                           |  |
|--|---------------------------|--|
| equipment  | festival event            |  |
| W1, W3, T2<br>Expand the network   | Join a community          | Amount of job increase                           |
| W2, T1<br>Renting the lack of equipment that is needed to completing the project | Find an equipment renting | The availability of the equipment without buying |

C. Exit Strategy

Hemyo is in a stabilizing stage, which means it still needs time before they enter to a growth stage. The risks available in the stabilizing stage are very dangerous, because it could make the company to fail very quickly. Choosing a wrong action in this stage could lead to either the stabilizing phase become longer or it makes the company stop working.

After create a strategic planning for the company, it is suggested to create the exit strategy scenario if all of those planning do not work accordingly or there are unexpected actions in the market then we could take immediate action to reduce the loss.

There are several cases that exit strategy could be applied, but among those cases, creating a more unique detailed product does not include in the action planned because of the limitation Hemyo human resources.

Of all the strategic plans that has been build for Hemyo, if the implementation or the outcome of the strategy produce an unwanted result, then the very best way was to review the entire strategic plan, to check the error that caused the plan to fail. But if, after reviewing the strategic plan, and then implement it and it still the same, then we could take further action to the exit strategy.

The case in which exit strategy should be applied could be because:

1. There are a price war happened on the market, in which the competitor lowering their prices to a level in which threatening the daily activity of Hemyo for a long time.
2. The competitors do an excessive marketing which consume all of the market attention to them. Although this case is not likely to be happen, because there are never any cases in which the

production houses (which their main operation area is in video making industry) do an excessive marketing activity.

3. If the strategic plan that has been reviewed failed again for the second time.

The very best way for the exit strategy is to “let it run dry”. There are several reasons why choosing this strategy is the very best strategy for Hemyo, which are:

1. Hemyo is a new starting production house that does not have any debt or obligation to anyone. They don't have any permanent worker and they don't have any debt, so there are no any attachment to Hemyo that push it to liquid the company assets.
2. Be letting it run dry, there are a possibilities of a miracle for example Hemyo suddenly got lots of client and they become permanent clients.

The exit strategic plans was useful because, sometimes it could give an ease to the one who planning it when they run the business, since they already have the set of action if anything happen in the future in which they could not run the business anymore. While for the company exit strategy, it is more preferable because when that times comes, Hemyo characteristic from the main business would be changed into a hobbies for the owner.

#### *D. Conclusions*

After analyzing all of the data, and create several strategic analysis, it is recommended for Hemyo to start small, it can not just jump to find a big clients. Their current condition could be considered not healthy, because of the lack in every aspect that considered vital for the future growth of the company.

Hemyo should build a good foundation as their base to growth. Using the SWOT analysis, it is found that for the time being, the company should strengthen their marketing area by expanding the network and build a good networking with client. And also, they should find a suitable employee because the strategy to use outsourcing can not last very long when the projects start to increase. All the analysis leads to fixing the internal area inside the company, and then after that they may try to enter a new market. Fixing the internal area will have a good side effect for Hemyo so that when trying to enter a new market, the risk of failure from inside could be reduced. When the company has a good structure organization and a well-established network, they could expand the market without having to worry about the capability of the people inside of it to adapt.

If by anything, the strategy planned does not perform very well and there are unexpected situation happen in the market, the very best exit strategy for Hemyo was by letting it run dry.

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