

**RESTORING MARKET SHARE AND BRAND RELEVANCE
OF PT XYZ IN THE CROP PROTECTION MARKET:
STRATEGIC RECOMMENDATIONS**



THESIS

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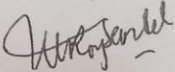
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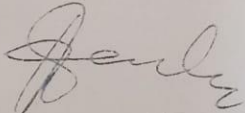
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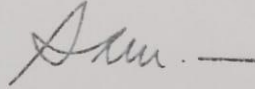
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This Thesis is a presentation of our original research work. Wherever contribution of others are involved, every effort is made to indicate this clearly, with due reference to the literature, and acknowledgement of collaborative research and discussions.

Also, this work is being submitted in partial fulfillment of the requirements for the Master of Business Administration degree and has not previously been accepted in substance for any degree and is not being concurrently submitted in candidature for any degree.

Jakarta, Agustus 2026



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ABSTRACT

PT XYZ is a global crop protection company whose flagship shallot fungicide, coded here as Product A, competes in an Indonesian crop protection market that grows globally over the long term yet is increasingly commoditized by low-cost generic competition. The company faces two key challenges: declining market share, with share falling 0.51 percentage points from 2.51 percent in 2022 to 2.00 percent in 2023 while sales declined 27 percent; and eroding brand relevance, as generics with the same active ingredients narrow differentiation and attract price-sensitive farmers. The project aims to recommend strategies that strengthen the brand against generics and reposition it around farmers' needs, delivering an actionable strategic roadmap. It applies a qualitative case study, using semi-structured interviews with the marketing and sales leaders and secondary data, namely a 2022 value proposition study, market-share records for 2018 to 2023, and the company profile, analyzed through Porter's Five Forces, PESTLE, Gap, SWOT, and TOWS, over a nine-week timeline. Its deliverables comprise the market and industry analysis, problem diagnostics, framework outputs, and a final recommendations report. The results show that the brand can regain market share not by matching generic prices but by converting its functional trust into loyalty, assured availability, and value-based selling, and can be repositioned from product supplier to farming partner attuned to farmers' needs and values. It recommends, for the organization, repositioning as a farming partner with a loyalty program; for the industry, leading on stewardship and education; for the business, value-based selling and assured availability; and for the customer, advisory support and reliability.

Keywords: *Market Share, Brand Relevance, Crop Protection, Competitive Strategy, Brand Repositioning*

CHAPTER I

INTRODUCTION

1.1 Industry Background

The crop protection market is a component of current agriculture since it enables farmers to safeguard their crops from pests, diseases, and weeds through the use of chemical and biological control products. With the population of the world on the rise and pressures on food still increasing with it, farmers are compelled to produce as much as they can, and that is when crop protection steps in. Crop stress is also on the rise through climate change, so crops are becoming increasingly stressed due to insects, and there is a greater call for strong and effective treatments. According to Deutsch (2018), there has also been a move in recent years towards more environmentally friendly methods, such as precision farming and integrated pest management (IPM), that is enabling farmers to utilize these products more responsibly and effectively. Climate change, in particular, is increasingly recognised as a material business factor for industry in Indonesia, presenting both threats and opportunities, as intensifying disease and pest pressure reshapes demand for crop protection (Sinaga and Sembel, 2024).

Table 1.1 Global Crop Protection Chemicals Market Overview

Metric	Value
2024 Market Size	USD 64.18 billion
2025 Market Size	USD 67.18 billion
2032 Forecast Market Size	USD 97.01 billion
CAGR (2025-2032)	5.39%
Dominant Region (2024)	Asia Pacific - 29.15% market share
Key Product Category	Herbicides
Leading Crop Type	Cereals
Dominant Source Type	Synthetic Chemicals
Fast-Growing Application	Seed Treatment

Source: Fortune Business Insights

The market value was USD 64.18 billion in 2024 and will be USD 67.18 billion in 2025. The market will increase exponentially in the future years to USD 97.01 billion by 2032. The growth is a CAGR of 5.39% from 2025-2032, as the industry growth and demand are being sustained. Asia Pacific is a regional market leader of the crop protection chemicals market with an impressive 29.15% market share in 2024. The reasons are humongous agricultural activity and consumption of crop protection chemicals in massive amounts as the two major reasons. Based on the product type, herbicides are dominating the market as they excel as a weed growth inhibitor as well as for cultivating the culture of crops.

Of all the different crop groups, cereals are the largest target sector of crop protection activity owing to their highest contribution towards food security in the world and the largest cultivation levels.

Chemical sources' synthetic history is still the option, with standard process and cost. Additionally, seed treatment also proved a highly exceptional pathway of application for the rest, its reason being cost and protection from crops early. Altogether, these statistics by Fortune Business Insights at present are among the prevailing trends shaping the market at this time for crop protection chemicals as well as throughout the span of the coming decade.

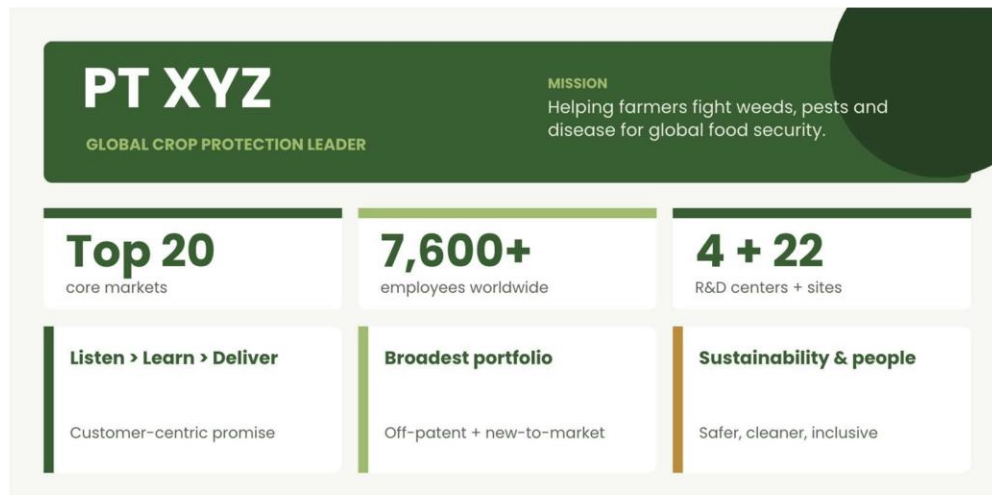
1.2 Company Background

PT XYZ is a major player in the global crop protection sector, with a primary mission to assist farmers in managing weeds, pests, and disease to bolster agricultural productivity and food security. The company's operational model is built on integrating localized research with manufacturing capabilities, allowing it to move beyond generic offerings to address the specific ecological and economic challenges faced by farmers in different markets. This approach is anchored in a "Listen > Learn > Deliver" framework, which shifts the focus from simply selling products to actively listening to farmer pain points to create innovative, actionable solutions.

In response to the dual pressures of climate change and a growing global demand for healthy, safe, and affordable food, PT XYZ has cultivated one of the most comprehensive crop protection portfolios in the industry. By blending

established off-patent technologies with newer, market-ready innovations, the company is able to satisfy a wide array of versatile customer requirements. Furthermore, by collaborating with various technology suppliers in the agribusiness space, PT XYZ continuously supplements its offerings to ensure maximum crop yields while minimizing health and environmental risks.

Figure 1.1 PT XYZ Company Profile at a Glance



Source: Author, reprocessed from PT XYZ company profile (2026)

Figure 1.1 provides a concise overview of the company's identity, scale, and core operational principles. In addition to agrichemicals, PT XYZ also produces consumer and professional hygiene products for public place security, non-agrochemical living products such as nutrition supplements and industrial products. PT XYZ is very committed to sustainability, and it works hard to reduce its footprint on the world by developing safer and cleaner products and improving its production processes based on the earth's environmental standard. PT XYZ also promotes a diverse and inclusive workplace, with a focus on people's development and welfare and making a positive impact in the societies where it operates. PT XYZ strives to build a better future for farmers, employees, and society.

Figure 1.2 PT XYZ Product Portfolio across Three Businesses



Source: Author, reprocessed from PT XYZ company profile (2026)

Figure 1.2 provides a clear overview of PT XYZ’s product portfolio, which is thoughtfully structured into three distinct yet interconnected business lines. By categorizing its offerings this way, the company demonstrates a strategic commitment to diversification, balancing its traditional foundations with new opportunities that span both industrial and consumer sectors.

The cornerstone of the company’s operations is the Crop Protection business line. This core segment focuses on delivering both off-patent products and innovative, market-ready solutions. The overarching objective here is to help farmers optimize their crop yields while actively mitigating the risks associated with daily agricultural operations.

Beyond its agricultural roots, the company has expanded into Hygiene Products, serving both professional and consumer markets. This division reflects a shift toward addressing broader public health and safety needs. By moving into this space, PT XYZ effectively extends its reach beyond conventional agrichemicals, strengthening its overall market presence.

Finally, the Living Products segment rounds out the portfolio by focusing on non-agrochemical solutions. This line enhances the company’s breadth by providing nutritional supplements and essential industrial products. Together, these three segments create a balanced, resilient portfolio designed to meet a wide array of lifestyle and industrial requirements.

1.3 Problem Background

PT XYZ competes in an Indonesian crop protection market that continues to expand globally over the long term but contracted locally in 2023. Against that background, the company's position weakened on two measurable fronts.

The first is a decline in market share and sales. The company's share of the Indonesian crop protection market peaked at 2.51 percent in 2022 and fell to 2.00 percent in 2023, a decline of 0.51 percentage points, or approximately twenty percent in relative terms. Over the same period the company's sales fell by 27 percent, from USD 15.59 million to USD 11.42 million, while Product A, the flagship shallot fungicide, declined by 40 percent from its 2021 peak. The wider market contracted by 8 percent in the same year, so the company's decline was considerably steeper than the movement of the market itself, which indicates a competitive component rather than a purely cyclical one.

The second is a risk of erosion in brand relevance. Product A retains substantial equity. It records the highest purchase intent in its segment at 82 percent and is still perceived by growers as offering good value. The concern is therefore not that the brand has lost relevance, but that the basis of its differentiation is narrowing. Competing products built on the same active ingredient have reduced the distinctiveness of technical performance, and the brand's communication has leaned heavily on efficacy data while building comparatively little emotional or relational equity. In a price-sensitive market, this leaves the brand exposed to churn among the middle segment of growers whenever the price gap widens.

Three further conditions compound this exposure. Price-driven churn recurs whenever prices rise, and a portion of the customer base does not return. Stock-outs at the retail level transfer sales to substitutes, and growers who switch under those circumstances frequently continue with the substitute afterwards. And the brand's strength is concentrated in the wet season, when disease pressure on shallot is at its highest, which narrows the window in which its advantage holds. The project addresses the following questions:

1. How can the brand regain market share amid increasing competition from low-cost generics?

2. How can the brand be repositioned to better connect with farmers' needs and values?

1.4 Project Objectives

1. To provide strategic recommendations to strengthen the brand's competitiveness against low-cost generics and recover market share.
2. To provide strategic recommendations to reposition the brand so it becomes more relevant and better aligned with farmers' needs and values.

1.5 Scope and Unit of Analysis

This project takes PT XYZ Indonesia as its unit of analysis and examines the recovery of the company's market share through the performance and positioning of its flagship product. The market share figures reported throughout, including the decline from 2.51 percent in 2022 to 2.00 percent in 2023, refer to the company's share of the Indonesian crop protection market as a whole.

Product A, the flagship shallot fungicide, is treated as the principal lever for that recovery rather than as a separate unit of analysis. It is the company's leading product, it accounts for the steepest individual decline in the period examined, at 40 percent from its 2021 peak, and it is the product against which the low-cost generic challenger competes most directly. Where competitor and brand funnel data are presented at the level of the shallot fungicide segment, they are used as evidence about the competitive dynamics facing Product A. Conclusions drawn at that level are extended to the company only where the analysis makes the connection explicit.

CHAPTER II

PROJECT DESCRIPTION

2.1 Relevant Theory: Commitment-Trust Theory

One theory that explains the development and maintenance of long-term business relationships is the Commitment-Trust Theory. According to this theory, trust and commitment are key factors that can enhance consumer loyalty, teamwork, and sustained interactions between businesses and their customers. The theory focuses specifically on these two elements, trust and commitment, as the primary foundations of successful relational exchanges. (Morgan & Hunt, 1994)

Trust refers to the belief in an Organisation's reliability, integrity, and concern for its customers. In the context of a company like PT XYZ, trust would involve farmers believing in the safety, effectiveness, and quality of the crop protection products provided. Customers with high trust perceive that the company will support them in case of any loss or issue, whereas a lack of trust may cause consumers to consider alternatives or switch providers.

Commitment, on the other hand, goes beyond a one-time purchase; it reflects a long-term dedication to a company despite having the option to move elsewhere. For PT XYZ, this commitment would mean that farmers remain loyal due to consistent product performance, quality service, or competitive pricing that meets their needs over time. Trust and commitment are reinforced by open communication, shared values, and tangible benefits, but they can be severely weakened by broken promises or poor service, which may lead to customer attrition, particularly in sectors like agriculture where product reliability is critical. The link between trust and behavioural intention has likewise been observed in Indonesian settings, where trust mediates the path from perception to intention (Soeta, Malau, & Sembel, 2023), reinforcing the central role of trust in sustaining customer relationships.

The Commitment-Trust Theory of Relationship Marketing was applied in this study in two ways rather than as background alone. In the analysis of the interview material, trust and commitment served as sensitising concepts during coding: statements were examined for evidence of trust, meaning the grower's confidence in the reliability of the product and of the person recommending it, and

for evidence of commitment, meaning the grower's willingness to sustain the relationship when a cheaper alternative was available. The finding that a loyal core exists alongside a large price-sensitive middle segment reflects precisely this distinction, since the core displays both trust and commitment while the middle segment displays trust without commitment. In the recommendations, the same distinction determines the design of the response: performance and replant assurance are directed at reinforcing trust, while the loyalty program and season-long engagement are directed at converting trust into commitment.

2.2 Product Overview

To maintain commercial confidentiality, the company is referred to as PT XYZ, while its two largest products are identified as Product A and Product B. As the company's two largest revenue contributors, these products provide the business context for this study. However, the analysis primarily focuses on Product A because it is directly associated with the declining market share and brand relevance issues examined in this research.

Table 2.1 Product A Overview

Aspect	Description
Product Category	Fungicide
Active Ingredients	Propiconazole + Prochloraz
Main Crop	Shallot
Target Diseases	Fusarium and Late Blight
Market Position	Premium
Strategic Role	Flagship product and largest revenue contributor

Table 2.1 presents an overview of Product A, the flagship fungicide of PT XYZ and the company's largest contributor to revenue. The product is formulated with the active ingredients propiconazole and prochloraz, providing protective, curative, and eradicated control against a range of fungal diseases. Although registered for several crops, Product A is primarily recognised in the shallot segment, where disease management plays a critical role in maintaining crop productivity.

The product performs particularly well during the rainy season, when high humidity increases the incidence of fungal diseases such as *Fusarium* and late blight. Under these conditions, farmers require reliable crop protection products that consistently deliver effective disease control. Through its established field performance, Product A has developed a strong reputation among farmers as a dependable solution for disease management.

Beyond its technical performance, Product A occupies a premium position within the market. Rather than competing primarily on price, the product differentiates itself through perceived quality, efficacy, and reliability. According to the company's internal value proposition study, Product A also demonstrates high brand awareness and the highest purchase intention among competing brands, indicating that it has historically maintained a strong market position despite its premium pricing.

The strategic importance of Product A extends beyond its commercial contribution. As the company's flagship brand and largest source of revenue, any decline in its performance has a substantial impact on the overall business. Consequently, Product A provides the most appropriate context for examining the competitive pressures, declining market share, and weakening brand relevance discussed in the following sections.

Table 2.2 Product B Overview

Aspect	Description
Product Category	Herbicide
Main Crops	Multiple crops including shallot
Market Position	Established brand
Strategic Role	Second-largest revenue contributor

Table 2.2 presents an overview of Product B, the second-largest product within PT XYZ's portfolio. Unlike Product A, which is positioned in the fungicide segment, Product B is a selective herbicide used across multiple crops to control weed growth. Its broad application allows the product to contribute consistently to the company's overall sales performance.

Although Product B represents an important commercial asset, it differs from Product A in terms of its strategic role within this study. The product is not the primary focus of the research because it is not currently associated with the key business issues of declining market share and reduced brand relevance identified by the company. Instead, Product B is presented to illustrate the composition of PT XYZ's product portfolio and to provide a broader understanding of the company's revenue base.

Including Product B also demonstrates that the challenges investigated in this study are product-specific rather than representative of the company's entire portfolio. While both products contribute significantly to business performance, Product A experiences stronger competitive pressure from lower-priced generic alternatives. Therefore, the subsequent analysis concentrates on Product A as the principal unit of analysis for identifying the causes of market share decline and developing strategic recommendations.

2.3 Market Share Decline

Loss of market share is said to occur when an Organisation faces the challenge of having a declining relative proportion of total sales compared to competitors in the market. This may result from increased levels of competitiveness, change in consumer preferences, as well as the development of substitute products with the capability to meet customer demands and sell for much cheaper prices compared to before. In markets where farmers, for whose major concern value and utility are key, such as in the agricultural market, the process of shifting from the most trustworthy brands to the cheaper brands will be made easy by the availability chain. (Williams, 2007)

The potential financial risk which could arise due to the declining market share is serious and may result in a decrease in revenues, less brand exposure, and eventually an impact on the bargaining power position. This will conclude with an adverse impact on the profitability of the business and will eventually generate a situation where marketing investments could become tough. This kind of situation demands the formulation of techniques for better positioning. More broadly, sustained deterioration in a firm's performance of this kind can ultimately erode its firm value (Malau & Agustina, 2023).

To protect commercial confidentiality, this study refers to the company as PT XYZ, to its flagship product as Product A, and to its second-largest product as Product B. Product A is a systemic shallot fungicide and the company's leading product in that segment, valued by farmers for its proven control of the key fungal diseases, Fusarium and late blight, that threaten the shallot harvest during the wet season. Product B is a selective herbicide that ranks as the company's second-largest product by sales. The analysis that follows centres on Product A, whose recent performance most clearly illustrates the market-share and brand-relevance pressures examined in this study.

The company's internal sales and market records for 2018 to 2023 confirm this pressure quantitatively. Between 2018 and 2022 the brand steadily strengthened its position, and its share of its addressable market rose from 2.43 percent to a peak of 2.51 percent, driven largely by the rapid growth of Product A, whose sales more than tripled. In 2023, however, this reversed sharply: total sales fell by 27 percent,

from USD 15.59 million to USD 11.42 million, and market share dropped from 2.51 percent to 2.00 percent, a relative decline of roughly one fifth in a single year, concentrated in Product A, whose sales fell 40 percent from their 2021 peak. Critically, this decline outpaced the market itself, which contracted by only 8 percent that year, so the brand lost ground not merely alongside a softening market but relative to it.

This phenomenon is directly observable in PT XYZ's own market position. Field-level data on Product A reveals that market share is increasingly under pressure from low-cost generic competitors entering with similar active ingredients but lower prices. A new competitor offering a price-driven proposition has emerged as a direct challenger, with retailers noting that its efficacy is perceived as nearly comparable to PT XYZ's established product while being considerably cheaper. The company's field force similarly observed that price increases tend to trigger customer churn, both temporary and long-term, and that farmers frequently switch to less expensive brands once disease pressure subsides. This confirms the theoretical concern that in value-sensitive agricultural markets, the availability of cheaper substitutes makes the shift away from trusted brands relatively easy.

A further structural vulnerability lies in the seasonal dependence of demand. The company's flagship product leads usage during the wet season, when fungal disease pressure is high, but consumption drops sharply in the dry season as competing products take the lead. This narrow window of dominance, combined with the risk of substitution when the product is out of stock at the retail level, exposes the brand to gradual erosion of its relative sales position. The brand funnel data below illustrate that while the product maintains strong awareness and intent-to-buy, a lower-priced challenger is establishing a consistent, if currently small, foothold across the funnel.

Table 2.3 Competitive Brand Funnel Selected Shallot Fungicides

Brand	Brand Awareness (%)	Ever Used (%)	Used This Season (%)	Intent to Buy (%)
Market leader (incumbent)	96	90	85	81
PT XYZ product	85	85	85	82
Established competitor A	66	65	63	59
Established competitor B	62	60	56	54
Low-cost generic challenger	13	13	13	13

Source: Internal Company Data (reprocessed in Excel)

Table 2.3 illustrates that although PT XYZ's product maintains strong performance across the entire brand funnel, second only to the market leader and even slightly ahead in intent to buy (82%), a low-cost generic challenger has already established a consistent presence at every stage of the funnel. While its current share is small (13% across all stages), the uniformity of these figures indicates that the challenger is converting awareness directly into purchase intent without significant drop-off, signaling an emerging competitive threat to PT XYZ's relative market position.

2.4 Brand Relevance Erosion Risk

Brand relevance erosion refers to a process in which a brand progressively loses its ability to occupy a meaningful position in the minds of its target customers, particularly when it fails to respond to evolving needs, preferences, and value expectations. According to Keller and Swaminathan (2020), a brand sustains its relevance only when it remains strongly and favorably positioned in the customer's mind; once it fails to keep pace with shifting needs and competitive offerings, its equity erodes and it risks becoming irrelevant. A brand may have been considered important or even dominant at a certain point in time; however, its relevance can

diminish when it does not adapt to changes in the market environment or shifts in customer behavior. In increasingly dynamic and competitive industries, customers continuously reassess available options, comparing not only product performance but also perceived value, trustworthiness, and alignment with their specific needs. As a result, brands that fail to evolve risk being replaced by competitors that offer more relevant, accessible, or cost-effective solutions. (Landgraf et al., 2026)

In the context of agriculture, the risk of brand relevance erosion becomes even more critical due to the unique characteristics of farmer decision-making. Farmers typically adopt a highly rational and risk-averse approach when evaluating agricultural inputs, such as crop protection products. Their decisions are largely driven by practical considerations, including product effectiveness, consistency of results, cost efficiency, and the ability to minimize production risks. Even so, decision-making under uncertainty is not always fully rational and can be shaped by behavioural factors (Trinugroho & Sembel, 2011). Therefore, a brand must clearly communicate its value and demonstrate its reliability in addressing these needs. If a brand fails to convey a strong and relevant value proposition, farmers are less likely to consider it in their decision-making process, regardless of its past reputation or market presence.

Furthermore, relevance erosion is closely associated with a weakening of customer connection, trust, and loyalty. When a brand is unable to establish a clear and meaningful relationship with its customers, it gradually loses its influence over their perceptions and behaviors. Customers may perceive the brand as outdated, indistinct, or no longer aligned with their priorities. This lack of connection reduces engagement levels and diminishes the brand's ability to differentiate itself from competitors. In such situations, even minor advantages offered by competing products, such as lower price or easier accessibility, can significantly shift customer preference away from the brand.

The consequences of brand irrelevance are reflected in several negative outcomes for the company. These include a reduced level of customer interaction, declining sales performance, and a weakening influence on purchasing decisions. Over time, this can lead to erosion of market share and a loss of competitive positioning within the industry. Therefore, it is essential for brands to continuously

adapt to changing customer demands by maintaining a strong and relevant value proposition. This involves not only delivering functional benefits but also establishing a clear connection with customer needs, expectations, and values in order to sustain long-term relevance and competitiveness.

This phenomenon is increasingly relevant in the case of PT XYZ, which operates in the global crop protection industry characterized by intense competition and growing commoditization. While PT XYZ has historically built its presence through a broad portfolio of off-patent crop protection solutions, the market landscape has shifted significantly with the rapid expansion of low-cost generic competitors. A key driver of this risk is the entry of multiple brands sharing the same active ingredients as PT XYZ's products, which makes differentiation based purely on functional performance increasingly difficult. When several products deliver comparable technical results at more competitive prices, the brand must justify its value through factors beyond efficacy alone, and differentiation through branding, trust, and customer relevance becomes increasingly critical.

Evidence from PT XYZ's internal market study reinforces this concern. Farmers were observed to complain about rising prices and to readily select cheaper alternatives once disease severity declined, indicating that brand familiarity and proven performance alone do not guarantee continued preference. The company's own field force characterized its flagship product as a relatively expensive brand with limited promotional engagement, suggesting that the brand has relied heavily on functional benefits while underinvesting in the emotional and relational connection that sustains long-term relevance. A customer value analysis further cautioned that the emerging low-cost competitor would gain market share as its communication and perceived value improved, or if it reduced its price further, placing PT XYZ at risk of being perceived as interchangeable with cheaper substitutes.

The study also indicated that communication and persuasion are influenced more strongly by emotional value than by technical value. As farmers become more price-sensitive and outcome-driven, they are more likely to prioritize immediate economic value and proven effectiveness over brand familiarity alone, leaving PT XYZ's predominantly functional positioning exposed to relevance erosion among

its core customer base. If PT XYZ is unable to clearly communicate how its products address farmers' specific needs, such as improving yield reliability, reducing risk, or enhancing cost efficiency, the brand risks being perceived as interchangeable with generic alternatives, weakening its customer relationships and losing the differentiation needed to sustain loyalty over time.

Table 2.4 Perceived Value Positioning PT XYZ Product vs. Competitors

Brand	Perceived Price Positioning	Perceived Value of Offer	Strategic Risk
PT XYZ product	High	Good value	Premium price vulnerable if competitor value perception rises
Low-cost generic challenger	Average	Currently overpriced, improving	Will gain share as communication/value improves or price drops
Mid-tier competitor	Lower	Fair value	Steady substitution option
Very-low-price competitor	Very low	Good value	Attractive to price-sensitive churn segment

Source: Internal value proposition study (2022), reprocessed from customer value map.

Table 2.4 explains that PT XYZ's product, despite being positioned at a high price point, is still perceived by farmers as offering good value, indicating that its premium positioning remains justified for now. However, the table also highlights a clear strategic vulnerability: the low-cost generic challenger is expected to gain market share as its communication and perceived value improve, or if its price declines further. This positioning gap demonstrates how easily a brand built primarily on functional performance can drift toward irrelevance once competitors close the perceived-value gap at a lower price.

CHAPTER III

PLANNING AND IMPLEMENTATION PROJECT

3.1 Strategic Business Method

3.1.1 Porter 5 Forces

The Five Forces framework originates in Porter (1979) and was developed in full in *Competitive Strategy* (Porter, 1980). Its central argument is that an industry's profit potential is determined by its underlying economic structure rather than by the conduct of individual firms, the industry's growth rate, or its level of technology. Porter (2008) emphasises that competition for profits extends beyond direct rivals to four further participants: customers, suppliers, potential entrants, and substitute products. The collective strength of these five forces determines an industry's long-run profit potential by determining how the value it creates is divided among them, and the strongest force should anchor strategy formulation.



Figure 3.1 Porter's Five Forces Framework

Source: Porter (2008) (reprocessed in Slides)

Figure 3.1 illustrates Porter's Five Forces Framework, which explains the five competitive forces that collectively shape industry attractiveness and long-term profitability. The framework highlights how competitive rivalry, the threat of new entrants, the bargaining power of suppliers and buyers, and the threat of substitute products or services interact to influence the competitive environment and strategic decisions of firms.

The threat of new entrants arises when new firms can enter an industry and compete for market share, thereby increasing competitive pressure and limiting the profitability of incumbent firms. According to Porter (2008), the intensity of this threat depends primarily on the presence of entry barriers, including economies of

scale, product differentiation, capital requirements, switching costs, access to distribution channels, cost advantages, and government policies.

The bargaining power of suppliers reflects the ability of suppliers to influence industry profitability by increasing prices, reducing product or service quality, or imposing less favourable terms on buyers. Supplier power is generally stronger when suppliers are concentrated, provide differentiated inputs, face limited competition, or when switching suppliers involves significant costs (Porter, 2008).

The bargaining power of buyers represents customers' ability to negotiate lower prices, demand higher quality or improved services, and influence competitive conditions within an industry. Buyer power becomes stronger when buyers purchase large volumes, products are relatively undifferentiated, switching costs are low, or buyers possess the capability to integrate backward (Porter, 2008).

The threat of substitute products or services refers to the availability of alternative offerings that satisfy similar customer needs. This threat is greater when substitutes provide a favourable price–performance trade-off and customers can switch between alternatives at relatively low cost, thereby placing downward pressure on industry prices and profitability (Porter, 2008).

Rivalry among existing competitors describes the intensity of competition between firms operating within the same industry. Competitive rivalry is typically stronger when numerous firms compete for market share, industry growth is slow, products are weakly differentiated, fixed costs are high, and exit barriers are substantial. Under these conditions, firms are more likely to compete aggressively through pricing, marketing, product innovation, and service improvements, ultimately reducing industry profitability (Porter, 2008).

3.1.2 PESTLE Analysis

PESTLE analysis is a strategic tool used by businesses and Organisations to assess and understand the external factors that could impact their operations and decision-making. The acronym PESTLE stands for Political, Economic, Social, Technological, Legal, and Environmental factors. Each of these six components represents a distinct area of influence, offering valuable insights for Organisations to develop strategies, anticipate risks, and seize opportunities in a dynamic market environment. By examining these external factors, businesses can better navigate

the complexities of the marketplace and maintain competitive advantage. (Lapchuk and Dub, 2025)

Political factors refer to the influence of government policies, regulations, and political stability on an Organisation. These factors include government interventions such as taxation policies, trade restrictions, and labor laws, as well as the general political climate within a country. Political stability is crucial for businesses, as uncertainty or instability in government can disrupt supply chains, increase operational risks, and affect investor confidence. For example, a change in government policies regarding tariffs could affect the costs of importing goods, impacting the profitability of companies in international trade. Therefore, businesses need to stay informed about political changes to adjust their strategies accordingly. In Indonesia, for example, tax policy and the digital transformation of the tax system directly shape how firms operate and comply (Meita & Malau, 2022).

Economic factors encompass the economic environment in which a business operates. These factors include elements such as inflation rates, interest rates, unemployment levels, consumer spending habits, and overall economic growth or recession. Economic conditions significantly influence consumer purchasing power and demand for products and services. For instance, during periods of economic downturn, consumers may cut back on discretionary spending, leading to decreased sales for businesses. On the other hand, a robust economy can foster increased demand and encourage investment. Understanding economic trends enables businesses to make informed decisions regarding pricing, budgeting, and market expansion.

Social factors reflect the cultural, demographic, and societal influences that affect consumer behavior and business operations. These factors include population growth, age distribution, cultural norms, education levels, lifestyle changes, and social attitudes. For example, a growing awareness of health and wellness may drive demand for organic products, influencing businesses to adjust their offerings. Similarly, changing social attitudes towards environmental sustainability can push companies to adopt greener practices. By recognizing shifts in societal trends and consumer preferences, Organisations can tailor their products and marketing strategies to align with evolving social dynamics.

Technological factors pertain to the impact of technological advancements and innovation on businesses. These factors include the development of new technologies, automation, digital transformation, research and development, and the rate of technological change. Technological advancements can create new opportunities for businesses by enabling them to improve efficiency, reduce costs, and enhance customer experiences. However, rapid technological changes can also pose challenges, as companies must adapt to new technologies or risk becoming obsolete. For example, the rise of e-commerce and digital platforms has revolutionized the retail industry, compelling traditional brick-and-mortar stores to innovate and develop an online presence.

Legal factors involve the legal environment in which a business operates, including laws and regulations that govern its industry. This includes labor laws, consumer protection regulations, intellectual property laws, environmental regulations, and health and safety standards. Legal compliance is essential for businesses to avoid penalties, lawsuits, and reputational damage. For example, strict environmental laws may require companies to adopt sustainable practices, while consumer protection laws may demand transparency in product labeling. Understanding the legal framework helps businesses avoid legal risks and ensures they operate within the boundaries set by the authorities.

Environmental factors refer to the ecological and environmental conditions that affect business operations. These factors include climate change, environmental sustainability, natural resource availability, and the overall ecological impact of business activities. With growing awareness of environmental issues, businesses are increasingly expected to adopt sustainable practices, reduce waste, and minimize their carbon footprint. For instance, companies in the manufacturing sector may need to invest in energy-efficient technologies or sustainable sourcing practices to comply with environmental regulations and meet consumer expectations. Environmental factors are especially significant in industries such as agriculture, energy, and tourism, where the business's impact on nature is direct and substantial. In the Indonesian context, environmental and sustainability performance increasingly carries material financial consequences for firms (Trisnowati, Achسانی, Sembel, & Andati, 2022).

3.1.3 Gap Analysis

Gap analysis is an extremely useful tool, which can actually be used by a business as a way of taking a step back, having a look at where it is, where it actually wants to be, and essentially finding where the ‘gap’ is. This is where it is not actually meeting its expectations, where it is underutilizing resources, or where it is actually not necessarily doing something as efficiently as possible (Shabdin et al., 2024). By identifying where the gap is, a business is not only identifying problems, it is actually identifying where it can actually put its efforts, where every move it makes actually brings it one step closer towards its end goals.

In the present ever-changing and competitive world, it can prove risky to ignore these factors.

The change is constantly taking place in the market and the demands of the consumer are shifting every day, and other companies are actively working on new things and remaining one step ahead in the competition. The entities that neglect the identification of areas where their Organisation is lagging will likely get left behind and will not live up to their efforts, and those that identify them and work on them are able to change and develop and, on many occasions, discover new areas of development (Raji and Lawal, 2022).

3.1.4 SWOT Analysis

SWOT analysis is one of the most preferred tools in the process of analyzing the overall health status being enjoyed by the Organisation. SWOT analysis takes a closer look at the inside workings of the Organisation in the form of identifying its strengths and weaknesses. Apart from that, it takes note of the external factors too, comprising the threats and opportunities that the Organisation may have (Mardiyana et al., 2022). This helps the Organisation take a closer look at itself and its strengths and weaknesses.

The strength in SWOT analysis lies in its ability to connect the dots between the internal and external aspects. With a clearer understanding regarding the external environment, corporations or entities are able to make informed decisions to leverage opportunities and get ready for any looming threats (Indrawanto et al.,

2021). In doing so, the formulation of strategies will no longer rely solely on the internal aspects, but on both the internal and external aspects as well.

Table 3.1 SWOT Analysis

Internal	Strengths	Weaknesses
	Internal elements that enable an Organisation to outperform its competitors.	Internal factors that weaken the Organisation's position relative to its competitors.
External	Opportunities	Threats
	External conditions that the Organisation can leverage to its benefit.	External factors that may negatively impact the Organisation's performance or success.
	Positive	Negative

Source: Decision Aid Publishing (2019) reprocessed in Excel

Table 3.1 explains the four key dimensions of the SWOT analysis framework, which is used to evaluate both the internal and external factors that influence an Organisation's strategic position. The framework categorizes these factors into strengths, weaknesses, opportunities, and threats, allowing Organisations to gain a comprehensive understanding of their current situation before formulating appropriate strategies.

As presented in Table 3.1, strengths and weaknesses represent the internal dimension of the analysis. Strengths refer to the Organisation's internal capabilities, resources, or competencies that provide a competitive advantage and enable it to perform better than its competitors. In contrast, weaknesses are internal limitations or deficiencies that reduce the Organisation's ability to compete effectively and achieve its objectives. Identifying these internal factors helps Organisations recognize the areas that should be maintained, strengthened, or improved.

The external dimension consists of opportunities and threats. Opportunities are favorable external conditions or market developments that the Organisation can utilize to enhance its competitive position, expand its business, or create additional value. On the other hand, threats are external factors that may negatively affect the Organisation's performance, such as increasing competition, changing customer

preferences, regulatory changes, or economic uncertainty. Since these factors originate outside the Organisation's control, they require continuous monitoring and strategic responses to minimize potential risks.

3.1.5 TOWS Matrix

TOWS Matrix is an important and effective strategic management tool that employs the results of SWOT analysis and further develops them by using them as guidelines. Even though SWOT analysis helps identify an Organisation's internal strengths and weaknesses and potential threats and opportunities, TOWS Matrix analysis is an advanced process that goes beyond mere identification by understanding how these are interlinked and influence each other (Mugo et al., 2022).

In fact, this makes it both a model of analysis and a planning bridge, whereby it connects diagnosis and planning by employing the results of SWOT analysis as a guideline in planning. To put it briefly, SWOT analysis can be termed as quick wins like 4CS analysis, but it's quite simple when it comes to analysis, especially when it involves identifying internal factors of an Organisation compared to 4CS analysis (Mugo et al., 2022)

The use of Gap Analysis, SWOT, and the TOWS Matrix to formulate strategic recommendations follows established practice in comparable Indonesian case studies; Sinuhaji et al. (2024) applied the same combination to develop strategic recommendations for a PT XYZ case in the mining and construction sector.



Figure 3.2 TOWS Matrix

Source: Rullian et al (2025) reprocessed in Slides

This tool categorizes these interactions into four quadrants: Strengths-Opportunities, Weaknesses-Opportunities, Strengths-Threats, and Weaknesses-Threats. This tool can be applied for the systematic planning of an Organisation for maximizing strengths and opportunities, minimizing weaknesses and leveraging opportunities, leveraging strengths and overcoming threats, and minimizing the weaknesses which might pose a threat to an Organisation. This TOWS Matrix tool is beneficial since the planning for the strategy of an Organisation is not carried out independently of the environmental context of the Organisation. This tool relates the factors inside and out of an Organisation, and there is clarity regarding the environmental context.

One of the most important advantages of the TOWS Matrix is its ability to make effective strategic orientations from abstract observations. In other words, the TOWS Matrix will assist Organisations in foreseeing how to make maximum use of potential, minimize threats, and use potential as and when desired according to strategic orientations. When it comes to strategic planning, the TOWS Matrix will assist Organisations to make strategic planning from a static process to a dynamic one and to survive and prosper in the market not only by surviving but by flourishing due to the strategic factors defined by effective strategic planning.

3.2 Source of Data

3.2.1 Primary Data

The collection of primary data is a critical and foundational stage in any research study, as it directly influences the accuracy, relevance, and usefulness of the findings (Kumar, 2024). Unlike secondary data, which are pre-existing and collected for other purposes, primary data are obtained firsthand from participants using methods such as interviews, questionnaires, focus groups, observations, and experiments. These methods allow researchers to gain detailed and specific insights that are tailored to the research objectives, providing information that is directly relevant to the questions being investigated. By collecting data directly from the source, researchers can better understand the behaviors, perceptions, and needs of the study population, which is especially valuable when addressing complex or context-specific research problems.

Despite its importance, gathering primary data involves several significant challenges and the process can be time-intensive, costly, and logistically demanding. Researchers must carefully design data collection instruments, screen and categorize participants, and replicate procedures consistently to ensure that the data are valid, reliable, and representative (Umoh et al., 2023; Kumar, 2024). Any lapse in planning or execution can lead to errors, inconsistencies, or even the collection of irrelevant information, which may compromise the study's overall quality. Therefore, meticulous preparation and adherence to established methodological practices are essential to mitigate these risks.

To address these challenges effectively, structured and ethical procedures are crucial throughout the primary data collection process. Careful preparation is necessary to ensure that the data collection process is conducted systematically and consistently across participants. This includes clearly defining the data collection objectives, selecting appropriate participants, preparing suitable data collection instruments, and ensuring that the procedures are applied consistently throughout the research process. Well-organized procedures can help minimize confusion, reduce errors and inconsistencies, and ensure that the information collected remains relevant to the research objectives (Umoh et al., 2023). In addition, maintaining appropriate ethical standards is important to ensure that participants are treated

responsibly and that the data collection process is conducted with due consideration of research integrity. Methodological rigor and ethical practices therefore contribute to the overall quality and credibility of the collected data. By carefully planning and executing the primary data collection process, researchers can obtain more reliable and relevant information that provides a stronger foundation for subsequent analysis. This, in turn, enables the findings to be more closely aligned with the research objectives and supports the development of meaningful, evidence-based recommendations.

3.2.1.1 Informants (Stakeholders)

Table 3.2 Informants of PT XYZ

Name	Summarized Experience / CV	Current Position	Current Job Description
SB	● 2018-Present: Head of Marketing, PT XYZ Indonesia ● 2010-2018: Campaign Lead (Seed Indonesia), Syngenta ● 2006-2010: Assistant Superintendent, Royal Jakarta Golf Course	Head of Marketing PT XYZ Indonesia	● Develop and manage country business strategy ● Lead planning and execution of marketing campaigns (seed & crop protection) ● Oversee regional campaign implementation across Indonesia
S	● 2017-Present: Head of Sales, PT XYZ Indonesia ● 2000-2017: Commercial Area Head, Syngenta ● 1997-2000: Product Promoter, Zeneca Agri Product	Head of Sales	● Manage sales budget and sales team ● Build and maintain relationships with nationwide distribution channels ● Oversee sales operations across Indonesia ● Drive demand generation through field activities and grower engagement

Source: Internal Data PT XYZ

Table 3.2 presents the profiles of the key informants selected for this study, namely SB and S, who currently hold strategic leadership roles at PT XYZ. These informants were purposely selected due to their direct ownership and spearheading of the strategic initiatives currently being conducted at PT XYZ. Rather than acting as passive observers, they are the primary architects behind this project, which

specifically targets the market share and brand relevance challenges faced by the company. Choosing them ensures that the research captures the precise operational logic, real-time insights, and strategic directions directly from the leadership executing the initiative.

SB currently serves as the Head of Marketing at PT XYZ Indonesia, a position held since 2018. Prior to this role, SB worked at Syngenta as Campaign Lead for Seed Indonesia from 2010 to 2018, where he was responsible for planning and executing marketing campaigns. Earlier in his career, SB held the position of Assistant Superintendent at Royal Jakarta Golf Course from 2006 to 2010. In his current role, SB is responsible for developing and managing the country's business strategy, leading the planning and execution of marketing campaigns for both seed and crop protection products, and overseeing the implementation of campaigns across regions in Indonesia.

S currently holds the position of Head of Sales at PT XYZ Indonesia, a role he has occupied since 2017. He brings over two decades of experience in the agricultural industry, having previously served as Commercial Area Head at Syngenta from 2000 to 2017, where he managed crop protection and seed business operations in Eastern Indonesia. He began his career as a Product Promoter at Zeneca Agri Product from 1997 to 2000, focusing on generating awareness and demand through field activities. In his current capacity, S is responsible for managing the sales budget and sales team, building and maintaining relationships with distribution channels across Indonesia, overseeing nationwide sales operations, and driving demand generation through field engagement with growers.

3.2.2 Secondary Data

Secondary data refers to information that has already been collected, processed, and published by others for purposes other than the current research. (Kelly et al, 2024) Unlike primary data, which is gathered firsthand by the researcher, secondary data is pre-existing and can be obtained from a wide range of sources. These sources include academic journals, books, theses, government reports, industry publications, company records, and publicly available databases. Because secondary data has already been compiled, it can save researchers

significant time, effort, and financial resources, making it a practical starting point for most research projects. (Haile, 2025)

Secondary data plays a crucial role in providing background information and context for a study. For example, government statistics, census data, and economic reports can offer a broad understanding of demographic, social, or market trends that help frame the research problem. Similarly, previous studies, journal articles, and case reports can provide insights into methodologies, findings, and gaps in knowledge, guiding the design of new research. By analyzing secondary data, researchers can also identify patterns, trends, and relationships that inform the development of hypotheses and research questions for primary data collection.

Despite its usefulness, secondary data has certain limitations. Because it was collected for purposes other than the current study, it may not fully align with the specific objectives or context of the research. The quality, accuracy, and reliability of secondary data depend on the original data collection methods, the credibility of the source, and the timeliness of the information. Researchers must critically evaluate and cross-check secondary data to ensure that it is appropriate and relevant for their study. Nevertheless, when carefully selected and properly analyzed, secondary data provides a valuable foundation that complements primary data, reduces redundancy, and enhances the efficiency and depth of research findings.

3.3 Data Collection and Analysis Procedure

Two semi-structured interviews were conducted with senior leaders of PT XYZ Indonesia, namely the Head of Marketing, identified as Informant SB, and the Head of Sales, identified as Informant S. The interviews were conducted during the second week of the project in early July 2026 and lasted approximately 45 to 60 minutes each. An interview guide was prepared in advance and covered four main areas: current brand positioning, competitive pressure from low-cost generics, channel and product availability, and grower relationships. The semi-structured format allowed the researcher to ask follow-up questions when informants raised issues that were not fully anticipated in the interview guide.

With the informants' permission, the interviews were documented for analysis and reviewed for accuracy before coding. The transcripts were then

analysed thematically. The researcher first reviewed both interviews in full to become familiar with the data before applying open codes to statements related to competitive pressure, pricing, distribution, communication, and grower behaviour. Recurring codes were grouped into candidate themes and compared with secondary evidence from the 2022 value proposition study, brand funnel data, and sales and market share records. Four themes were retained because each was supported by both informants and corroborated by at least one secondary source: commoditisation of the active ingredient, dependence on technical communication, price-driven churn, and stock-outs combined with seasonality. These themes provide the basis for the findings presented in Chapter IV.

Both informants were informed of the academic purpose of the study and consented to participate and to the use of their responses. To protect commercial confidentiality, the company is identified as PT XYZ, products are referred to by code, and informants are identified by their roles and initials rather than their names. The researcher also recognised that professional involvement in the industry could introduce confirmation bias. To reduce this risk, the coding process was anchored to statements from the interviews, while diagnostic claims were cross-checked against documentary and quantitative evidence.

The credibility of the findings was assessed by comparing the two interviews for areas of convergence and divergence and by testing interview-derived claims against the available internal records. Claims supported by only one source were treated with greater caution in the analysis. However, because the sources concerning the company and its customers are internal, the findings have not been independently validated with growers, distributors, or retailers. Direct customer validation therefore remains an important area for further research.

3.4 Project Timeline

Table 3.3 Project Timeline

Week	Date (2026)	Key Activities	Details
1	29 Jun–5 Jul	Project Initiation & Planning	Project kickoff, scope definition, role definition, and project planning

2	6 Jul–12 Jul	Research & Data Collection	Collection of primary and secondary data, including interviews
3	13 Jul–19 Jul	Data Analysis & Insights	Analysis of collected data, identification of key findings, trends, and gaps
4	20 Jul–26 Jul	Strategy Development	Development and refinement of strategic options based on the analysis
5	27 Jul–2 Aug	Drafting Deliverables	Preparation of thesis/project draft and supporting presentation materials
6	3 Aug–9 Aug	Feedback & Revisions	Collection of feedback and revision of the draft and supporting materials
7	10 Aug–16 Aug	Finalization & Approval	Finalization of the project and completion of the approval process
8	17 Aug–23 Aug	Presentation Preparation	Preparation and refinement of presentation materials for the final defense
9	24 Aug–30 Aug	Defense & Handover	Final defense, presentation of findings, and handover of the completed project

Table 3.3 presents the project activities conducted over a nine-week period, from 29 June to 30 August 2026. The activities are arranged sequentially to provide a structured progression from project initiation and data collection to analysis, strategy development, finalization, and project defense.

Week 1, from 29 June to 5 July 2026, focuses on project initiation and planning. The activities include the project kickoff, definition of the project scope, clarification of roles and responsibilities, and development of the overall project plan. This stage establishes the direction and structure required for the subsequent project activities.

Week 2, from 6 to 12 July 2026, is dedicated to research and data collection. Primary and secondary data are collected to obtain relevant information regarding the research subject. Primary data include information obtained through interviews, while secondary data are obtained from relevant company records and other supporting sources.

Week 3, from 13 to 19 July 2026, focuses on data analysis and the identification of key insights. The collected data are analyzed to identify relevant findings, trends, gaps, and factors affecting the research problem. The results of this analysis provide the basis for developing appropriate strategic recommendations.

Week 4, from 20 to 26 July 2026, is dedicated to strategy development. Based on the findings from the previous analysis, potential strategic options are developed and refined. This stage connects the identified problems and opportunities with strategic recommendations that are relevant to the project objectives.

Week 5, from 27 July to 2 August 2026, focuses on drafting the project deliverables. The findings, analysis, and strategic recommendations are organized into the project or thesis draft, together with the supporting materials required for the presentation. The draft provides the basis for further review and improvement in the following week.

Week 6, from 3 to 9 August 2026, is allocated to feedback and revisions. Feedback obtained during the review process is evaluated and incorporated into the draft where appropriate. The revisions are intended to improve the quality, consistency, and alignment of the project with the research objectives and academic requirements.

Week 7, from 10 to 16 August 2026, focuses on finalization and approval. The revised project is finalized by incorporating the necessary adjustments and ensuring that the required academic and project components have been completed. The approval process is also conducted before proceeding to the final presentation stage.

Week 8, from 17 to 23 August 2026, is dedicated to presentation preparation. The final presentation materials are developed and refined based on the completed project. This stage includes organizing the key findings, strategic recommendations, and supporting analysis into a clear and concise presentation for the final defense.

Finally, Week 9, from 24 to 30 August 2026, focuses on the final defense and handover. The completed project is presented during the defense, where the findings and strategic recommendations are communicated to the relevant academic

and organizational stakeholders. Following the defense, the finalized project documents are handed over as required, marking the completion of the project.

3.5 Project Flow

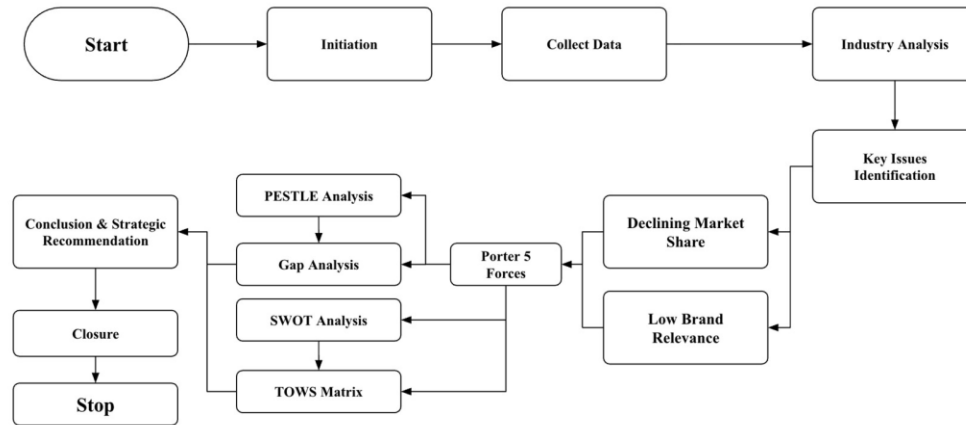


Figure 3.3 Project Flow

Figure 3.2 illustrates the overall project flow, beginning with the initiation phase, where the foundation for the thesis is established. During this phase, the research objectives are defined, focusing on addressing the challenges of declining market share and low brand relevance. This is followed by the data collection phase, which involves gathering both primary and secondary data related to the agricultural crop protection industry, customer perceptions, competitor positioning, and internal company performance.

After sufficient data has been collected, the project proceeds to the industry analysis stage, where the external business environment is examined to understand market dynamics, competitive conditions, and industry trends. The findings from this analysis are then used to identify the key business issues, namely declining market share and low brand relevance.

Following the identification of these issues, Porter's Five Forces framework is applied to assess the competitive structure of the crop protection industry. The analysis evaluates the intensity of competitive rivalry, the bargaining power of buyers and suppliers, the threat of new entrants, and the threat of substitute products. This provides a comprehensive understanding of the industry's

competitive environment and helps explain the external factors contributing to the company's declining market share and low brand relevance.

Building on these insights, the PESTLE analysis examines the broader macro-environmental factors that may influence the business, while the Gap Analysis identifies discrepancies between the company's current performance and its desired market position. The findings from Porter's Five Forces and PESTLE analyses also support the Gap Analysis by providing external context for the identified performance gaps. Subsequently, the SWOT analysis evaluates the company's internal strengths and weaknesses alongside external opportunities and threats, incorporating insights from the previous analyses. Based on the SWOT results, the TOWS Matrix is employed to formulate strategic alternatives by matching internal capabilities with external conditions.

Finally, the findings from all analytical frameworks are synthesised into the Conclusion and Strategic Recommendation phase, where strategic recommendations are developed to restore market share and strengthen brand relevance. The project concludes with the Closure phase, during which the thesis is finalised, documented, and presented.

3.6 Deliverables

The deliverables of this project are structured to reflect a logical progression from analysis to strategic insight and final recommendations. At the initial stage, the project produces a comprehensive market and industry analysis report, which outlines the dynamics of the crop protection industry, including key trends, competitive pressures, and evolving farmer preferences. This report provides a strong contextual foundation for understanding the external environment in which the company operates.

Following this, the project delivers a clear problem definition and diagnostic analysis. This output synthesizes the findings from data collection and industry analysis to articulate the core issues faced by the company, namely declining market share and low brand relevance. It also highlights the underlying causes of these challenges, offering a structured understanding of the gaps between current performance and desired positioning.

The next set of deliverables consists of detailed analytical outputs derived from strategic frameworks. These include a PESTLE analysis report to evaluate macro-environmental factors, a gap analysis report to identify performance discrepancies, and a SWOT analysis to assess internal strengths and weaknesses alongside external opportunities and threats. In addition, a TOWS matrix is developed to translate these insights into potential strategic directions by aligning internal capabilities with external conditions.

Building on these analyses, the project culminates in a strategic recommendations report, which serves as the primary deliverable. This report presents actionable strategies aimed at restoring market share and enhancing brand relevance. The recommendations are designed to address competitive challenges from low-cost generics while also repositioning the brand to better align with farmers' needs and values.

Finally, the project includes a final report and presentation materials intended for stakeholders. These outputs summarize the key findings, insights, and strategic recommendations in a clear and structured format, ensuring that the results of the analysis can be effectively communicated and utilized for decision-making.

CHAPTER IV

FINDINGS, ANALYSIS, AND DISCUSSION

4.1 Findings

This section presents the empirical findings of the study, drawn from two in-depth interviews with senior personnel, the company's 2022 internal value proposition study and brand funnel, internal sales and market data, and the company profile. The findings are organised thematically, beginning with the company's market performance, followed by the brand's competitive strengths, the factors contributing to its declining competitiveness, and the strategic opportunities identified through the collected evidence. Together, these findings provide the empirical foundation for the analyses presented in the following chapter.

A central finding emerging from the internal sales and market data is that PT XYZ has recently experienced a significant deterioration in both sales performance and market share. Between 2018 and 2022, the company demonstrated relatively stable growth despite fluctuations in overall industry size. During this period, total sales increased from USD 14.84 million to USD 15.59 million, while market share improved from 2.43% to 2.51%, reaching its highest level in 2022. This performance was primarily supported by the continued growth of the company's flagship fungicide, referred to in this study as Product A, which became the main contributor to overall sales growth.

However, this positive trajectory changed considerably in 2023. Total sales declined by approximately 27%, falling from USD 15.59 million to USD 11.42 million. During the same period, market share decreased from 2.51% to 2.00%, representing a decline of 0.51 percentage points. Although the overall addressable market also contracted, the reduction in PT XYZ's sales was substantially greater than the decline in industry size, indicating that the company not only faced weaker market demand but also lost competitive position relative to its competitors.

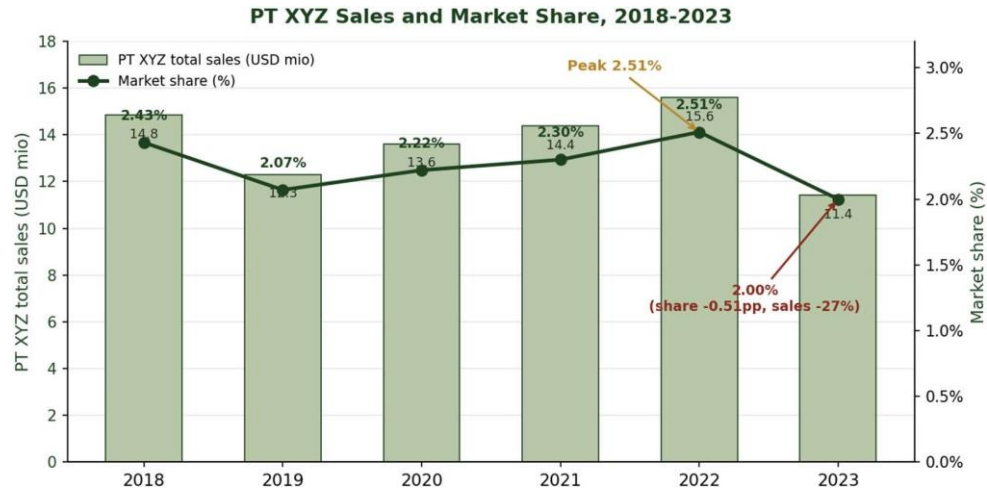


Figure 4.1 PT XYZ Sales and Market Share, 2018-2023

Source: internal sales and market data (reprocessed in Sheets and Slides)

Figure 4.1 illustrates the relationship between PT XYZ's total sales and market share from 2018 to 2023. Both indicators followed a generally positive trend between 2019 and 2022, reflecting the company's ability to strengthen its competitive position despite fluctuations in overall industry size. Market share gradually recovered after the decline recorded in 2019 and reached its highest level of 2.51% in 2022, accompanied by the company's highest sales value during the observed period.

The figure also highlights a sharp reversal in 2023. Both sales and market share declined simultaneously, suggesting that the deterioration was not merely the result of a shrinking market but also reflected a weakening competitive position. The parallel decline of these two indicators provides the first empirical evidence that the company is experiencing increasing competitive pressure, which becomes the focus of the subsequent analyses in this study.

To provide a more detailed view of the company's performance, Table 4.1 presents the underlying sales data, market share, industry size, and the sales contribution of the company's two major products.

Table 4.1 PT XYZ Sales and Market Share, 2018-2023 (USD mio)

Year	Industry size	PT XYZ total	Market share	Product A	Product B
2018	610	14.84	2.43%	1.17	0.55
2019	593	12.30	2.07%	1.42	0.79
2020	613	13.62	2.22%	2.81	1.03
2021	625	14.38	2.30%	4.32	1.72
2022	621	15.59	2.51%	4.04	1.98
2023	571	11.42	2.00%	2.59	1.63

Source: Internal data reprocessed in excel

Table 4.1 presents the detailed annual sales performance of PT XYZ, together with industry size, market share, and the sales contribution of Product A and Product B. The data indicates that Product A consistently represented the company's largest revenue contributor throughout the observation period. However, its sales declined substantially in 2023, from USD 4.04 million to USD 2.59 million, making it the primary driver of the overall decline in company sales. In contrast, Product B experienced a comparatively smaller decrease, suggesting that the deterioration in the company's performance was concentrated mainly in its flagship product.

The primary and secondary evidence converge on a consistent portrait of PT XYZ's flagship fungicide as a premium, high-performance brand that commands strong trust among shallot growers. The internal brand funnel places the product second only to the long-established market leader in awareness and, notably, ahead of every competitor in purchase intention, with an intent-to-buy score of 82% (Internal Value Proposition Study, 2022). The Head of Marketing confirmed that this strong market position is primarily built on the product's proven efficacy, particularly during the wet season when fungal disease pressure is at its highest. Farmers consistently associate the product with reliable disease control, making technical performance the brand's strongest competitive advantage.

Despite this strong reputation, the findings indicate that the brand's competitive advantage relies predominantly on functional performance. Several competing products now contain the same active ingredient, reducing technical superiority as a sustainable source of differentiation. Both interviewees independently explained that as product efficacy becomes increasingly similar across brands, purchasing decisions become more price-driven. Under these

conditions, a premium-priced brand that communicates primarily through technical performance risks being perceived as another interchangeable product with a higher price. This finding suggests an early indication of declining brand relevance, where customers recognise product quality but perceive limited additional value beyond functional performance (Aaker, 2011).

Price sensitivity emerged as one of the most influential behavioural factors affecting purchasing decisions. According to the Head of Marketing, farmers are generally willing to pay a premium during periods of high disease pressure because the potential losses from crop failure outweigh the additional cost of the product. However, during periods of lower disease risk, many farmers begin to question whether the price premium remains justified. The Head of Sales similarly explained that each price increase results in customer switching behaviour. Although some farmers eventually return when disease pressure increases, others permanently adopt lower-priced alternatives. Consequently, a large segment of customers remains conditionally loyal, with purchasing decisions largely determined by the acceptable level of price difference.

The strongest competitive threat identified in both interviews is the emergence of low-cost generic competitors. Although the leading generic challenger currently accounts for only around 13% across the brand funnel, the internal value proposition study demonstrates remarkable consistency throughout every stage of the purchasing process, from awareness to purchase intention, with almost no drop-off. This suggests that the challenger is highly effective in converting awareness into buying intention. According to the Head of Sales, retailers increasingly report that farmers perceive the generic product to deliver performance comparable to the flagship brand while offering a substantially lower price. Consequently, if the challenger further strengthens its communication strategy or continues reducing prices, its competitive position is likely to improve further.

The interviews also reveal that distribution plays a critical role in influencing purchasing decisions. Agricultural retailers frequently act as the primary advisors to farmers, making distributor relationships an important determinant of product recommendation and shelf visibility. Both interviewees

emphasised that stock availability is particularly important. When the flagship product is unavailable, farmers typically purchase the alternative recommended by the retailer, and many subsequently continue using that substitute. As explained by the Head of Sales, a stock-out therefore represents not only an immediate loss of sales but also the potential loss of future customers.

Seasonality represents another important factor affecting competitive performance. According to the Head of Sales, the flagship fungicide performs exceptionally well during the wet season, when fungal diseases are most prevalent in shallot cultivation. However, demand declines considerably during the dry season, allowing competing products to gain stronger market positions. As a result, the company's competitive advantage is concentrated within a relatively limited seasonal window, making its overall market position more vulnerable than the brand funnel alone might suggest.

Finally, both interviewees identified emotional and relational value as the company's most underutilised competitive opportunity. The internal value proposition study indicates that emotional value exerts a stronger influence on customer persuasion than technical value alone. Nevertheless, the company has historically focused on communicating product performance, research, and technical specifications while investing comparatively less in relationship-building activities, storytelling, and farmer engagement. Neither interviewee identified any structured national loyalty program or farmer community initiative capable of maintaining continuous relationships beyond individual selling seasons. Both therefore emphasised the need for the brand to evolve from being perceived primarily as a supplier of crop protection products towards becoming a trusted farming partner that combines technical excellence with ongoing advisory support, education, and long-term customer relationships.

4.2 Analysis

This section interprets the findings through a sequence of established strategic analysis tools. The external environment is examined first through Porter's Five Forces, which addresses industry structure, and through PESTLE, which addresses the macro context. The distance between the brand's current and desired positions is then assessed through gap analysis. Finally, the internal and external factors are integrated through a SWOT analysis and translated into strategic options through the TOWS matrix. Each tool is presented with a supporting table, followed by a full interpretation of what the table reveals.

4.2.1 Porter's Five Forces

The shallot fungicide segment in which Product A competes is fragmented and multi-tiered. Competitive position is captured most clearly through the brand funnel, which tracks how far each brand carries farmers along the decision path, from brand awareness through to intent to buy.

Table 4.2 Competitor Landscape, Selected Shallot Fungicides

Brand	Awareness (%)	Intent to Buy (%)	Position	Threat
Market leader	96	81	Established leader	Incumbent
Product A (PT XYZ)	85	82	Premium, highest intent	Focal brand
Established competitor A	66	59	Mid-tier substitute	Moderate
Established competitor B	62	54	Mid-tier substitute	Moderate
Low-cost generic	13	13	Cheap, near-parity efficacy	Emerging, rising

Source: internal brand funnel from the value proposition study (2022) reprocessed in Excel.

Table 4.2 summarises the position of the principal competitors on this basis, together with a qualitative reading of each brand's market position and of the competitive threat it poses. The data reveal a clear competitive hierarchy. The market leader commands the highest awareness, at 96 percent, reflecting its long-established presence, and converts this into an intent-to-buy score of 81 percent. Product A follows closely, with awareness of 85 percent, yet it leads the entire set on intent to buy, at 82 percent, marginally ahead of the market leader. This pattern is significant, because it indicates that Product A's competitive weakness lies not in persuasion but in reach and salience: the farmers who are aware of the brand trust

it and intend to purchase it at the highest rate in the market. The two established mid-tier competitors trail materially on both measures, at 66 and 59 percent and 62 and 54 percent respectively, and function as steady substitution options rather than as direct threats.

The most strategically important entry in the table is the low-cost generic challenger. Although its share is small, at 13 percent, this figure is strikingly consistent across every stage of the funnel, which means that the challenger converts awareness directly into purchase intent with almost no drop-off. Combined with the near-parity efficacy that retailers attribute to it and its substantially lower price, this efficiency is precisely why the generic is assessed as an emerging and rising threat rather than a marginal one: it is positioned to convert additional awareness into share the moment it strengthens its communication or reduces its price further. This competitive reading provides the foundation for the structural analysis that follows, in which Porter's Five Forces examines the industry forces that give rise to these dynamics.

Porter's Five Forces framework assesses the structural attractiveness of the shallot crop protection segment and the way in which the value the segment creates is distributed among its participants (Porter, 2008). The framework holds that the profitability available to any firm is governed not by the growth rate of the market but by the collective strength of five forces, and that the strongest of these should anchor the firm's strategy.

Table 4.3 Porter's Five Forces Summary for the Shallot Fungicide Segment

Force	Assessment	Key evidence
Rivalry among competitors	High	Fragmented funnel with a market leader, a premium number two (PT XYZ), mid-tier brands, and an emerging generic; moderate growth means share is taken from rivals (internal value proposition study, 2022).
Bargaining power of buyers	High	Low switching costs where the active ingredient is shared, season-by-season decisions, and documented price-driven churn (Interview, Head of Sales).
Threat of substitutes	Moderate, rising	Same-ingredient competitor brands, alternative chemistries, and the growth of integrated pest management and precision agriculture; seasonal substitution in the dry season.

Force	Assessment	Key evidence
Threat of new entrants	Moderate, asymmetric	High barriers for research-based innovators but low barriers for off-patent generic entry, exemplified by the low-cost challenger.
Bargaining power of suppliers	Low to moderate	The parent group is vertically integrated across active-ingredient synthesis and formulation, reducing dependence on external suppliers (company profile).

Table 4.3 shows that rivalry among existing competitors is the most intense of the five forces. The brand funnel reveals a crowded field in which an established market leader sits ahead on awareness, PT XYZ occupies a strong second position as the premium challenger, several mid-tier brands compete below, and a low-cost generic has begun to establish itself (internal value proposition study, 2022). Because the underlying market is growing only moderately, meaningful gains in volume cannot be absorbed from an expanding market but must be taken directly from rivals, which sharpens competition and makes every grower's decision a contested one. Rivalry is intensified further by the presence of a challenger that competes primarily on price, since price competition is the most value-destructive form of rivalry and transfers value directly from producers to buyers.

The bargaining power of buyers is assessed as equally high, and it is arguably the force that bears most directly on the brand's difficulties. Where competing products share the same active ingredient, the farmer's cost of switching from one brand to another is low, and purchasing decisions are re-taken season by season rather than settled once and sustained. This combination of low switching costs and repeated decisions gives growers considerable leverage, and their acute price sensitivity converts that leverage into action: every price movement produces measurable churn, both temporary and permanent (Interview, Head of Sales). Buyer power is compounded at the level of the channel, since the retailer or kiosk owner acts as the most trusted advisor to the farmer and can steer the final choice toward whichever product they prefer to recommend, so that the brand negotiates, in effect, with two sets of powerful buyers rather than one.

The threat of substitutes is moderate but rising. In the immediate sense, growers can substitute one branded fungicide for another that carries the same or a comparable active ingredient, which is the most direct substitution and the one most closely tied to price. Beyond this, the gradual spread of integrated pest management

and precision agriculture offers growers alternative approaches to disease control that reduce their reliance on any single chemical product, and these approaches are growing in importance over the forecast horizon rather than remaining static (internal value proposition study, 2022). Seasonality adds a further dimension, since in the dry season growers substitute away from the flagship product toward alternatives better suited to lower disease pressure. The cumulative effect of these substitutes is to place a ceiling on the price the brand can profitably command.

The threat of new entrants is moderate but distinctly asymmetric. For a research-based innovator, the barriers to entry are high, since a new active ingredient requires substantial investment in discovery, development, and registration before it can reach the market, and this protects established innovators such as PT XYZ. The same barriers, however, do not protect the brand from generic entry. Once a molecule is off patent, a generic manufacturer can enter with a functionally comparable product at a much lower cost, having avoided the discovery and development burden, precisely as the low-cost challenger has done. The material entry threat facing the brand is therefore not the arrival of a new innovator but the continued entry of generics into its off-patent portfolio, a threat that its own past innovation has, in a sense, created.

The bargaining power of suppliers is the weakest of the five forces and, unusually, works in the brand's favour. Because the parent group is vertically integrated across active-ingredient synthesis and formulation, operating its own production sites and development centres, the company depends comparatively little on external suppliers for the inputs that matter most, and it is correspondingly insulated from supplier-driven cost or quality pressure (company profile). This integration is a genuine structural strength, and it means that, of the five forces, supplier power is the one that does not constrain the brand's competitive position.

Taken together, the five forces confirm that PT XYZ competes in a segment that is attractive in absolute terms, since it enjoys long-term structural demand and low supplier power, but that is contested in ways that specifically expose a premium participant. The brand's premium position is pressured on two fronts simultaneously: buyers can switch at low cost whenever the active ingredient is

shared, and generic entrants can undercut its price without carrying its cost base. Neither of these pressures can be met by price, because the brand cannot and should not attempt to match a generic's cost structure. The analysis therefore points to a single structural conclusion, namely that the brand's most durable protection against both buyer power and generic rivalry is not price but the loyalty and confidence that a strong brand relationship provides, a conclusion that the remaining tools develop and reinforce.

4.2.2 PESTLE Analysis

Where Porter's framework examines the structure of the industry, PESTLE analysis situates the brand within the wider macro environment of political, economic, social, technological, legal, and environmental forces (Lapchuk & Dub, 2025). The six factors and their principal implications for the brand are summarised in Table 4.4, and their combined significance is interpreted in the paragraphs that follow.

Table 4.4 PESTLE Analysis of the Macro Environment

Factor	Implication for the brand
Political	Agricultural policy and pesticide registration favour established, well-documented products.
Economic	Farmer purchasing power and input-cost inflation heighten price sensitivity, even as the global category grows over the long term (Fortune Business Insights, 2025).
Social	A younger, more educated, and digitally connected grower base, highly active on messaging platforms such as WhatsApp (internal value proposition study, 2022).
Technological	Precision application and digital agronomy open new channels for engagement and differentiation beyond the molecule itself.
Legal	Registration, residue, and safety regulation raise compliance costs and reward proven, well-supported products.
Environmental	Climate variability intensifies the disease pressure that drives demand, while the rise of integrated pest management reshapes acceptable practice.

Table 4.4 shows that the political and legal factors work, on balance, in favour of an established, research-based participant such as PT XYZ. Crop protection products in Indonesia must be formally registered and must satisfy residue and safety regulation before they can be sold, and each product carries a registration

number that testifies to that compliance (company profile). These requirements raise the cost and lengthen the time of bringing a product to market, and they reward firms that can document efficacy and safety, which is a structural advantage for a brand backed by a global research organisation. The same framework, however, does not discriminate on price; it slows the entry of poorly documented products without preventing the entry of legitimate, registered generics that share the same active ingredient. The political and legal environment is therefore protective at the margin but insufficient, on its own, to shield the brand from price-based competition.

The economic factors present a more demanding picture. Shallot farming is a smallholder activity in which the cost of an input is weighed directly against the yield and price the grower expects to obtain, and both informants describe farmers as highly sensitive to the cost per pack, especially when disease pressure is low and the perceived risk to the harvest recedes (Interview, Head of Marketing; Interview, Head of Sales). Input-cost inflation compounds this sensitivity, because every increase in the farmer's own cost base sharpens the appeal of a cheaper alternative. Working in the brand's favour over the longer term is the structural growth of the global crop protection market, which is projected to expand at a compound annual rate of 5.39 percent through 2032 (Fortune Business Insights, 2025). The brand's own addressable market, however, did not share in this growth during the period studied; it was broadly flat between 2018 and 2022 and then contracted by 8 percent in 2023 (market share data). The economic environment is thus one of long-term category growth set against near-term local contraction and persistent price sensitivity, in which the volume opportunity is real but cannot be captured through premium pricing alone.

The social and technological factors are where the analysis points most clearly toward opportunity. The grower base is becoming younger, better educated, and more receptive to new technology than in previous generations, and it is highly active on digital platforms, with messaging applications such as WhatsApp forming part of daily life (internal value proposition study, 2022). This shift changes the way trust is built. A generation that once relied almost exclusively on the kiosk owner for advice now also seeks information online, which opens a direct channel between

the brand and the farmer that did not previously exist. Technologically, precision application and digital agronomy allow the brand to deliver value through knowledge and service rather than through the molecule alone, and to differentiate on the quality of the advice, reassurance, and community it provides. These factors align closely with the repositioning that the study will recommend, since they make an emotional and relational engagement strategy not merely desirable but, for the first time, practically feasible at scale.

The environmental factors, finally, are double-edged. In the short term, climate variability intensifies the fungal disease pressure, principally *Fusarium* and late blight, that drives demand for the flagship product, so that a more volatile climate can actually reinforce the brand's wet-season strength (internal value proposition study, 2022). Over a longer horizon, however, the rising expectation of sustainable practice and the gradual spread of integrated pest management reshape what growers, regulators, and society regard as acceptable, and they increasingly favour brands that can present themselves as responsible stewards rather than as sellers of chemistry alone. Taken as a whole, the six PESTLE factors reinforce the conclusion drawn from the Five Forces analysis: the macro environment does not threaten the category's long-term demand, but it steadily raises the importance of the very capabilities, trust, service, digital engagement, and stewardship, on which a durable, relevance-based defence must be built.

4.2.3 Gap Analysis

Gap analysis contrasts the brand's current position with the position it needs to occupy in order to defend its relevance, and it identifies the specific distances that strategy must close (Shabdin et al., 2024). The comparison is set out across five dimensions in Table 4.5 and interpreted in the paragraphs that follow.

Table 4.5 Gap Analysis

Dimension	Current state	Desired state	Gap
Value proposition	Technical, performance-led messaging	Emotional and relational partnership	Engagement gap
Customer retention	No structured Program	Season-long loyalty and community	Loyalty gap
Availability	Sales lost to stock-outs	Assured shelf presence	Availability gap
Seasonal coverage	Wet-season dependence	Year-round portfolio presence	Portfolio gap
Internal metrics	Volume and trial focus	Relationship and retention valued	Measurement gap

Table 4.5 shows that the distance between the brand's current and desired positions is not a single deficit but a set of five reinforcing gaps. The first, the engagement gap, separates the brand's technical, performance-led communication from the emotional and relational value that the evidence identifies as the stronger driver of grower decisions. Being research and development driven, the company has instinctively led with efficacy data, dosage, and spectrum of control, and has under-invested in the storytelling and sense of partnership that build confidence in a context of risk (Interview, Head of Marketing). The gap is therefore not one of message quality, since the brand communicates about the product very well, but one of message type, since it communicates about the relationship hardly at all.

The second and third gaps are operational in character. The loyalty gap arises from the absence of any structured mechanism to keep growers engaged between seasons; the field activities and demonstration plots the company runs generate real goodwill, but they depend on individual effort and are neither systematic nor national in scale, so the relationship lapses in the intervals between them (Interview, Head of Sales). The availability gap reflects the value lost when the product is not present at the moment of need, since a stock-out frequently converts not into a merely postponed sale but into a permanently lost customer who adopts the substitute and does not return (Interview, Head of Sales). Both gaps share a striking feature: in each, the brand forfeits value it has already earned, either by failing to sustain a relationship it has already built or by failing to convert demand it has already created, and both are therefore addressable through better execution rather than through a better product.

The fourth and fifth gaps are structural and internal. The portfolio gap stems from the brand's concentration in the wet season, when disease pressure peaks, and its corresponding weakness in the dry season, when competing products take the lead; this leaves the brand exposed for a large part of the agricultural year and, as noted in the Five Forces analysis, allows rivals to establish footholds from which they can later contest the brand's core season. The measurement gap underlies all of the others, since the company continues to reward volume sold and trial results more readily than the slower and harder-to-measure work of building trust and retention, so that relationship-building consistently loses the contest for budget to activities that show faster numbers (Interview, Head of Marketing). This final gap is the most fundamental, because until the organisation measures what it wishes to become, it will continue to fund what it already is. Closing these five gaps, rather than improving a product that is already trusted, defines the strategic agenda that the SWOT and TOWS analyses translate into concrete options.

4.2.4 SWOT Analysis

The SWOT analysis consolidates the internal strengths and weaknesses and the external opportunities and threats identified in the findings and the preceding analyses (Mardiyana et al., 2022). Each item recorded in Table 4.6 is grounded in the interview and study evidence rather than in the author's judgement, in keeping with the requirement that the analysis rest on primary and documentary evidence. The four quadrants are interpreted in turn below.

Table 4.6 SWOT Analysis of the Flagship Fungicide

Strengths • Strong awareness and highest intent to buy in the segment • Trusted, proven efficacy against key shallot diseases • Premium brand equity and a loyal core of growers • Backing of a vertically integrated, R&D-driven parent • Broad crop protection portfolio	Weaknesses • Premium price vulnerable to price-driven churn • Differentiation resting almost only on technical performance • No structured loyalty or farmer community Program • Dominance concentrated in the wet season • Avoidable losses from stock-outs; volume-first mindset
Opportunities • Long-term growth of the global category • Millennial, digitally connected growers • Repositioning as a farming partner • Dry-season demand via the wider portfolio • Channel loyalty and precision-agriculture trends	Threats • Low-cost generics with near-parity efficacy • Price wars that erode brand value • Retailer-driven switching at the point of sale • Climate variability and seasonal substitution • Commoditisation of the shared active ingredient

Table 4.6 shows that the brand's strengths are overwhelmingly reputational and internal. Its foremost asset is trust: years of proven efficacy against the diseases growers fear most have produced a brand that stands second only to the market leader on awareness and ahead of every competitor on intent to buy (internal value proposition study, 2022). This trust is reinforced by the backing of a vertically integrated, research-driven parent that controls active-ingredient synthesis and formulation and can therefore guarantee consistent quality, and by a broad crop protection portfolio spanning herbicides, insecticides, and fungicides (company profile). What unites these strengths is that they are difficult for a generic to replicate, since they rest on accumulated reputation and organisational scale rather than on the molecule that any registered competitor can now obtain.

The weaknesses, by contrast, cluster around commercial and relational shortcomings rather than any deficiency in the product. The premium price, which the brand's cost base renders unavoidable, exposes it to churn whenever the price gap with a generic widens or disease pressure eases. Its differentiation rests almost entirely on technical performance, which is precisely the attribute that the sharing of the active ingredient has commoditised. It has no structured loyalty program to retain growers between seasons, its strength is concentrated in the wet season, and it loses avoidable sales to stock-outs. Beneath these lies a volume-first mindset that under-rewards relationship-building (Interview, Head of Marketing; Interview,

Head of Sales). The common thread, and it is an encouraging one, is that these vulnerabilities are self-addressable, since they concern how the brand sells and retains rather than what it sells.

The opportunities are substantial, and they align remarkably closely with the weaknesses, which suggests that the brand's problems are, in large measure, also its openings. The global category continues to grow over the long term, even though the brand's local market contracted in 2023, and the grower base is becoming younger and more digitally connected, which creates a direct channel through which an emotional and relational strategy can now be delivered (internal value proposition study, 2022; Fortune Business Insights, 2025). Repositioning as a farming partner, introducing a structured loyalty and community Program, mobilising the wider portfolio into the dry season, and building channel loyalty are all available moves, and each simultaneously addresses a specific internal weakness and exploits a specific external trend. The parallel rise of precision agriculture and sustainability further rewards a brand willing to compete on knowledge and stewardship rather than on price.

The threats, finally, are dominated by the low-cost generic challenger and by the broader commoditisation of the shared active ingredient. The challenger holds a small but strikingly consistent share and converts awareness into intent with little drop-off, which means it is already well positioned to grow the moment it improves its communication or lowers its price further (internal value proposition study, 2022). Price wars, retailer-driven switching at the point of sale, and climate-driven seasonal substitution compound the threat. Read against the strengths, however, these threats reinforce rather than contradict the central strategic conclusion: because the brand cannot out-price a generic, it must convert its reputational strengths into a relationship that the generic cannot match. Viewed as a whole, the four quadrants tell a coherent story in which the strengths and opportunities point toward a partnership repositioning for a growing, digital market, while the weaknesses and threats demand the urgent closure of the loyalty and availability gaps before the challenger can exploit them.

4.2.5 TOWS Matrix

The TOWS matrix develops the SWOT analysis by pairing the internal factors with the external factors to generate concrete strategic options, moving the analysis from description toward action (Mugo et al., 2022). The four families of options, corresponding to the four pairings, are set out in Table 4.7 and interpreted in the paragraphs that follow.

Table 4.7 TOWS Matrix: Strategic Options

	Strengths (S)	Weaknesses (W)
Opportunities (O)	SO: Use brand strength and a growing market to reposition as a premium farming partner and reach millennial growers through digital channels.	WO: Close the loyalty gap with a structured farmer Program and use the wider portfolio to capture dry-season demand.
Threats (T)	ST: Defend against generics through trust, performance guarantees, and value-based selling rather than a price war.	WT: Eliminate stock-outs, strengthen channel relationships, and retain growers between seasons to blunt price-driven switching.

Table 4.7 shows that the strength-opportunity, or SO, options use what the brand does best to capture what the market now offers. The brand's trust, proven efficacy, and premium equity are combined with the category's long-term growth and an increasingly digital grower base to reposition the brand from product supplier to farming partner and to reach millennial growers directly through the platforms they already use. This is an offensive strategy: rather than defending a shrinking position, it converts the brand's reputational strength into renewed relevance for a new generation of farmers, and it uses the category's long-term growth and digitisation as the vehicle for that conversion.

The strength-threat, or ST, options use the brand's strengths to blunt the external threats. Confronted by a low-cost generic that it cannot out-price, the brand deploys its trust and demonstrated reliability, reinforced by performance guarantees and replant assurance, to move the conversation away from the price per pack and toward the protection of the harvest (Interview, Head of Sales). This is a defensive strategy of a particular and deliberate kind: it neutralises the generic's only genuine advantage, its lower price, by shifting competition onto the dimension where the

generic is weakest, namely the confidence a grower can place in the product when a season's income is at stake.

The weakness-opportunity, or WO, options use external opportunities to remedy internal weaknesses. The absence of a retention mechanism is addressed by a structured farmer loyalty and community Program that exploits the digital connectivity of the grower base, converting a social and technological trend into the means of closing the loyalty gap. In parallel, the brand's wet-season concentration is addressed by mobilising the wider portfolio to capture dry-season demand, converting the breadth of the parent's product range into the means of closing the portfolio gap. In both cases, an external opportunity supplies the remedy for an internal weakness that the brand could not easily resolve from its own resources alone.

The weakness-threat, or WT, options are the most urgent of the four, because they concern weaknesses that the threats stand ready to exploit immediately. Eliminating stock-outs removes a controllable source of loss that presently hands customers to competitors at the very moment of purchase; strengthening distributor relationships secures the shelf presence and favourable recommendations on which the farmer's final choice so often depends; and retaining growers between seasons blunts the price-driven switching upon which the low-cost challenger depends for its growth. Taken together, the four families of options describe not four separate strategies but a single coherent one: defend the premium through relationship rather than price, close the controllable gaps before the challenger can widen them, and use the brand's enduring strengths to remain relevant to a changing market. It is this integrated strategy that the recommendations in Chapter 5 set out to operationalise.

4.3 Discussion

This section addresses the two research questions that guide the study by drawing together the several strands of the analysis. The first question asks how the brand can regain market share amid increasing competition from low-cost generics. The second asks how the brand can be repositioned to connect more closely with farmers' needs and values.

Table 4.8 Research Questions, Strategic Answers, and Analytical Basis

Research question	Strategic answer	Analytical basis
RQ1: How can the brand regain market share amid competition from low-cost generics?	Compete on loyalty, availability, and value rather than price; retain the price-sensitive middle segment through trust and assurance.	Five Forces (buyer power, rivalry); TOWS ST and WT
RQ2: How can the brand be repositioned to connect with farmers' needs and values?	Move from product supplier to farming partner; lead with emotional and relational value and season-long engagement.	Findings on emotional value; PESTLE (social, technological); TOWS SO and WO.

Table 4.8 maps each question to its strategic answer and to the analytical basis on which that answer rests, and the discussion then develops each answer in full. In response to the first research question, the analysis begins by establishing what the brand should not do, since this is as important to the answer as any positive prescription. The brand should not attempt to win a price war. As a premium, research-based product it will always carry a higher cost base than a pure generic, and matching the generic's price would erode the equity that sustains the brand while still failing to close the cost gap that separates them (Interview, Head of Sales). The Head of Sales was unequivocal on this point, arguing that to compete only on price would be to sacrifice the value of the brand and to lose the contest in any case. The starting point for any recovery of share, therefore, is the recognition that price is the single battleground on which the brand cannot prevail, and that its efforts must be directed elsewhere.

Share is instead recoverable through a set of levers that a generic cannot easily replicate, each of which follows from the ST and WT options of the TOWS matrix and from the high buyer power and rivalry identified in the Five Forces analysis. The first lever is loyalty. The brand must convert the functional trust it already enjoys into a relationship strong enough to retain not only its loyal core but, more importantly, the large and price-sensitive middle segment in which, as the Head of Sales observed, share is genuinely won and lost (Interview, Head of Sales). The second lever is availability. Because a stock-out so often converts into a permanently lost customer, ensuring that the product is present at the point of sale is among the highest-return and most controllable actions available to the brand, and it depends directly on the strength of its distributor relationships. The third lever is value-based selling, in which the field force is equipped with performance and

replant assurances that reframe the purchase around the protection of a season's income rather than the minimisation of the cost per pack.

A fourth lever addresses the brand's structural fragility. Because its dominance is concentrated in the wet season, mobilising the wider portfolio to compete in the dry season would broaden the brand's presence across the agricultural calendar and reduce its exposure during the months in which competitors currently lead and from which they can build the momentum to contest its core season. The urgency of these levers is underscored by the brand's recent performance. In 2023 its market share fell from 2.51 percent to 2.00 percent and its total sales declined by 27 percent, a fall considerably steeper than the 8 percent contraction of its addressable market in the same year (market share data). Because the brand lost ground faster than the market itself, the decline cannot be attributed to market conditions alone; it reflects the competitive and relational weaknesses that these levers are designed to address. It is on these mechanisms, through churn, availability, loyalty, and seasonal exposure, that the brand can most directly act to recover the share it has lost.

In response to the second research question, the evidence provides an unusually clear picture of the needs and values with which the brand must connect. Farmers protect a harvest that represents months of work and the greater part of their household income, and they are, in consequence, profoundly risk-averse; what they value above all is reliability, a product that works every time, its availability at the moment it is needed, and trust both in the product itself and in the person who recommends it (Interview, Head of Sales). Beneath these functional needs lie deeper motivations, the security of income and the aspirations growers hold for their families, which the value proposition study captured directly in farmers' own accounts of why they farm and what success would mean to them (internal value proposition study, 2022). Any repositioning that hopes to connect with growers must therefore speak to both levels, the practical and the aspirational, at once.

Connecting with these needs requires the brand to move from being perceived as a product supplier to being perceived as a farming partner. In practical terms, this means rebalancing communication away from technical specification and toward the emotional and relational value that the internal analysis identifies as the stronger

driver of persuasion, and expressing that value through advisory and agronomic support, through reassurance during the high-risk seasons when the grower's anxiety is greatest, and through a genuine and visible sense of partnership (Interview, Head of Marketing). It means instituting a structured loyalty and community Program that sustains the relationship between seasons rather than allowing it to lapse at the point of sale, and it means engaging the increasingly millennial and digitally connected grower base through the platforms they already use daily. Each of these directions follows from the SO and WO options of the TOWS matrix, and each turns a finding of the study into a concrete avenue for connection.

The deeper logic of this repositioning is the restoration of relevance. When several products share the same active ingredient, technical performance alone can no longer furnish the farmer with a distinct reason to prefer one brand over another, and a brand that offers no reason beyond the molecule drifts steadily toward the interchangeability that precedes irrelevance (Aaker, 2011). By offering trust, reassurance, and partnership, the brand supplies growers with a reason to choose it that a generic cannot readily copy, and in doing so it rebuilds the very relevance that commoditisation has eroded. It is significant, finally, that this conclusion and the diagnosis that supports it emerge consistently from the two interviews, from the value proposition study, and from every analytical lens applied in this chapter. The consistency of these findings represents a convergence of evidence that strengthens the credibility of the diagnosis. It should be noted, however, that all of these sources originate within the company, so they are not fully independent of one another. Direct validation with growers, distributors, and retailers remains outstanding, and is identified in Chapter V as a priority for future work.

CHAPTER V

CONCLUSION AND RECOMMENDATIONS

5.1 Conclusion

This study set out to determine how PT XYZ's flagship shallot fungicide, a premium and well-trusted brand, can regain and defend its market position against increasingly competitive low-cost generics, and how it can be repositioned to connect more closely with farmers' needs and values. The central conclusion is that the pressure on the brand does not arise from any weakness in the product itself. On the contrary, the product remains a segment leader on trust and on intent to buy, and its efficacy is not in question. The pressure arises, rather, from two developments that have unfolded together and reinforced one another: the commoditisation of a shared active ingredient, which has steadily neutralised technical performance as a differentiator, and a communication strategy that has continued to rely almost entirely on that same technical performance. With little emotional or relational equity to fall back upon, and facing highly price-sensitive growers who can switch at low cost, the brand has become exposed to an emerging low-cost challenger and to avoidable losses through stock-outs and seasonal concentration.

In answer to the first research question, the study concludes that the brand cannot recover its share by matching generic prices. Its higher cost base makes a price war both unwinnable and self-defeating, since the attempt would erode the very equity that sustains the brand without ever closing the cost gap that divides it from a pure generic. Share is instead defended and regained by converting the brand's functional trust into durable loyalty, by securing availability at the point of sale so that demand the brand has already created is not surrendered to a competitor at the last moment, and by equipping the field force to sell reliability and assurance rather than discounts. Through these means the large and price-sensitive middle segment, in which share is ultimately decided, can be retained without the brand ever lowering itself onto the one battleground it cannot win.

In answer to the second research question, the study concludes that the brand must reposition itself from product supplier to farming partner. Growers appear to

make their decisions in a context of risk and aspiration, and the evidence suggests that what moves them is confidence, reliability, and the sense that the brand stands beside them, far more than any figure printed on a label. By rebalancing its communication toward emotional and relational value, by sustaining the relationship across the whole season through advisory support and a structured loyalty program, and by engaging growers on the digital platforms they now inhabit, the brand can align itself with what the available evidence indicates farmers seek and restore the distinct relevance that commoditisation has eroded. The repositioning is not a change of product but a change of relationship, and it is precisely because it concerns the relationship that a generic competitor cannot easily follow.

Taken together, the two answers describe a single strategic logic. The brand's most durable advantage lies not in defending a molecule, which its competitors can lawfully copy the moment its protection expires, but in sustaining a partnership, which they cannot. A brand that farmers trust, that is reliably present when they need it, and that stands with them across the season and beyond will retain their loyalty even when a cheaper alternative sits on the shelf beside it. This, and not a lower price, is the foundation upon which the brand can defend its position and return to growth, and it is the foundation on which the recommendations that follow are built.

5.2 Limitations

The findings and recommendations presented in this study should be interpreted within the boundaries of the project scope, available data, and access provided during the research period. The problem was framed in consultation with the management of PT XYZ Indonesia and focused on two concerns identified as the most pressing, namely the decline in market share and the narrowing of brand differentiation. Other dimensions of the business may therefore have received less attention. Several areas were excluded to keep the project within the nine-week timeframe, including manufacturing and supply chain cost structures, the research and development pipeline, detailed regulatory registration strategy, and sustainability commitments beyond their consideration in the PESTLE analysis.

Pricing elasticity was also not modelled, although these factors may affect the feasibility and impact of the recommendations. The study was designed to provide strategic recommendations rather than achieve a predetermined numerical target for market share recovery, so the recommendations cannot be evaluated against a quantified performance benchmark established at the beginning of the project.

The industry and market analysis is subject to limitations in the availability and comparability of market data. The global industry context presented in Chapter I relies principally on a commercial market report whose methodology, sample, and category definitions were not independently verified. Other market research providers may report different figures for the same category. The global outlook should therefore be treated as a credible market estimate rather than an established measure of future market conditions. There is also a difference between the global market outlook and the Indonesian market in which PT XYZ operates. While the global category is projected to grow, the Indonesian market contracted in 2023. Global figures are therefore used only to establish broader industry context and are not used to support conclusions about Indonesian demand. Market share figures are based on the addressable market defined in the company's internal records, which was not independently audited. A different definition could produce different percentages, although the direction of the change would remain relevant. Financial figures are also presented in United States dollars even though the business operates substantially in Indonesian rupiah. Exchange rate movements may therefore have influenced reported sales figures, meaning the decline cannot be interpreted entirely as a change in underlying sales volume or price.

Limitations also apply to the company and product information used in the analysis. Information concerning the company's scale, facilities, and stated mission was obtained from the corporate profile and has not been independently verified. Product names are presented using codes to protect commercial confidentiality, which limits external comparison with publicly available registration or market data. Product B is included primarily for portfolio context and is not analysed in the same depth as Product A. Conclusions concerning the wider portfolio, including the proposed dry-season activation, are therefore supported by a narrower evidence base than those relating to Product A. This is particularly relevant because Product

A is treated as the principal product through which the company's market position is examined.

The theoretical scope of the study also places a boundary on the findings. The conceptual framework draws primarily on Commitment-Trust Theory of Relationship Marketing and literature concerning brand relevance and brand equity. Other relevant perspectives, including behavioural pricing, channel and distribution theory, agricultural innovation adoption, and customer lifetime value, are not incorporated. Much of the branding literature applied in this study originates from consumer markets in developed economies. Its application to a business-to-business agricultural input market in Indonesia is therefore based on conceptual relevance rather than extensive empirical evidence from the same setting. Research concerning branding in Indonesian agricultural inputs remains limited. Brand relevance is also treated as a conceptual lens rather than a directly measured construct because no validated brand relevance instrument was administered.

The quantitative evidence is limited by the period and level of aggregation available. The analysis covers 2018 to 2023 because figures for 2024 and 2025 were not released for the study due to restrictions on current-year commercial information. The study can therefore describe the decline recorded in 2023 but cannot determine whether the company's position subsequently stabilised, deteriorated, or recovered. The available data are annual and aggregated at the company and addressable-market levels. Competitor performance is not available in sufficient detail to assess individual competitors over time, while the brand funnel represents a single measurement period rather than a longitudinal dataset. The low-cost generic challenger can therefore be observed within the funnel, but its growth over time cannot be established. The internal value proposition study used in parts of the analysis was conducted in 2022, while its sampling frame and research instrument were not documented in the available materials. Its findings are consequently treated as indicative managerial evidence rather than survey results with known statistical precision. The recommendations should therefore be understood as a strategy based on the market position observed through 2023 and validated against current data before implementation.

A further limitation concerns access to the customer voice. The primary research consisted of two semi-structured interviews with senior leaders of PT XYZ Indonesia. Farmers, distributors, and retailers were not directly interviewed or surveyed because access to the company's customer base was outside the scope granted for this project. Statements concerning farmers' needs, values, emotional drivers, loyalty behaviour, and channel preferences therefore reflect management's understanding of customers and evidence from the 2022 internal study rather than direct accounts from growers. These statements should consequently be understood as management hypotheses rather than independently verified customer findings. Although the evidence is internally consistent, the conclusions would be strengthened through direct customer validation. A primary survey of growers combined with interviews across the distribution channel would therefore be an important next step.

The independence of the sources also requires consideration. The study uses two managerial interviews, the 2022 value proposition study, internal sales and market share records, the brand funnel, and published industry reports. The consistency across these sources strengthens the internal coherence of the diagnosis. However, sources relating directly to the company and its customers originate within the organisation and are therefore complementary rather than fully independent. Their convergence demonstrates internal consistency but does not provide the same level of external corroboration as independent customer, competitor, or third-party data. Commercial confidentiality further limits independent replication because the company and its products are identified by code and certain figures are presented in relative rather than absolute terms.

The analytical frameworks used in the study also have inherent limitations. Porter's Five Forces, PESTLE, SWOT, and TOWS provide complementary perspectives for examining the external environment, competitive position, internal capabilities, and strategic options, but they do not produce objectively validated results. Porter's Five Forces can provide a relatively static view of industry structure and may give less attention to complementors, regulation, and the pace of industry change (Grundy, 2006; Dobbs, 2014). PESTLE identifies relevant external factors without determining their relative importance, while SWOT identifies factors

without automatically ranking them and TOWS generates strategic alternatives without quantitatively scoring their attractiveness. Because the frameworks also draw on some of the same underlying information, convergence between their outputs should not be interpreted as complete independent confirmation. The classification of factors and their placement within analytical categories also involves researcher judgement. No sensitivity analysis or scenario modelling was conducted to determine whether alternative classifications would materially change the recommendations.

The qualitative analysis was conducted by a single researcher, so no second coder was involved and inter-coder reliability could not be assessed. The thematic structure therefore reflects one analyst's interpretation, although it was anchored in interview statements and cross-checked against documentary evidence. The researcher's professional connection to the industry provided contextual knowledge and facilitated access to relevant information, but it also creates a potential risk of confirmation bias. The procedures described in Chapter III were used to reduce this risk, although it cannot be eliminated entirely.

The findings concerning the causes of the company's decline should also be interpreted as associations rather than established causal relationships. Chapter IV identifies several contributing factors, including the commoditisation of active ingredients, dependence on technical communication, price-driven customer switching, and stock-outs combined with seasonality. These factors were identified through convergence between interview evidence and internal records. However, the available data do not allow the individual effect of each factor to be isolated or quantified. The 2023 decline also occurred alongside an 8 percent contraction in the wider market, making it difficult to fully separate market-level from company-specific effects. Seasonal variation was similarly identified but not statistically controlled. The diagnosis should therefore be understood as the most coherent explanation supported by the available evidence rather than as a tested causal model.

The generalisability of the findings is also limited. This is a single-company case study focused on PT XYZ Indonesia, one national market, one crop segment, and one flagship product. Its purpose is analytical generalisation rather than

statistical generalisation. Company-level market share analysis is connected to the shallot fungicide segment through Product A, which is treated as the leading product and recorded the steepest individual decline during the period examined. However, this relationship is argued rather than directly quantified because product-level market share data across the full portfolio were not available. The findings should therefore be transferred to other markets, crops, or companies only where comparable conditions exist, particularly where products face commoditised active ingredients, price-sensitive buyers, and an intermediated distribution structure.

Finally, the study does not include implementation or financial validation. It produces a diagnosis, strategic recommendations, and an implementation roadmap, but the proposed initiatives have not been executed or tested in the market. Their expected effectiveness is therefore based on the analysis rather than demonstrated outcomes. Budget and cost information was not available, so resource requirements are expressed in terms of capabilities rather than monetary amounts. No financial modelling, return on investment calculation, payback analysis, or quantified market share recovery target was conducted. The financial case for each initiative would therefore need to be developed internally before approval. The pilot approach proposed in the roadmap, including treatment and control regions, provides a mechanism for testing the expected impact before broader implementation.

Taken together, these limitations define the boundary within which the findings should be interpreted. The study provides an evidence-based diagnosis of PT XYZ's competitive position through 2023, supported primarily by internal managerial and documentary evidence, together with strategic recommendations and an implementation roadmap. It does not claim to provide a customer-validated account of grower behaviour, an independently audited measure of market size, a tested causal model, a financially validated business case, or evidence of actual implementation. These limitations indicate that the recommendations should be validated against current market data, direct customer evidence, financial feasibility, and controlled market testing before wider implementation.

5.3 Theoretical, Practical, and Policy Implications

5.3.1 Theoretical Implications

This study extends established branding and relationship theory into the agricultural crop-protection context, which remains under-represented in the branding literature. It supports Aaker's (2011) concept of brand relevance by demonstrating how a premium, technically strong brand can drift toward irrelevance once competitors offer products based on the same active ingredient, so that technical performance ceases to differentiate. It also reinforces the Commitment-Trust Theory (Morgan & Hunt, 1994) by showing that trust and relational commitment, rather than functional performance alone, sustain customer loyalty once a product category becomes commoditised. A further contribution is the finding that, in a risk-averse agricultural buyer context, emotional and relational value can influence persuasion more strongly than technical value, extending emotional-branding perspectives beyond consumer goods into agricultural input markets.

5.3.2 Practical Implications

For PT XYZ and comparable premium agricultural-input brands, the study implies that competitive defence must shift from the product to the relationship. Managers should rebalance their marketing from technical messaging toward emotional and relational engagement, establish a structured loyalty and community program that sustains the grower relationship between seasons, equip the sales force to sell value and assurance rather than discounts, and treat availability at the point of sale as a strategic priority rather than a routine logistics matter. The study also implies that the analytical frameworks applied here, namely Porter's Five Forces, PESTLE, Gap Analysis, SWOT, and the TOWS Matrix, can serve as a repeatable diagnostic toolkit for the company's ongoing strategic planning.

5.3.3 Policy Implications

At the industry and policy level, the study implies a need to raise the crop-protection category above competition based on price alone. Industry associations and policymakers can support farmer education, integrated pest management, and

responsible product stewardship, and can strengthen the quality, authenticity, and labelling standards that protect growers from counterfeit and substandard products. This distinction matters. Legitimate registered generics are lawful competitors, and the evidence in this study indicates that their efficacy can approach parity with research-based products; the concern here is not with them, but with unregistered or counterfeit products that circulate outside the regulatory system. Such measures would protect growers from products of unverified origin and protect legitimate innovators from competition driven purely by price, ultimately supporting sustainable agricultural productivity and national food security.

5.4 Recommendations

Building on the analysis and the implications above, the following recommendations are proposed to strengthen Product A's competitiveness against low-cost generics and to reposition the brand around farmers' needs and values, in direct response to the two project objectives.

- Reposition Product A from a product supplier into a trusted farming partner, leading communication with emotional and relational value rather than technical specifications alone.
- Establish a structured farmer loyalty and community program that keeps growers engaged across the whole season, reducing price-driven churn.
- Equip the sales force to compete on value through performance and replant assurance, so that the conversation with farmers concerns protecting the harvest rather than the cost per pack.
- Secure availability at the point of sale and strengthen distributor relationships, treating stock-outs as a priority commercial loss.
- Mobilise the wider product portfolio to capture dry-season demand and reduce the brand's dependence on the wet-season window.
- Consider a tiered product and pricing architecture that retains a clear premium tier while offering price-sensitive growers a credible in-house option, so they are retained within the company's portfolio rather than lost to a generic.

5.5 Implementation Roadmap

The recommendations set out above are translated here into a roadmap for the three priority initiatives. Each initiative is assigned an accountable owner, a phased sequence of activities, measurable indicators, an indication of the resources required, and the principal risk to be managed. The overarching indicator for the program is the recovery of the company's market share toward its 2022 level of 2.51 percent. Cost figures are not stated because budget data were not made available for this study. Resource requirements are therefore expressed in terms of the capabilities needed, with each initiative requiring internal budgeting before approval.

The first initiative, availability excellence, is owned by the Head of Sales together with the Distribution Lead. During 0-6 months, the priority is to audit stock-outs across the principal distributors and agree minimum stock levels with them. During 6-12 months, on-shelf availability should be tracked weekly and an availability clause introduced into distributor terms. During 12-24 months, availability should be embedded as a formal indicator within the distributor scorecard. Progress is measured through the stock-out rate, on-shelf availability, and distributor coverage. The initiative draws on the existing sales and supply chain teams together with a simple tracking tool rather than requiring new capability. Its principal risks are distributor resistance and the higher inventory carrying cost associated with minimum stock levels.

The second initiative, the grower loyalty pilot, is owned by the Head of Marketing. During 0-6 months, the focus is on design, including the selection of two treatment regions and one control region and the definition of enrolment criteria and rewards. During 6-12 months, the pilot is implemented and repeat purchase is measured against the control region. During 12-24 months, and only if the pilot demonstrates a genuine lift, the program should be scaled more widely. Progress is measured through repeat-purchase rate, the number of active members, and retention relative to the control region. The initiative requires a reward budget, field force time, and a simple registration platform. Its principal risks are low enrolment, rewards being redeemed for purchases that would have occurred without the

program, and a cost per retained grower that exceeds the margin generated by those growers.

The third initiative, value-based advisory selling, is owned by the Head of Sales together with the Head of Marketing. During 0-6 months, a value and assurance toolkit is developed and the boundaries of any guarantee are defined precisely. During 6-12 months, the field force is trained to shift the conversation from pack price toward harvest protection and value. During 12-24 months, value-based measures are embedded within field force targets to sustain the desired behaviour. Progress is measured through the proportion of sales closed without discount, average realised price, and churn rate. The initiative requires a training program, toolkit development, and agronomy support. Its principal risks are exposure to guarantee claims and uneven execution across regions.

The remaining recommendations, namely digital grower engagement, dry-season portfolio activation, and a tiered product architecture, should follow once these three initiatives are established. The tiered architecture in particular should not proceed without the feasibility assessment set out in the following section.

5.6 Feasibility and Risk of the Key Recommendations

Performance and replant assurance must be tightly defined before launch. The pilot should be limited to a single crop, a defined region, and a stated application protocol, and claims should be verified in the field by an agronomist, since the principal abuse risk is a claim arising from misapplication or from disease pressure outside the agreed protocol. The regulatory position should be confirmed with the company's legal function, because a performance claim may carry implications under registration and advertising rules. The financial exposure is the cost of replacement product multiplied by the expected claim rate, and the pilot should be sized so that a worst-case claim rate remains within the regional promotional budget.

The loyalty program should be piloted rather than launched nationally, using two treatment regions and one control so that any lift in repeat purchase can be attributed with reasonable confidence. Clear enrolment criteria and a single member register are required, since the principal abuse risk is enrolment by intermediaries

rather than by genuine growers. Grower data must be handled in accordance with applicable personal data rules. The financial test is that the cost per retained grower must remain below the contribution margin those growers generate over a season.

A tiered product architecture carries the greatest risk and should not proceed without a prior feasibility study. A lower tier intended to retain price-sensitive growers may instead attract existing premium buyers, converting full-margin volume into lower-margin volume without gaining share. The study should model that cannibalisation explicitly and establish whether the tiers can be separated credibly by formulation, pack size, or channel rather than by price alone. If incremental volume does not clearly exceed cannibalised volume, the recommendation should be set aside in favour of the three priority initiatives.

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APPENDICES

Appendix 1. Interview with Informant SB, Head of Marketing, PT XYZ

Indonesia

Q: Could you describe your role and how it relates to the brand challenges this project addresses?

A: I lead the country business strategy and the planning and execution of our marketing campaigns for both seed and crop protection across Indonesia. The brand challenges, declining repeat purchase and the perception that our products are interchangeable with cheaper alternatives, sit right at the heart of what my team is responsible for, so this project is very relevant to our day-to-day work.

Q: How would you describe the current positioning of the flagship fungicide in the market?

A: It is positioned as a premium, high-performance product. Farmers trust its efficacy, particularly during the wet season when fungal disease pressure on shallot is at its peak. Our brand funnel shows that awareness and intent to buy are very strong, second only to the long-established market leader and even slightly ahead of it on intent to buy. The difficulty is that this strength rests almost entirely on functional performance, and our price reflects that premium.

Q: The study suggests the brand may be drifting toward irrelevance. Do you agree?

A: I would not say the brand is irrelevant today, but I share the concern. When several competing products carry the same active ingredient, technical performance alone stops being a differentiator. If we keep communicating only on efficacy, farmers will increasingly see us as just one more option that happens to cost more. That is the early signal of irrelevance, and we take it seriously.

Q: How much of your marketing effort goes into emotional or relational engagement versus technical messaging?

A: Honestly, the balance has tilted heavily toward technical messaging, things like efficacy trials, dosage, and spectrum of control. Our promotional engagement at the farmer level has been relatively limited compared with the size of the brand. We

have under-invested in the emotional and relational side, the storytelling, the sense of partnership, the community around the brand.

Q: Internal analysis indicates that emotional value influences persuasion more than technical value. How does that shape your thinking?

A: It was a wake-up call. We are an R&D-driven company, so we instinctively lead with data and product specifications. But farmers make decisions in a context of risk and uncertainty, and what moves them is confidence and trust, not just a number on a label. If emotional value carries more weight in persuasion, then our communication has to change to reflect that.

Q: Who are the competitors you watch most closely, and why?

A: There are the established mid-tier brands that have been around for years, but the one we watch most closely now is the low-cost generic challenger. Its share is still small, around 13 percent across the funnel, but what worries me is the consistency. It converts awareness into intent almost without any drop-off. The moment it improves its communication or lowers its price further, it will start taking share from us.

Q: How do farmers perceive the price of the flagship product?

A: They see it as expensive. In a difficult season, when disease pressure is high and the stakes are clear, they accept the premium because the product protects their harvest. But when conditions are calmer, they question whether the premium is worth it, and that is when they start looking at cheaper options.

Q: What role does the distribution channel and the retailer play in brand perception?

A: A very large one. The kiosk owner is often the most trusted advisor for the farmer. If our product is not on the shelf, or if the retailer pushes an alternative, our brand equity at the farmer level does not help us. So brand building cannot be separated from the strength of our channel relationships.

Q: Has the brand done anything to build loyalty beyond the product itself?

A: We have field activities and demonstration plots, and these work well where we run them, but they are not systematic or national in scale. We do not yet have a structured loyalty or farmer community program that keeps the relationship alive between seasons.

Q: If you could reposition the brand, what direction would you take?

A: I would move us from being seen as a product supplier to being seen as a farming partner. The same excellent product, but wrapped in advisory support, reassurance, and a relationship that lasts across the whole season and beyond, not just at the point of sale.

Q: What is the biggest internal obstacle to that repositioning?

A: Mindset and measurement. We are used to measuring success in volume sold and trial results. Building trust and emotional connection takes longer and is harder to measure, so it competes for budget against activities that show faster numbers.

Q: What would success look like to you three years from now?

A: Farmers choosing our brand even when a cheaper option is on the shelf, because they trust us and feel we are on their side. Less churn when prices move, and a stronger presence in the dry season through the wider portfolio, not just the wet-season fungicide.

Appendix 2. Interview with Informant S, Head of Sales, PT XYZ Indonesia

Q: Could you describe your role and your view of the sales challenge the company faces?

A: I am responsible for the national sales budget and team, our relationships with distributors across Indonesia, and demand generation in the field. The central challenge I see every season is churn. We have loyal users, but they are price-sensitive, and the moment a cheaper product with a similar effect appears, some of them switch.

Q: How significant is the threat from low-cost generic products?

A: It is real and it is growing. These products often use the same active ingredient as ours but sell for noticeably less. Retailers tell me the farmers perceive the efficacy as almost comparable. When the technical gap is small and the price gap is large, that is a difficult conversation for my field force.

Q: What happens to your sales when you raise prices?

A: We see churn, both temporary and longer term. Some farmers come back when disease pressure rises again and they want a product they can rely on, but others do not. Every price increase costs us a portion of the base, and winning them back is harder than keeping them.

Q: You mentioned seasonality. How does it affect the flagship product?

A: Our flagship fungicide leads during the wet season, because that is when fungal disease on shallot is most severe and farmers cannot afford to take risks. In the dry season demand drops sharply and competing products take the lead. So our dominance is concentrated in a narrow window, which makes our position more fragile than the headline share suggests.

Q: What happens when the product is out of stock at the retail level?

A: That is one of our biggest avoidable losses. If the farmer comes to the kiosk and our product is not there, he does not wait. He buys whatever the retailer recommends, and very often he keeps using that substitute afterwards. A stock-out is not just a lost sale, it can be a lost customer.

Q: How important are the distributors and retailers to your sales performance?

A: They are essential. We sell through them, and they influence the farmer's final choice. A strong relationship with a distributor means better shelf presence, better recommendations, and a faster response when we need to push a product. A weak relationship means we are exposed to whoever the retailer prefers that day.

Q: Do farmers show loyalty to the brand, or mainly to price?

A: It is a mix. There is a core that trusts the brand and will pay more for the confidence it gives them, especially when their crop is at risk. But there is a large middle group that is loyal only as long as the price difference is tolerable. That middle group is where we win or lose share.

Q: From your field experience, what do farmers value most when choosing a crop protection product?

A: Reliability above all. They are protecting a harvest that represents months of work and their income, so they are risk-averse. They want a product that works every time, that is available when they need it, and that does not cost so much that it eats their margin. Trust in the product, and in the person recommending it, matters enormously.

Q: How does your field force currently engage with growers beyond selling?

A: We run field activities, demonstrations, and grower engagement events, and these build a lot of goodwill. But they depend on individual effort and are not consistent everywhere. We do not have a structured program that keeps growers engaged with us throughout the year.

Q: What would help you defend the brand against the cheaper competitors?

A: Three things. First, make sure we never lose a sale to a stock-out, because availability is within our control. Second, give my team stronger arguments than price, things like performance guarantees or replant assurance, so the conversation is about protecting the harvest, not just the cost per pack. Third, keep farmers connected to us between seasons so they do not drift to whoever is cheapest.

Q: Do you think the company can win a price war against generics?

A: No, and I do not think we should try. We will always have a higher cost base than a pure generic. If we compete only on price, we erode the value of the brand and still lose. We have to compete on trust, reliability, and the relationship. That is where we are strong and they are not.

Q: What is your priority recommendation for management?

A: Protect availability and protect the relationship. Strong distribution and a real loyalty program will do more to hold our share than any single campaign. And give the field force the tools to sell value, not just product.