

Strategy of Indonesia Textbook Publishing Industry Facing the Digital Era

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Abstract- The digital era has influenced the business environment in the world for becoming more dynamic, the growth of digital technology encouraged the textbook publishing industry for keeping society needs. The growth of digital era makes the society demands of textbook publishing product become increasing, both from the quality, price, accessibility, and other aspects. The study of textbook publishing industry strategy to face the digital era in Indonesia is done by some purposes which is: mapping the textbook publishing industry nationally, formalizing the national textbook publishing industry to face the digital era, giving the recommendation strategy for national textbook publishing industry. The analysis methods that is used in this study is SWOT (Strength, Weakness, Opportunities, and Threats), to simplify and accelerate the process of decision-making by using Analytic Hierarchy Process (AHP) and BOS (Blue Ocean Strategy). The results of this study is expected to give benefits for stakeholder such as publishing company, publishing industry, government, society, as well as: (1) become a basic reference and input for textbook publishing industry in formulating strategies to face the digital era, (2) get the proper formulating strategies for the growth of textbook publishing industry in the digital era, (3) improving and developing the national textbook publishing industry in the digital era. (4) preparing the textbook publishing industry to face the digital era, (5) giving contribution to government in determining the regulations in national textbook publishing industry.

Index Terms- Strategy, Textbook Publishing Industry, Digital Era, SWOT, AHP

I. BACKGROUND

Nowadays, the era of information has influenced the business sector for becoming more dynamic. The growth of information technology encouraged the textbook publishing industry for keeping society needs of quality literature. Moreover, followed by the growth of digital era, it creates a huge demand from the society, and at a same time change their reading habit. A competitive strategic planning is increasingly needed, proven by the demands of the corporate to have a guideline to prioritize their decision-making, both in the corporate level, business level, or functional level. This strategy, according to Gurowitz (gurowitz.com/articles/strategy.pdf) has a definition as "a futuristic orientation plan to interact with competitive environment to achieve the goal"

The strategy is a forward step to achieve an organizational goal, set the strategic goal and corporate financial, also by setting that, it is expected to give the best results. Morton (1996) stated that there is an affinity which is mutually supported each other from the organization structure and corporate culture, technology, individual role, organization structure and management process that is influenced by external socio-economic environment and external technology environment in forming strategy methodology.

Therefore, there is some steps that should be conducted as a follow, (1) identify the environment that will be included by industry in the future, (2) do the environment analytic both internal and external to measure the strength and weakness as well as the opportunity and threat that will be opposed by the corporate in running their goals and take the competitive advantage, (3) formalizing the important factors of success (key success factors) based on the environment transition that will be faced, (4) determine the goals, identify and evaluate the alternative strategy and formalizing the chosen strategy to reach that goals and success.

Data of the publishing corporate in Indonesia 2015 shows 1.328 the numbers of publisher in the table 1.

Table 1. Composition of Publishing Corporate is Divided into 3 Big Regions (Geographic) in 2015

Number	3 Big Regions	Total	(%)
1	Jakarta Capital City	504	38%
2	Java (Non Jakarta Capital City)	687	52%
3	Outside Java	137	10%
TOTAL		1.328	100%

Source: Indonesian Publisher Association Yearly Report –2015

The data is found by examining the Indonesian Publisher Association report, which is found that mostly the publisher publish their book by not more than 50 titles in each their books every year. A new book produced by national publishers, it is found that the number of book that is published by an active publishing company in Indonesia in 2015 is vary enough. There are 80% publisher publish new book within 10 to 50 titles. 17% publisher publish their books within 50 to 200 title, and there are 3% publisher publish their book more than 200 titles in 2015 (data from Indonesia Publishers Association, 2015). The producing of a new national title, in the last two years' data (2013 - 2014), it is found that the number of book publishing in Indonesia is more than 30.000 titles within a year. Besides from national publishers, these books are published by publisher who has corporate legality, as a book publisher from government institution and State-Owned Enterprises. For example, the government institution in Indonesia that publish book, for example Indonesia Supreme Audit, Corruption Eradication Commission, and another ministry

The significant growth from Internet User in Indonesia create a prospective selling of digital book in Indonesia. Some publisher has published their books in electronic format or another digital format. It reflects that there is an emerging need of electronic book in Indonesia and also supported by some book marketplace on the Internet. Even though it grows significantly, the e-book selling is not more than 2% in local market (Indonesian Publisher Association reports, 2015). Internet nowadays is on the state of being growth rapidly, stimulated by the demands side that is in line with the growth of wealth level in middle class, which means without this growth the internet selling is getting stagnated. According to Internet Service Provider Association in Indonesia 2014, it is listed that there are 88,1% internet user. This data is continuously growing from year to year, because the growth of Internet user in Indonesia is rapid enough, as provided by table 2.

Table 2 TheNumber of Internet User Penetration in Indonesia 2005 - 2014

Year	The Number of Indonesia Population (million)	The Number of Internet User (million)	% Internet User Penetration
2005	206,3	16,0	7,8%
2006	212,7	20,0	9,4%
2007	219,2	20,0	9,1%
2008	225,6	25,0	11,1%
2009	232,1	30,0	12,9%
2010	238,5	42,0	17,6%
2011	242,0	55,0	22,7%
2012	245,5	63,0	25,7%
2013	248,9	71,2	28,6%
2014	252,4	88,1	34,9%

Source: Internet Service Provider Association in Indonesia (APJII)

The supporting factor that should be considered in this case is, three fundamental key that support the continuing growth in the internet market:

1. Economic growth that is powerful and consistent within 6% per year, and personal expense ratio currently is growing more than 10% per year.
2. The middle class in Indonesia is growing rapidly, that bring a huge demands of technology device and online service.
3. A tight competition between mobile company (mobile operator) that play an important role for lowering the fare and also improving customer awareness through their massive campaign and advertisement.

Nevertheless, it is believed that mostly market players underestimate the growing of internet user at the future in Indonesia, and they miscalculate the two-key dynamic in Indonesia market above, so they will be left by the aggressively of this market that devour all of the content that is provided in internet. Hence, the focus in this study is to: (1) map of national textbook publishing, (2) arrange the strategy of national textbook publishing in the case of facing the digital era, (3), give the recommendation strategy for national textbook industry.

II. RESEARCH METHOD

This study is conducted in textbook publishing company that lies in Indonesia within July to September 2016. The publishing company that is sampled is limited only in textbook publishing company. To strengthen the results of this study, we do in depth interview with the head of Curriculum and Bookkeeping Department (Puskurbuk), Ministry of Education and Culture (Kemendikbud RI) and the head of Publishers Associate (Indonesia Publishers Association)

The sampling technique that is done in this study is using purposive sampling methods, in which taking the sample intentionally. The respondent that is chosen by the writer is based on a consideration in which the determining of these textbook publishing industry strategies is chosen 6 practitioners, who is Director and CEO from textbook publishing company in Indonesia.

Data Examining and Analysis Technique

The analysis and examining technique of this data that is use to support this research is :

1. Internal and External Analysis

This analysis is purposed to know the internal and external critical factors of national textbook publishers. These internal and external critical factors then will be scored after it is previously valued and rated. The scoring value of each internal and external critical factors is done by using pairwise comparison

2. SWOT Analysis (Strength, Weakness, Opportunities, Threats)

SWOT Analysis is a strategic planning methods that is used to evaluate the strengths, weaknesses, opportunities, and threats in a project or business speculation. These four factors that shape SWOT acronym (Strengths, Weaknesses, Opportunity, and Threats). From these critical factors then it is analyzed by using SWOT (Strength - Weakness - Opportunity - Threats) metrics to determine the alternative strategies for company. To support an effective decision making of strategic planning in national textbook publishing industry to face the digital era, thus, this study will use Analytic Hierarchy Process (AHP) to simplify and quicken the decision-making process.

3. Analytic Hierarchy Process (AHP)

Analytic Hierarchy Process is a fluid model that facilitate the chance for individual or organization to build the idea and define the problem by making their own assumption and get the problem solving that is expected (Saaty, 1990).

4. Blue Ocean Strategy (BOS)

Blue Ocean Strategy, according to Kim dan Mauborgne (2006), define this term as “a strategy with determination to find the obtainable market that is not-covered yet, in order to create potential demands and chance for a huge growing of the profitability”. It is shaped well in unlimited industrial environment. Blue Ocean is formed inside the Red Ocean by expanding and penetrating the market limit in the industry.

III. RESEARCH OUTCOME

Industrial Mapping in Indonesia Textbook Publishing

In this study the textbook publishing company in Indonesia is a dominant respondent since they established in 1970 that is 66%, textbook company that established in 1980 is 17%, and textbook company that established in 2000 is 17%. Mostly textbook publishing company publish elementary school book as much as 30%, 25% senior high school book, 20% junior high school book, 15% kindergarten book and 10% university level book.

According to respondent, stated that 70% condition of the current textbook publishing company considered as mature condition, and 30% of the current textbookpublishingcompany considered as decline condition. Mostly the respondent argues that 83% of them stated that the use of electronic textbook product (e-book) to replace the printed textbook in Indonesia is cannot be predicted for the next several years. And the rest 17% argues that within the next 10 years the use of printed textbook compared to electronic textbook (e-book) is 9:1. It means the value of printed textbook is higher compared to electronic textbook. It indicates that the selling of printed textbook is consisting of variable cost that is measurable for example Cost of Goods Sold (COGS), pre-production cost, and after production cost.

Textbook Publishing Industry Strategy

EFE matrix in SWOT analysis is consisted in order to facilitate the execution of the strategy so that it can simplify and evaluate the information based on indicators that include in external factors such as from the side of opportunity and threat. The results of EFE matrix summed up from the expert scoring give an analysis outcome as it's depicted in Table 3. Based on the identification of EFE matrix by giving value from the scale of 1 - 4, it is found that the total score of opportunity (1.587) is higher than the total score of threats (0,959). This score explained that opportunity inside the publishing industry is huge compared to the threats, so that if the opportunity can be functionalized or captured in good manner, the textbook publishing industry will significantly able to compete in the digital era (score 0,427). This opportunity can be utilized by publishers' industry considering that there is an immense internet connections speeded in Indonesia nowadays, but still unequal, thus in the learning process, particularly in schools it still difficult to get attuned or to update the trend of technological growing by using electronic book (e-book). The emerging of new technology in the case of textbook printed (score 0,426) is also become an opportunity that is had by textbook publishing industry in which they still have efficiency in producing a new book.

Table 3. The Matrix of External Factor Evaluation (EFE)

External Factors	Value	Rating	Total Score
Chances			
The growing of internet understanding in society	0,122	3,17	0,385
The emerge of new technology in publishing	0,128	3,33	0,426
Huge Society needs of quality product in low-price	0,116	3,00	0,348

Population growth	0,128	3,33	0,427
Total			1,587
Threats			
Low level of reading habit in society	0,063	1,67	0,106
The spread of population which is uneven in Indonesia islands	0,070	1,83	0,128
The growing of competitor that produce digital product	0,077	2,00	0,155
Multimedia apps variation that become more interesting	0,077	2,00	0,155
The internet era where user can cheaply buy it and get the information easily	0,077	2,00	0,155
The printing cost which getting higher	0,077	2,00	0,155
Computer accessibility	0,064	1,67	0,106
Total			0,959

The threat that is appear is equally shown by the score 0,155 which coming from the progress of the competitor that results digital product. There are multiple multimedia apps that is getting interesting, internet era where the user just pay for the internet cost is now getting easier to enjoy the crowds of the information, the cost of printing is getting more expensive. This threats can be anticipated by continuously producing the textbook because the nature of Indonesian student, particularly in remote area is tend to use paper book instead of electronic book especially for elementary level, and for Junior and Senior High School, they are now used to get in touch with electronic book (e-book). It still more socialization needed and continuous using for the future regarding the accepting of electronic book in the future. Printed book can be concluded still has important role as a main option to be used by students and schools.

A concise step to do a strategic management audit is by making Internal Factor Evaluation Matrix (IFE). This strategic formulation tool is concise and evaluation priority strength and weakness inside multiple functional fields in the organization. This matrix is also considered as a fundamental core to identify and evaluate the relationship between these fields. The intuitive scoring is needed to create the IFE matrix. Thus, this approach that seems scientific do not need to put as the most potent technique. Just like EFE matrix, this matrix can be expanded as in table 4. Based on the IFE matrix results in Table 4, it results total score of the strength is 2,770 and weakness is 0,443. The weakness score is smaller than strength score so that according to the experts, the strength factors or indicators become more dominant comparing to weakness that become internal factor. Table 8 shows that for the main strength of the textbook publishing industry, era digital factor (score 0,494), then added by secondary strength, it is found that textbook publishing industry apply an effective marketing segmentation (score 0,491). Whereas the main weakness of the textbook publishing industry can be known as a material inside the product that is provided on average is merely same between the competitor, it is not efficient in production, and product costing that is gradually increasing with the score 0,148.

Table 4. Matrix of Internal Factor Evaluation (IFE)

Internal Factors			
Strength	Value	Rating	Total Score
Funding Strength	0,127	3,50	0,446
Company Positioning in the Market	0,127	3,50	0,446
Effective Implementation of Marketing Segmentation	0,134	3,67	0,491
Technology Growth	0,127	3,50	0,446
Information Management System	0,127	3,50	0,446
Product Diversification	0,135	3,67	0,494
Total			2,770
Weakness			
Book material product which still standard	0,074	2	0,148
Inefficient in production	0,074	2	0,148
Production cost which gradually increasing	0,074	2	0,148
Total			0,443

Based on the SWOT results, where the score value of the opportunity (1,587) is greater than threats value (0,959) and the strength score 2,779 is greater than weakness score 0,443. Hence, the recommended strategy is S-O strategy (Strengths - Opportunity). This SO strategy is a strategy that is made based on the object road map, in which by using the whole strength to grab and exploits the chance as extensive as possible. These four strategies is mapped into SWOT Matrix (Table 4) to get the whole picture of alternative

strategy that can be chosen by textbook publishing industry. Besides the internal and external SWOT factors that already existed, the other factor that play an important role in the textbook publishing industry is the excessive cost or rebate that is implemented by bookstore. In side of government (regulator); the consistency of their regulation, textbook regulation that is inclined with the industry, good and realistic planning and proper public choosing. From the industry side; the cohesiveness and commitment to publish and distribute the quality textbook by using proper ways and can be accepted by all stakeholder. This government consistency, bookstore & distributor that give a high discount, the society who are still low-awareness towards the improvement of their education supported with quality book. The quality of the education is not a main prior in the society, slow payment from distributor, book politicization by government.

The interview results from the head of Curriculum and Bookkeeping Department (Puskurbuk) Ministry of Education and Culture Indonesia, stated that the draft of the regulation for the country, society, publishers, and stakeholder interest in case of anticipating and expanding the book in the textbook digital era and electronic book (e-book) will be soon executed. This is done because Puskurbuk manage and assess the educational and enrichment textbook (non-textbook, to support student needs), the government in this concern is Puskurbuk control the quality and standard of the book content. There lies government five main plan to improve the educational textbook quality in the future, such as: (1) writer open recruitment, (2) assessment of textbook from private publisher, (3) beauty contest, appointing competent publishers, and book that is valued to be distributed as a learning material (4) appointing the associates of the experts of their study field to write education textbook, (5) book translator (book from outside).

Textbook publishing company in Indonesia

Nowadays that is still existing, mostly of them is mature company (established within 1970 - 2000). Particularly that has huge capacity in funding and investment, stable company organization has some impact, despite certainly the experience of co-operating with Government and good relationship / broad connection with the market / school that has already built and educated for several years. These factors is difficult to be had by new player, unless they have huge funding and good relationship and broad connection with school through certain business field, for example tutoring.

Mostly textbook publishing company publish book for Elementary school, Junior high school, and Senior High School. Publisher that published the textbook for university level is relatively small comparing to publisher that publish book for Elementary School, Junior High School, And Senior High School, because the opportunity to grab the market is far bigger for school or low education level. The number of student in Elementary School is bigger than Junior High School, and the number of student in Junior High School is bigger than Senior High School. The number of Senior High School is bigger than university students. Besides that, the books that is used in university level is usually different for each university. The textbook in university is usually use from overseas writer or written by their lecture and is not obligated to be used by other university. The university textbook is tended to be decreasing because of the hijacking trend that still has no solution up to know and the growth of electronic book (e-book).

Table5. SWOT Matrix of the Textbook Publishing Industry

Intern al Extern al	Intern al	Strength 1. Product diversification 2. An effective implementation of marketing segmentation 3. Powerful funding 4. Company positioning at the market 5. Sophisticated technology 6. <i>Management Information System</i>	Weakness 1. The content on the product is provided with a same standard with the competitor 2. Inefficient in production 3. Production cost that tend to be increasing
	Opportunity 1. Population that is rapidly growing 2. New technology emerge in printing 3. The improvement of the society understanding towards the internet	SO Strategy 1. Do the investment to purchase a new printing technology 2. Do and expand the digital marketing channel (<i>online</i>)	WO Strategy 1. Do the electronic book (e-book) publishing 2. Publish printed book bundled with CD Rom, multimedia and interactive link.

Threats	ST Strategy	WT Strategy
1. Competitor improvement that resulting digital product	1. Improving the creativity and innovation in textbook publishing	1. Give input about bookkeeping regulation in digital era
2. The variation of multimedia apps that getting more interesting	2. Utilize the growing of technology to reach the customer that is geographically spread	2. Improve the business value of the electronic textbook
3. The internet era where it is only paying cheaply then can enjoy more information easily	3. Do the diversification and innovation in facing the digital product competitor	3. Improve the product innovation that is need by customer in digital era
4. Production cost that tend to be increasing		4. Efficiency in production and distribution cost to become more competitive
5. Unequal spread of the population in each island in Indonesia		

According to the respondent, total 70% argues that the growing of printed book nowadays is maturity, and other 30% argues that the growing of printed book lies on decline condition. One of the causes is because the growing of digital technology that more sophisticated and the internet connection become broader and easily to be accessed that enable people to get more information needed without buying the book (printed). Besides that, the interest of reading (book) in Indonesia still low that become a main cause. The results, comparison of the printed book business value is 9:1. It means business value of printed book still has important role which is lies higher comparing to the business value of electronic book. According to the head of Indonesia Publishers Association, from this information that is happened on the field the electronic book is not significantly give the results, particularly in business point of view. Some publisher reports that the profit of electronic book still lies below 5%. To improve the business value of the electronic book, it should be made a new business model that is profitable for the publisher. Up to now the business model of electronic book is made by electronic book platform company, the publisher is only follow the desire and calculation from the electronic book platform. In other words, the bargaining power of the publisher still lower than the businessman of electronic book platform. The implementation of an efficient marketing segmentation has great value and rating which valid in much industry, not only in textbook industry. The more we know how is our segment, it is better because we will focus on creating the product and service that is needed by the market. The more we know our customer, we will able to satisfy them, the bigger chance customer will be back again and buy our product.

The political factor related to the national bookkeeping by government still happened up to now, even the essence is different comparing to the regulation of previous government. Previous government campaigned a cheap book concept. Meanwhile current government is more focus on the book procurement in clean, transparent, and cashless, it can be seen from the government regulation by involving Goods and Services Policy Board (LKPP) and online purchasing of textbook by schools. Government is now slightly open to the inputs from the publisher, so that Government still continuously keep the role as a textbook publisher, even it has been proven by the textbook release by the government which does not means eliminate / reduce the content mistakes inside the book and / or inappropriate with the government regulation itself, for instance it happens in the textbook publishing of current curriculum.

The government should play a role just as a regulator and facilitator, no longer as a book publisher. Textbook publishing should be returned to the publisher, after through an assessment by the government. Business transformation / business model for the improving of textbook publishing industry in the digital era as a follow such as book should be served in the printed form, because somehow printed book has its own advantages that is not owned by electronic book. Textbook publisher is a private sector that the publisher and their books has been qualified from the government assessment. The government step as alternative that book can be bought by schools through online bookstore that is selected by LKPP. Those books that have been selected and bought by the students based on their desire and need by using Smart Indonesia Card through the exhibition, physical bookstore, or even in available online bookstore. The value-added tax (VAT) is removed only the income tax that is charged.

Decision Making Strategy in Textbook Publishing Industry

Below is the analysis of the compounding hierarchy from 6 respondents that can be vertically explained



Figure1. AHP Hierarchy Structure of The Chosen Strategy

The results of the hierarchy analysis sourced from 6 respondents in the assessment of national textbook publishing industry strategy in facing the digital era is can be seen from the role-playing actor, supporting factors and proper strategy. The compounding outcomes from 6 respondents result the decision for the actor that become a main priority which is publisher with the value score 0,38, then who has already become a second priority which is Government with the value score 0,26. Government has a role to determine the valid curriculum as a basis-textbook in Indonesia. Government is not yet having the mechanism regarding about textbook publishing by textbook publishing industry in the digital era and will soon prepare it to that direction. Government is now still having a plan to do a co-operative breakthrough with PUSTEKOM regarding to the textbook that will be uploaded in pdf form. Government as an actor in this role still limited on digitalizing the textbook, not yet coming inside to the e-book making. The third priority with value score 0,16 lies on writer criteria. The fourth priority with the value score 0,12 lies on distributor criteria and the last priority is for the society with value score 0,08. From the AHP result with the consistency requirement less than 0,1 , the results of 6 compounding respondents for the actor criteria result the consistency score 0,05, this score is lesser than 0,1 so that can be concluded that after meet the consistency requirement of six respondents in assessing the attribute from the actor.

The result of six compounding respondents' hierarchy for priority factors in resulting the national textbook industry strategy to face the digital era by a main priority that is human resource factor that has value score 0,30. Second priority is the infrastructure factor with the value score is 0,28 and the third priority is the technology growth which has value score 0,23. The lowest value score 0,18 is the regulation. From the AHP result with consistency requirement less than 0,1, the compounding of six respondents for resulting consistency value by 0,02, consistency value 0,02 is lesser than 0,1 so that it can be said that it has meet the consistency standard from the six respondents in assessing the attribute from the factors. The results of compounding six respondents' hierarchy for the priority strategy in resulting the national textbook industry strategy in facing the digital era with the main priority is cost-leadership strategy that has value score 0,33. The second priority is on the focus strategy with value score 0,30 and the third priority with the score value 0,21 is on the diversification strategy. Factor with the smallest value score 0,16 is on joint venture strategy. From the AHP results with the consistency requirement less than 0,1 , the result of six compounding respondents for the factor that resulting consistency value 0,01 , this 0,01 value is lesser than 0,1 so that can be concluded meet the consistency requirement from the six respondents in assessing the attribute from the strategy. Cost leadership has the highest value, this efficiency can explain how to make product more competitive and able to compete.

The business manager does the evaluation and chose the strategy that enable them to make their business successful and also has competitive excellence. The success of building the business is based on the cost leadership that force their business to be able to provides the product with the lesser cost comparing to the result that is achieved by another competitor. The excellence of low-cost is relying on a certain capability that is unique enough to reach and hold the lower cost position. For example, the capability is having the raw materials supplier which is rare and guaranteed, lies on the dominant position at the market, or has a huge funding. The low-cost producer is usually lead on the saving and cost efficiency. These companies maximize the economical scale, implement the cost-saving technology, emphasize the reducing of overhead and administration, and use selling technique volume to scale up the position in the profit curve (Pearce and Robinson, 1994). National textbook industry strategy which facing digital era that become a priority in AHP result is the cost leadership. The leading strategy in textbook publishing in low-cost production should be able to use the cost excellence to bargain lower the price. By doing this strategy, company can be effectively stay their position in price-war, able to compete the book competitor with digital based (e-book) with the low-cost to grab the market. Through this ability and resource, they have, a textbook industry should finish one or more activity in their value chain, such as buying the raw materials, then processing it into a book, promoting, and distribute those textbooks. The excellence cost strategy previously has been implemented by Mizan publisher, that inside their cost excellence they have a goal to reach a bigger profit (Pratiwi, 2014).

Common strategy focus to become a further prior strategy that should be concerned in textbook industry. Through a focus strategy, both based on low-cost or differentiation is aim to fulfil certain market segment. The most likely segment chosen is the segment that is ignored by the attractive marketing on the accessible market, to certain customer, or customer who has common use for the product (Aisyah, 2007). Company who implement this focus strategy will be able to serve the isolated geographical regions, to fulfil customer needs with financial, readiness, or certain service problem or change the product to satisfy the unique needs from the customer in middle low. Those companies that is used focus strategy gain the profit from the readiness to serve their customer segment who usually ignored or underestimated. Textbook industry who play focus strategy should be able to find the market segments that has limited to access the internet. This limitation is not only about the absence of the internet by the middle and low society, but also internet access for the society which categorized as a very low. Industry player of textbook publishing should be always renewing their idea and package it creatively. This concern is caused by the earnings from the book that still far bigger comparing to the electronic book.

The differentiation strategy become a third prior to the national textbook industry strategy in facing digital era. These strategies rely on the differentiation that is designed to attract customer that has certain sensitivity for a product attribute. By emphasizing on the attribute more than other product qualities, company is trying to build customer loyalty. Often, this loyalty is interpreted as a company ability to give premium price for their products. Product attribute also can be a marketing channel in which company deliver their brand image through their excellence, feature that is owned and supporting connection. As an impact for the important of these attributes, a new emerging competitor tend to face the perception barriers whenever customer from the success company who do the differentiation is not able to see that the products is likely identical and able to substitute (Sulistiani, 2014). The differentiation strategy that should be implemented in the textbook industry is not only in the form of digital product, but also service quality.

Government become a second priority in this textbook industry in Indonesia, because the textbook industry in Indonesia is depends on the government regulation, particularly the regulation about curriculum and book procurement. Other actor that influencing is book assessment, that can be appear from the government itself or society who is counted have competencies. If the book assessment is definitely from the competent and integrity people, thus the mistakes in book assessing can be minimized, if it is not possible to be eliminated. Textbook is expected can to be affordable, in order to make it affordable, thus, one thing that should be done is massive production and distribute it efficiently and effectively, for example the distribution in a huge amount to certain region, so that distribution cost can be pushed down. Focus strategy is done by focusing on the products that definitely needed by the customer in most area, so that not all of the product is produced. The choosing of the focus strategy for textbook publishing is not needed make a options printed book or electronic book for example, just provide the printed book. Especially for the textbook it is not needed to have a kind of product, just focus on certain book product in order able to be produced massively and distributed simultaneously so that the price is affordable. The joint venture strategy has a low value score because it is not easy to do the joint venture between company and government, moreover related about textbook, that has high sensitivity value. When company has a difficult risk to determine who is should be responsible, for example: who is should be responsible if there is a content mistakes that may give an impact in book withdrawal and caused loss for the company. The head of Indonesia Publishers Associate evaluate that the textbook publishing will be more correct if it is returned by the operator to a private publisher in this case is textbook industry.

The Decision-Making of The Textbook Publishing Industry

The textbook publishing industry can strengthen the leadership cost according to the AHP analysis result stated that the leading low-cost strategy become a prioritized strategy in the textbook publishing industry to face the digital era. This concern is supported by the experts' perception said that the leading low-cost strategy can be implemented with the existing of opportunity in emerging a new technology in printing machine. The emerge of this new technology makes the textbook publishing industry able to finish one or more activities in its own chain value, for instance buying the raw materials, then processed it to become book product, then the applying of an effective marketing segmentation that becomes a strength owned by textbook publishing industry. The head of Curriculum and Bookkeeping Department (Puskurbuk), added that to expand the national textbook publishing industry to face the digital era, government should have one of the role as the actor that will draft a national bookkeeping ecosystem, that inside of it collaborate with publisher, writer, editor, printing, distributor, stakeholder, and also other ecosystem member to be able to grow together, collaborative and responsible of each role.

The innovation that has been done in the digital era nowadays is there are a lot of online / digital transaction in the selling and buying books, yet again in the utilizing holistically from the e-book product itself. To enter inside the blue ocean strategy, the textbook publishing industry in facing the digital era, should do the product innovation by bundling the printed book with the CD-ROM, multimedia, and provide the link to deepen the book content.

Managerial Implication

The core assessment of this textbook publishing in Indonesia according to the curriculum should meet 4 book assessment components from government to assess whether the book is feasible or not to be distributed, that is content (contextual, up to date), language, delivery (interesting), graphic. The legal protection of national textbook is regulated in Indonesia Government Regulation number 32 year 2013 about Education National Standard and Ministry of Education Indonesia regulation number 8 year 2016 about book that is used by education institution, further will be followed by textbook regulation. Government Regulation particularly in the regulation draft that will be managed as a macro in book transaction will be adjusted based on tax regulation, copyright regulation ,and transaction regulation. The book problem should be regarded as a sublime cultural issue so that needs to be accompanied because the

literation rank in Indonesia is that sink compared to other country. By this reason, government, in this case is President should be supported by an institution that has role to accelerate the book industry in Indonesia, generally in the people literation that especially for students in education environment.

The technology growth at the future will transform the book appearance by the main element is content, including in transforming the business transaction into digital (online). The born of Z generation is predicted to be likely familiar and habituated in using electronic book (e-book), that of course become a phenomenon that should be alerted, so that in a book institution it is needed to innitiate some strategies to strengthen the book reading awareness and book writing in youngster by concerning also to the growth of technology and information and digital technology. Besides that, only at once the book previously as a society effort in Indonesia needs to be protected as a part of strengthening the core of our culture from the outside negative impact that entering to Indonesia. The industry of national textbook that will be an upright of the society literation, needs innovation & support from government to face the digitalization. Government as an important actor that drafting a national textbook ecosystem, that inside of it involves publisher, writer, editor, printing, distributor, stakeholder, and other ecosystem member for growing synergy together and responsible of each functions. So that, people can gives a monitoring about the content, where the government only facilitate it. Society can choose and filter the book properly, for instance by the book that is needed. Thereby, we minimizing the limitation of cleaverness and creativity. Moreover, the book is a part from creative industry in Inonesia that should be elevated at the future

IV. CONCLUSION

The evolution of this business inside the textbook publishing industry is more clearly seen since the emerging of digital publishing nowadays. In the mapping and strategic planning of the national textbook publishing in facing the digital era, the main prior is the cost leadership strategy. The leading textbook publishing strategy in low production cost should be able to use their cost excellence to offer a competitive price, able to compete with the digital-base book with the low price to grab their market. The textbook industry can strengthen their leadership cost based on the analysis results of AHP revealed that the low cost excellence strategy that should be prioritized in textbook publishing strategy to face the digital era. This is supported by the experts perception stated that the leading strategic cost can be implemented by the existing of the new technology opportunity that is sophisticated and efficient in the case of textbook publishing.

There is an innovation that has been done in the digital era by using online transaction (digital) in the selling and buying book (both print and electronic), the using of this digital transaction can be scale the market up widely and unlimited by geographic. This textbook publishing industry strategy is facing the digital era which also prior to diversification and focus, besides preparing the e-book product, it also should be followed by product innovation, for instance by producing printed book and bundled it with CD-ROM, multimedia, interactive link to deepen the material as a value added. Thus, it can create a bigger business value compared to other products.

The emerge of new technology in the textbook publishing industry will not finish up one to another activity in the same chain value, for instance by buying the raw materials of book-making, then processed become a book, and also the implementation of marketing segmentation that effectively play important role for providing a strength that is owned by textbook publishing industry. The textbook publishing industry should expand the market channel based on the on-line (digital) instead of still using the conventional marketing.

Government has a role to determine the valid curriculum as a basis-textbook in Indonesia. Government is not yet having the mechanism regarding about textbook publishing by textbook publishing industry in the digital era and will soon prepare it to that direction. Government as an actor in this role still limited on identifying the textbook, not yet coming inside to the e-book making. The recommendation of this study is merely to emphasize that the government regulation should be collaborated with the textbook publishing industry. This study is also focus on the business strategy of the digital publishing, in which it is better to have a further and deeper examination about the publishing chain in Indonesia after the digitalization give some impact to the printed book. This study still needs some advice and in-depth regulation from the government of Indonesia and still needs specific information from the experts in the textbook publishing industry in Indonesia, particularly in their own company. It is necessary to have further study to see the impact of the draft of a bookkeeping ecosystem in Indonesia, which inside of it there is publisher, writer, editor, printing, distributor, stakeholder, and another ecosystem member that later can be developed together, collaborate and responsible of each role.

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