

## EFFECTIVENESS OF BUSINESS TRANSFORMATION STRATEGY TO INCREASING COMPANY'S INCOME IN PRODUCTS DOOH (DIGITAL OUT OF HOME) IN PT. METRA DIGITAL MEDIA

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### ABSTRACT

*This research to study the effectiveness of business transformation strategy in PT Metra Digital Media and to know the difference increasing of company earnings in DOOH (Digital Out Of Home) product in PT Metra Digital Media, before and after implementation of business transformation strategy. The sample cases in this research are 22 customer companies that have not followed the business transformation process, which is advertised through the directory and control samples, and 22 customer companies that have been following the business transformation process are advertising through DOOH (Digital Out Of Home). Calculation data analysis using SPSS (Statistical Data Analysis) test that Independent-Samples T-Test. The results showed that the effectiveness of the implementation of business transformation strategy applies to product indicator, payment method, service and sales, because the OR (Odd Ratio) value is higher in companies that choose DOOH, while those that are not effectively selected are indicator of the period of exposure and popularity, the difference increasing of company earnings on DOOH (Digital Out Of Home) products at PT Metra Digital Media before and after the implementation of business transformation strategy is evidenced from  $p = 0,016$  ( $sig < 0,05$ ) and hypothesis is accepted.*

**Keywords:** Business Transformation, Company Revenue

### 1. INTRODUCTION

PT Metra Digital Media (MD Media) is a subsidiary of PT. Telkom Metra, which was formed to manage advertising's business

portfolio. PT. Elnusa establish make a product Yellow Pages which on June 20, 1980 officially as the owner of the publisher of the company owned by Telkom with the product name of BPT (Telephone Directory Book) and 2015 the company has to transform its portfolio into a portfolio of agencies, directories and integrated digital media.

Business transformation is to make fundamental strategic changes to overcome the shift in the market environment (Dirgantoro, 2002). Business transformation has been attempted to be carried out carefully by considering the steps to be taken in order to achieve the desired objectives. Bak'O., 2016 that the important things to be considered in business transformation are focus on benefits, teamwork building, sustainability and developing work skills

Moran et al., 2000 that human resources is the most important subject in organizational to change efforts. The business transformation strategy must be start from change of paradigm of employees or human resources first, to know the potential of teamwork, to know the market position of our product and to control the product development in the future. The fundamental change of business today in the millennium era to the revolutionary age of the 4.0 industry is change of the digital

transformation. Stolterman et al., 2004 that the effects of digitalization require society to care for the system made by the technology world, its development will help people to work faster, wider and more accurate.

DOOH (Digital Out Of Home) which is subpart of IDM (Integrated Digital Media) product owned by PT. Metra Digital Media and DOOH (Digital Out Of Home) is a

superior product in the form of advertising infrastructure. Considerations that need to be improved include the suitability of DOOH size and location is very important factor to get achievement of good visibility and accuracy in reaching the target audience, therefore need to review the design and location of existing DOOH, besides it also evaluates the quality of lighting, the price offered and the advertisement.

Flaherty, 1996 mentions there are five things that must be done the company to get

The research begins by identifying a group of case subjects following business transformation and control subjects of companies willing to follow business transformation (DOOH advertisement). this research compared factor occurrences in the case group with the control group (Budiharto, 2008).

The sample cases in this research are 22 customer companies that have not followed the business transformation process, which is advertised through the directory and control samples in this research and 22 customer companies that have been following the business transformation process are advertising through DOOH (Digital Out Of Home). The variables of this research are products, payment patterns, delivery patterns, sales service and popularity. The dependent variable that will be used as a benchmark in viewing the success of this

maximal income operational in restructuring, lowered operational cost, improved quality, continuous innovation and new product development, therefore this research to determine the effectiveness of business transformation strategy in PT Metra Digital Media as well as to know the difference of increase of company earnings on DOOH product (Digital Out Of Home) before and after the implementation of business transformation strategy.

## **2. METHODS**

business transformation process is the change in corporate income.

Research data collection tool in the form of closed questionnaires and documentation used to see the number of purchases or transactions of companies that are revenue for the company under study. Data analysis using different Independent-Samples T-Test). The statistical measures used are Odds Ratio (OR) and 95% CI(Confidence Interval)

## **3. RESULT AND DISCUSSION**

The results of this research will present two main discussion about the effectiveness of business transformation strategy implementation and, hypothesis that there is difference of increase of company earnings on DOOH product (Digital Out Of Home) in PT Metra Digital Media before and after application of business transformation strategy.

Table 1. Level of Effectiveness of the Application of Business

Variabel	Voters Company				OR	95% CI
	Case (Directory)		Control (DOOH)			
	n	%	n	%		
<b>Product</b>						
Ineffective	5	22,7%	1	4,5%	6,17	0,657-58,031
Effective	17	77,3%	21	95,5%		
<b>Payment method</b>						
Ineffective	2	9,1%	1	4,5%	2,10	0,176-25,010
Effective	20	90,9%	21	95,5%		
<b>Viewing Period</b>						
Ineffective	14	63,6%	13	59,1%	1,21	0,359-4,084
Effective	8	36,4%	9	40,9%		
<b>Service &amp; Sales</b>						
Ineffective	13	59,1%	4	18,2%	6,50	1,640-25,759
Effective	9	40,9%	16	81,8%		
<b>Popularitas</b>						
Ineffective	10	45,5%	11	50,0%	0,83	0,255-2,724
Effective	12	54,5%	11	50,0%		
<b>Total</b>	<b>22</b>	<b>100%</b>	<b>22</b>	<b>100%</b>		

The product indicator is very important because the value of OR = 6.17 (95% CI 0.315 < OR <132.73) means DOOH product is more effective and is selected 6.17 times higher by consumers as a form of business transformation, indicator of payment method is very meaningful because the value of OR = 2.10 (95% CI 0.176 <OR <25.010) means DOOH product is more effective and chosen Service and sales indicators are also significant because the value of OR = 6.50 (95% CI 1.640 <OR <25,759) means DOOH products are more effective and selected 6.50 times higher by consumers as a form of business transformation, and popularity

2.10 times higher by consumer as a form of business transformation, correlation with delivery period, indicator of delivery period is not significant because the value of OR = 1.21 (95% CI 0.359 <OR <4,084) means directory product more effective and selected equal to 1.21 times higher by consumers as being resisting business transformation.

Indicator is not significant because the value of OR = 0.83 (95% CI 0.255 <OR <2.724) means Directory products are more effective and selected by 0.83 times higher by consumers as those that resist business transformation.

Table 2. Comparison of Company Revenues

Cases (Directory)				Control (DOOH)			
No	Company	Specialy	Venue	No	Company	Specialy	Venue
1	Aneka Pompa Teknik Perkasa PT	Pumps	15.463.200	1	Pancaputra Satriawibawa PT	Lubricants	26.455.200
2	Asia Repro CV	Printing Equipment	11.484.000	2	Perkasa Teknik Utama CV	Tools	14.179.200
3	Bintang Chromindo	Chrome	21.556.920	3	Rajawali Permai Perkasa CV	Building Materials	12.528.000
4	Creatif Technologies	Copying Machines	5.122.440	4	Sakura Makmur Wijaya PT	Supermarkets	16.279.200
5	Davindo Eka Surya PT	Plastics - Products	12.734.400	5	Sariton Jaya CV	Building Materials	15.066.000
6	Delta Jaya Mas PT	Hose	7.404.480	6	Sekawan Cosmetics	Cosmetics - Distributors	32.616.000
7	Fit International Tailor	Tailors	14.677.200	7	Surya Indah Perkasa CV	Pumps	35.357.400
8	Gaseka PT	Hose	72.999.000	8	Tanjung Baru UD	Packaging Service	14.553.600
9	GBT Laras Imbang	Tyre Equipment	4.111.560	9	Trijaya Anugrah Bina Steel PT	Stainless	18.904.080
10	Gemilang Utama Koneksindo PT	Filters - Air &	28.344.000	10	Wijaya Panca Sentosa Food PT	Food Products	14.061.600
11	Gorent Scaffolding	Scaffolding	14.664.240	11	Creatif Technologies	Copyings	11.136.000
12	House Of Indogress	Building Materials	27.996.000	12	Suryatama Mega Cemerlang PT	Plastics	18.079.200
13	Inosoco Surya Pratama PT	Lubricants	11.832.000	13	Central Diesel PT	Generators	41.082.600
14	Iso Elektra PT	Generators -	20.246.400	14	Centralteknindo Abadiperkasa PT	Chains	11.353.680
15	Jatiwuni Persada CV	Contractors -	7.987.200	15	Kalimas PT	Transport	36.731.880
16	Makassar Mega Prima PT	Furniture Manufacturers	15.594.600	16	Lomax PT	Packaging Service	35.540.400
17	Megatitain Nusantara PT	Transport - Cargo	15.645.120	17	Telekomunikasi Selular PT	Cellular - Services	46.855.200
18	Metro Interior Decoration	Wallpapers	12.734.400	18	Central Diesel PT	Generators	126.940.320
19	Multi Mas CV	Beltin - Mechanical	21.836.880	19	Kalimas PT	Transport - Cargo	56.210.760
20	Multi Perkasa CV	Contractors - General	13.991.280	20	Lomax PT	Packaging Service	75.240.000
21	Ngagel Jaya Konstruksi Baja	Contractors - General	12.528.000	21	Telekomunikasi Selular PT	Telecommunication	24.948.000
22	Niaga Teknik	Hardware - Retail	22.396.800	22	Bimasakti Multiwealth	Electronic Payment	90.240.000
<b>Total</b>			<b>391.350.120</b>	<b>Total</b>			<b>774.358.320</b>
<b>Mean</b>			<b>17.788.642</b>	<b>Mean</b>			<b>35.198.105</b>

Average earnings of the company before doing business transformation (Directory customers) reached Rp.17.788.642 while the revenue of the company after doing business

transformation (customer DOOH) reached Rp. 35.198.105, and t-test results using SPSS analysis can be show in table 3.

Tabel 3. Independent Samples Test Results

		Levene's Test for Equality of Variances				t-Test for Equality of Means			
		F	Sig.	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
						Lower	Upper		
Pencapaian	Effectiveness of business transformation	0,288	,616	22	,616	-1741,67	6836013,001	-3744,67	1412024,576
	Effectiveness of business transformation		,288	22	,016	-1741,67	6836013,001	-3744,67	1412024,576

The test result is obtained  $p = 0,016$  ( $\text{sig} < 0,05$ ) this assumption shows that the research hypothesis H1 accepted and reject H0, there is difference to increase of company earnings in product DOOH (Digital Out Of Home) at PT Metra Digital Media before and after application business transformation strategy.

**4. CONCLUSION**

Based on data analysis, the research entitled Increasing Revenue Company On Products DOOH (Digital Out Of Home) at PT. Metra Digital Media can be summarized as follows:

1. Effectiveness of the implementation of business transformation strategy applies to product indicator, method of payment, service and sales because the OR value is higher in the company that choose DOOH while the ineffective one is chosen is the indicator of the period of viewing and the popularity
2. There is a difference between increase of company's revenue on DOOH product at PT Metra Digital Media before and after the implementation of business transformation strategy proved by  $p = 0,016$  ( $\text{sig} < 0,05$ )

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