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STRATEGY DEVELOPMENT THROUGH SWOT ANALYSIS IN OFFSHORE INDUSTRY

Alif Fatqul Hikmah[1*], Budiyanto[2], Nur Laily[3]

[1] Master of Management, Indonesia School of Economics (STIESIA), Surabaya, Indonesia
[2,3] Management Department, Indonesia School of Economics (STIESIA), Surabaya, Indonesia

*Corresponding Author: alifatqulhikmah79@gmail.com

Abstract: The offshore industry, particularly in the vessel chartering sector, continues to expand in line with the growing development of offshore infrastructure and oil and gas exploration. Despite this growth, limited studies have examined how Indonesian offshore support vessel (OSV) companies formulate strategies to strengthen their competitiveness. This study aims to analyze the strengths, weaknesses, opportunities, and threats (SWOT) of PT Pelayaran Nasional Ekalya Purnamasari Tbk (PT ELPI) and to propose strategies that enhance its position in the offshore industry. A mixed methods approach was applied, combining qualitative interviews with quantitative analysis through the Internal Factor Analysis Summary (IFAS) and External Factor Analysis Summary (EFAS) matrices. The results indicate that PT ELPI holds a strong position with internal and external coordinates of 1.56 and 0.80, respectively, placing the company in Quadrant I (Aggressive) of the SWOT matrix. This finding suggests that PT ELPI should implement Strength - Opportunity (S-O) strategies oriented toward growth. Recommended strategies include international market expansion, product innovation, and business diversification, enabling the company to leverage its internal strengths and seize external opportunities to reinforce competitiveness in the global offshore market

Keywords: SWOT analysis, competitiveness, IFAS matrix, EFAS matrix, offshore industry

1. Introduction

The oil and gas industry plays a vital role in supporting Indonesia's economic development. As energy demand continues to rise, offshore exploration requires reliable marine transportation services, particularly in offshore vessel chartering. PT Pelayaran Nasional Ekalya Purnamasari Tbk (PT ELPI) plays a strategic role in this sector by operating more than 100 Offshore Support Vessel (OSV) to support national upstream oil and gas activities.

The expansion of offshore oil and gas operations has intensified competition in the OSV sector, as reflected in the increasing number of companies holding Sea Transportation Business License (SIUPAL) permits (Figure 1). This indicates a highly competitive environment for offshore vessel services.

As a key national shipping company, PT ELPI has strengthened its market position by becoming publicly listed in 2022. Nevertheless, the company must continue to adapt to evolving market dynamics and regulatory frameworks through innovation, operational efficiency, and strategic partnerships. In the OSV industry, competitiveness is determined not only by fleet size but also by compliance with international standards, cost efficiency, and the ability to establish long-term collaborations. Furthermore, PT ELPI must adopt environmentally friendly technologies and invest in human capital to remain relevant amid intensifying competition.

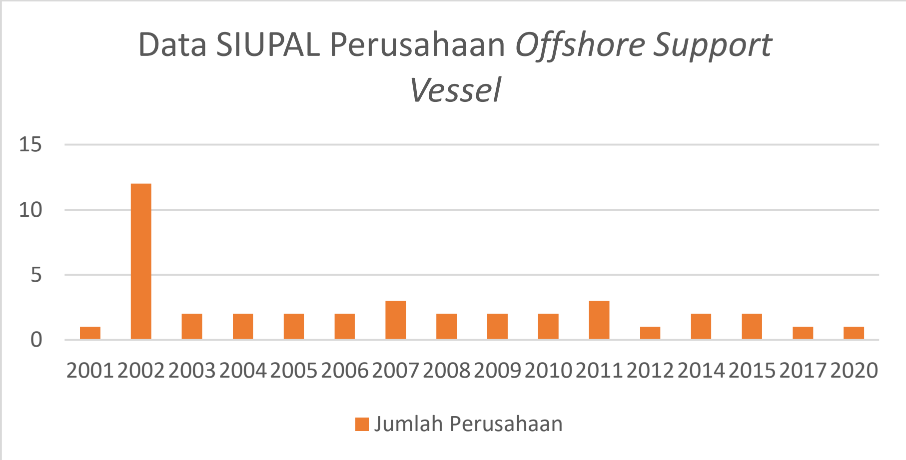

Figure 1. Offshore Support Vessel Company SIUPAL Data
Source: SIUPAL data on the Ministry of Transportation website (2024)

SWOT analysis (Strengths, Weaknesses, Opportunities, and Threats) provides a structured approach to strategic planning by evaluating both internal and external factors. Several previous studies have applied this framework. Tasdik (2022), for example, analyzed a regional bank and found it in Quadrant IV, requiring a survival strategy. Hidayat and Nugroho (2023) combined SWOT and AHP to examine marketing strategies and identified their case company in Quadrant II (Growth and Build), suggesting intensive strategies such as market penetration and development.

However, few studies have specifically investigated strategic positioning in the Indonesian OSV sector. Given the dynamic and competitive nature of this industry, strategic analysis becomes essential for offshore shipping companies. Considering PT ELPI's central role in national offshore logistics, a deeper understanding of its strategic outlook is crucial. Therefore, this study aims to analyze PT ELPI's internal and external conditions using SWOT analysis and to formulate strategies that strengthen the company's competitiveness in the offshore market, both nationally and globally.

2. Literature Review

Strategy

According to Rangkuti (2014), strategy is a tool used to achieve objectives. Its primary purpose is to enable a company to objectively evaluate both internal and external conditions, allowing it to anticipate environmental changes. Similarly, Stephani K. Marrus (as cited in Umar, 2013) defines strategy as a process of formulating plans by top management that focus on the organization's long-term goals, accompanied by the development of approaches or efforts to achieve those goals. Both definitions emphasize that strategy serves as a means of environmental analysis as well as a roadmap for achieving long-term objective.

SWOT Analysis

According to Yunus (2016), SWOT analysis is a systematic study of a company's internal strengths and weaknesses in relation to external opportunities and threats. It functions as a strategic planning tool that helps organizations formulate and implement strategies to achieve their objectives. Similarly, Ahmad (2020) defines SWOT analysis as a method used to evaluate strengths and opportunities while minimizing weaknesses and threats, highlighting its role as a comprehensive framework for aligning organizational capabilities with external environmental factors. Gurel and Tat (2017) further emphasize that SWOT analysis serves as an effective approach to integrate internal and external assessments in strategic decision-making.

In line with this, Sabariah (2016) states that SWOT analysis can be applied to both profit and non-profit organizations to provide a holistic understanding of their overall condition. Furthermore, Isniati and Rizki (2019) note that SWOT analysis is built upon two main components: internal and external factors. External factors include environmental influences that present opportunities or threats, while internal factors stem from within the organization, representing its inherent strengths and weaknesses. Collectively, these perspectives reinforce SWOT analysis as a comprehensive diagnostic tool for evaluating organizational strategies from multiple dimensions.

SWOT Matrix

According to Isniati and Rizki (2019), the SWOT matrix is a tool used to organize an organization's strategic factors and clearly illustrate how external opportunities and threats can be aligned with the organization's internal strengths and weaknesses. The matrix produces four sets of possible strategic alternatives: S-O (Strength - Opportunity) strategies that leverage internal strengths to exploit external opportunities; W-O (Weakness - Opportunity) strategies that minimize internal weaknesses by utilizing external opportunities; S-T (Strength - Threat) strategies that use strengths to mitigate external threats; and W-T (Weakness - Threat) strategies that focus on survival by reducing internal weaknesses and avoiding external threats.

David (2011) emphasizes that the purpose of this stage is to generate a range of feasible strategic alternatives rather than to determine a single best strategy. Thus, not all strategies identified in the SWOT matrix are necessarily selected for implementation.

Competitive Advantage

Mohamad and Niode (2020) explain that competitive advantage refers to a company's strategic approach aimed at outperforming its rivals within the same industry. Meanwhile, Porter (as cited in Purnomo and Hadi, 2018) defines competitiveness as productivity, measured by the output produced through labor. Based on these perspectives, it can be concluded that competitive advantage represents an organization's ability to capture a larger market share and achieve higher profitability than its competitors by implementing effective strategies that enhance product superiority and organizational performance.

3. Method

Research Type and Approach

This study employed a mixed-methods approach with a sequential exploratory design. In the first phase, qualitative data were collected through semi-structured interviews with five key respondents from PT Pelayaran Nasional Ekalya Purnamasari Tbk (PT ELPI). In the second phase, quantitative data were obtained through questionnaires to support and validate the SWOT components identified in the qualitative stage.

Research Location and Period

The research was conducted at PT ELPI's head office in Surabaya during November - December 2024.

Sampling Technique
Respondents were selected using a purposive sampling technique, targeting individuals with substantial knowledge of the company's strategy and operations. The five respondents consisted of top- and mid-level managers, including the Chief Operating Officer, Marketing and Commercial Manager, Manager Fleet Offshore, General Manager Fleet SM, and Corporate Secretary.

Data Source and Collection
Primary data were collected through face-to-face interviews and structured questionnaires. The interviews aimed to identify internal and external factors influencing PT ELPI's competitiveness. Questionnaire items were developed based on the interview findings and measured using a Likert scale ranging from 1 (very weak) to 4 (very strong). The survey was distributed after completing the interview phase to validate the qualitative results.
Secondary data were obtained from company documents such as organizational structure, vision and mission statements, customer data, product information, and financial reports, which were accessed through PT ELPI's official website. Additional secondary sources included academic journals, articles, and other references relevant to competitive advantage and SWOT analysis.

Data Validity
To ensure data credibility, both source and method triangulation were applied. This involved cross-verifying information from multiple respondents and comparing data collected through interviews, questionnaires, and document analysis.

Data Analysis
Qualitative data were analyzed using the Miles and Huberman model, which involves three stages: data reduction, data display, and conclusion drawing. Quantitative data were analyzed using SWOT methodology through the construction of Internal Factor Analysis Summary (IFAS) and External Factor Analysis Summary (EFAS) matrices. These matrices were used to identify PT ELPI's strategic position by plotting the results on a SWOT (Cartesian) quadrant.
Based on the analysis, four sets of strategic alternatives were generated S-O (Strength - Opportunity), S-T (Strength - Threat), W-O (Weakness - Opportunity), and W-T (Weakness - Threat). The most suitable strategy was then recommended to enhance PT ELPI's competitiveness in the offshore industry.

4. Result and Discussion

Result
IFAS and EFAS
Internal factors are compiled into a matrix known as the Internal Factors Analysis Summary (IFAS), which includes all aspects of functional management marketing, finance, operations, human resources, research and development, management information systems, and corporate culture (Fahmi, 2014).
External factors are summarized in the External Factors Analysis Summary (EFAS) matrix. These include the industrial and macro-environmental aspects, such as economic, political, legal, technological, demographic, and socio-cultural factors (Fahmi, 2014).

Based on interviews with five respondents, the researcher identified key internal and external factors of PT ELPI, conducted an analysis, and drew conclusions. The following is a summary of those internal and external factors.

Strengths	Weaknesses
1. Has affiliated companies in the fields of maintenance and engineering. 2. Good vessel performance and prompt response in handling vessel-related issues. 3. Strong organizational work culture within PT ELPI. 4. Increasing corporate branding and reputation in the eyes of clients. 5. More competitive vessel rental service rates compared to competitors. 6. Implementation of ESG (Environmental, Social, and Governance) programs. 7. Continuous product innovation initiatives.	1. Several vessels are approaching 20 years of age. 2. Limited availability and variety of large-sized vessels. 3. Diverse generational workforce distribution within the company. 4. Weaknesses in the procedural system.

Opportunities	Threats
1. Expansion into international markets. 2. Potential for increased oil and gas production and business diversification. 3. Trusted as a market leader in vessel DDF (Dual Fuel Diesel) conversion.	1. The dynamic and volatile global oil market. 2. Unstable and non-standardized vessel charter rates. 3. Shortage of local vessel crew, who are more attracted to working for international companies. 4. Political dynamics and new Coretax policy changes.

Results of the IFAS and EFAS Questionnaires of PT ELPI

According to David (2011), the preparation of IFAS and EFAS matrix involves five main steps:

1. Identifying the relevant strengths and weaknesses (for IFAS), as well as opportunities and threats (for EFAS).
2. Assigning a weight to each factor on a scale from 0.0 (not important) to 1.0 (very important), based on its relative impact on the company's strategic position.
3. Assigning a rating from 1 to 4 to indicate how the company performs with regard to each factor, with the following scale:
   1 = Very Weak
   2 = Weak
   3 = Strong
   4 = Very Strong

   The assigned weight reflects the relative importance of the factor, while the rating indicates how effectively the company responds to it.

4. Multiplying each weight by its corresponding rating to obtain the weighted score.
5. Summing all weighted scores to calculate the total score for the company.

The total score of the IFAS matrix ranges from 1.0 to 4.0, with an average benchmark of 2.5. A score below 2.5 indicates a weak internal position, whereas a score above 2.5 signifies a strong internal position.Likewise, in the EFAS matrix, the total score ranges from a minimum of 1.0 to a maximum of 4.0. A score of 4.0 indicates that the company is highly effective in utilizing opportunities and avoiding threats in its external environment. Conversely, a score of 1.0 suggests that the company is not effectively leveraging opportunities nor mitigating external threats.After identifying the internal strengths and weaknesses, and external opportunities and threat factors, a table was constructed using the IFAS and EFAS matrix. The weights were assigned by the informants, while the ratings were derived from the average questionnaire results.

Table 1. IFAS (Internal Factor Analysis Summary) Matrix

No	Internal Factors	Weight	Rating	Score
Strength				
1	Has affiliated companies in the fields of maintenance and engineering.	0,11	4	0,44
2	Good vessel performance and prompt response in handling vessel-related issues	0,11	3,2	0,35
3	Strong organizational work culture within PT ELPI.	0,11	3,2	0,35
4	Increasing corporate branding and reputation in the eyes of clients.	0,11	3,4	0,37
5	More competitive vessel charter service rates compared to competitors.	0,08	3,4	0,29
6	Implementation of ESG (Environmental, Social, and Governance) programs.	0,08	3,6	0,31
7	Continuous product innovation initiatives.	0,08	3,6	0,31
	Subtotal of Strengths	**0,69**		**2,42**
Weakness				
1	Several vessels are approaching 20 years of service age.	0,09	3,4	0,32
2	Limited availability and types of large vessels	0,08	2,6	0,20
3	Diverse generational workforce distribution within the company.	0,06	2,4	0,14
4	Weaknesses in the procedural system	0,08	2,6	0,20
	Subtotal of Weakness	**0,31**		**0,86**
	IFAS TOTAL	**1,00**		**3,27**

Table 2. EFAS (External Factor Analysis Summary) Matrix

No	External Factors	Weight	Rating	Score
Opportunities				
1	Expansion into international markets.	0,23	4	0,92
2	Potential increase in oil and gas production and business diversification	0,17	3	0,51
3	Trusted as a market leader in vessel DDF (Dual Fuel Diesel) conversion	0,17	3	0,51
	Subtotal of Opportunities	**0,57**		**1,94**
Threats				
1	The dynamic global oil market conditions	0,15	3	0,46
2	Unstable and non-standardized vessel charter rates.	0,12	3	0,37
3	Shortage of local vessel crew, who prefer to work for international companies	0,08	2	0,15
4	Political dynamics and new Coretax policies	0,08	2	0,15
	Subtotal of Threats	**0,43**		**1,14**
	EFAS TOTAL	**1,00**		**3,08**

SWOT Cartesian Diagram Analysis

Based on the analysis in Table IFAS, the total score for strength factors is 2.42, while the total score for weakness factors is 0.86. This indicates that PT ELPI's internal strengths are significantly greater than its weaknesses, which supports the formulation of effective competitive strategies.

In Table EFAS, the total score for opportunity factors is 1.94, and the score for threat factors is 1.14. This shows that PT ELPI faces more promising opportunities than external threats in its business environment.

Using these scores, the internal and external coordinates for SWOT analysis are calculated as follows:

Internal Coordinate (X-axis):
= Strengths Score – Weaknesses Score
= 2.42 – 0.86 = 1.56

External Coordinate (Y-axis):
= Opportunities Score – Threats Score
= 1.94 – 1.14 = 0.80

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Based on these calculations, PT ELPI's strategic position is plotted at the Cartesian coordinate point (1.56, 0.80), as illustrated in Figure 2 below.

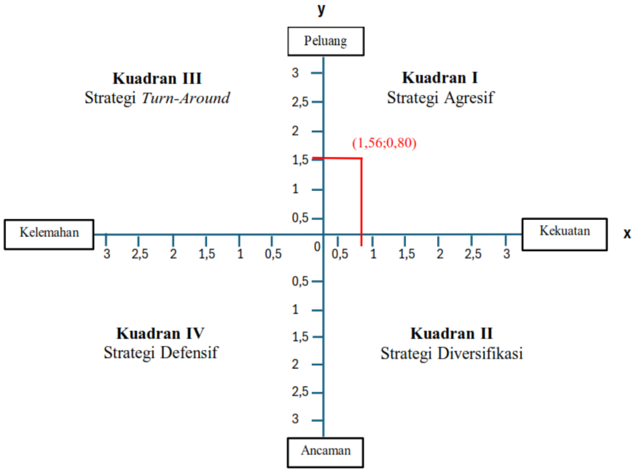

Figure 2. SWOT Cartesian Diagram Analysis of PT ELPI
Source: Data processed by researcher (2025)

Based on the Cartesian diagram above, PT ELPI is positioned in Quadrant I, commonly referred to as the aggressive quadrant. This position indicates that the company has strong internal capabilities and favorable external opportunities, making it well-suited to implement a growth-oriented strategy. In this context, PT ELPI is encouraged to pursue further development by leveraging its strengths to optimally and sustainably seize available opportunities. The company has a strong position to leverage its strengths and opportunities for business expansion and innovation.

Aggressive Strategy of PT ELPI
According to Rangkuti (2014), an aggressive strategy is designed to optimize a company's internal strengths in order to seize external opportunities to the fullest. David (2011) also emphasizes that firms positioned in Quadrant I of the SWOT matrix are well-suited for aggressive strategies such as market development, product development, and horizontal integration, all of which aim to support business growth and strengthen competitive advantage. Based on the SWOT analysis, PT ELPI is in a strong position to implement this type of strategy. Recommended actions include international market expansion particularly in countries with more flexible tender regulations, such as India, where older vessels are still accepted allowing PT ELPI to utilize fleets no longer eligible for domestic tenders. The company may also diversify its offshore support services, including marine logistics, crew boat operations, and rig support, to reach a wider global market. As a publicly listed company with a strong track record among both national and international PSCs (Production Sharing Contractors), PT ELPI can enhance its global credibility through strategic alliances, international branding efforts, and promotion. By modernizing its fleet and increasing operational efficiency, PT ELPI is well-positioned to strengthen its role as a globally competitive national shipping company.

SWOT Matrix of PT ELPI
The SWOT matrix is a strategic tool used to clearly illustrate how a company's internal factors (strengths and weaknesses) align with external factors (opportunities and threats) to generate strategic alternatives. This matrix assists decision-makers in formulating appropriate strategies

to remain competitive in a dynamic business environment. Based on the identification and analysis of internal and external factors, the SWOT matrix of PT ELPI is presented below.

SWOT Matrix of PT ELPI

INTERNAL / EXTERNAL	*Strength*	*Weakness*
	1. Has affiliated companies in the fields of maintenance and engineering. 2. Good vessel performance and prompt response in handling vessel-related issues 3. Strong organizational work culture within PT ELPI. 4. Increasing corporate branding and reputation in the eyes of clients. 5. More competitive vessel charter service rates compared to competitors. 6. Implementation of ESG (Environmental, Social, and Governance) programs. 7. Continuous product innovation initiatives.	1. Several vessels are approaching 20 years of service age. 2. Limited availability and types of large vessels 3. Diverse generational workforce distribution within the company. 4. Weaknesses in the procedural system
Opportunity 1. Expansion into international markets. 2. Potential increase in oil and gas production and business diversification 3. Trusted as a market leader in vessel DDF (Dual Fuel Diesel) conversion	**S-O Strategy** 1. Expanding international markets by leveraging competitive advantages 2. Becoming a market leader in vessel DDF (Dual-Fuel Diesel) conversion through innovation support 3. Utilizing maintenance & engineering affiliates to support the increase in oil and gas production 4. Enhancing corporate branding to support business expansion and strategic partnerships 5. Leveraging a strong work culture to enhance global competitiveness	**W-O Strategy** 1. Addressing aging vessels through expansion into international markets 2. Diversifying the vessel fleet by utilizing the potential increase in oil and gas production 3. Improving intergenerational coordination with a focus on enhancing product innovation
Threat 1. The dynamic global oil market conditions 2. Unstable and non-standardized vessel charter rates. 3. Shortage of local vessel crew, who prefer to work for international companies 4. Political dynamics and new Coretax policies	**S-T Strategy** 1. Addressing global oil market dynamics through service diversification 2. Maintaining competitiveness amid unstable vessel charter rates 3. Overcoming the shortage of local vessel crew by leveraging a strong work culture and offering competitive incentives 4. Responding to political dynamics through increased innovation and operational efficiency	**W-T Strategy** 1. Addressing aging vessels through improved efficiency and fleet renewal 2. Reducing fleet limitations through partnerships and external financing 3. Overcoming the shortage of local vessel crew through local human resource development

Source: Data processed by the researcher (2025)

Discussion

The SWOT analysis identified internal and external factors influencing the competitiveness of PT Pelayaran Nasional Ekalya Purnamasari Tbk (PT ELPI). The total IFAS score of 3.27 and EFAS score of 3.08 place the company in Quadrant I (Aggressive Strategy), indicating a strong position to utilize its strengths and seize market opportunities.

PT ELPI's main strengths include ownership of affiliated shipyards, responsive fleet performance, solid corporate culture, and competitive pricing. These align with external opportunities such as international market expansion, the growth of national oil and gas activities, and green energy initiatives like DDF vessel conversion. This supports the adoption of an S-O strategy focusing on expansion, innovation, and diversification.

However, PT ELPI still faces weaknesses such as aging vessels, limited large-capacity ships, generational workforce gaps, and procedural inefficiencies. External threats include volatile oil prices, fluctuating charter rates, talent shortages, and regulatory challenges. These findings

highlight the need for continuous fleet renewal, human resource development, and digital management improvements.
Overall, PT ELPI is well-positioned to pursue growth through aggressive strategies while addressing internal and external challenges to strengthen its competitiveness and ensure sustainable performance in the offshore industry.

5. Conclusions

This study concludes that PT Pelayaran Nasional Ekalya Purnamasari Tbk (PT ELPI) is in a strong competitive position, as reflected by the total IFAS score of 3.27 and EFAS score of 3.08, placing the company in Quadrant I (Aggressive Strategy). This indicates that PT ELPI has the capability to utilize its internal strengths and external opportunities to pursue business expansion and innovation in the offshore industry. The implications of this study highlight the importance of implementing proactive strategies such as international market expansion, fleet modernization, human resource development, and innovation in environmentally friendly operations to enhance long-term competitiveness. These strategies are expected to strengthen PT ELPI's market position both nationally and internationally. However, this study has limitations in terms of sample size and research scope, which focused only on managerial-level respondents within a single company. Future research may involve a larger sample, comparative analysis with other offshore operators, and the integration of quantitative performance indicators to validate strategic outcomes.

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