



The Competition Strategy of Mobile Telecommunication Operators

Strategi Persaingan Operator Telekomunikasi Seluler

Azwar Aziz

Pusat Penelitian dan Pengembangan Sumber Daya dan Perangkat Pos dan Informatika

Jl. Medan Merdeka Barat No.9 Jakarta 10110, Indonesia

e-mail : azwar.aziz@kominfo.go.id

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ABSTRAK

Jumlah pelanggan ketiga operator telekomunikasi seluler pada akhir tahun 2013, yaitu PT. Telkomsel Tbk, PT. XL Axiata Tbk, dan PT. Indosat Tbk, sebanyak 251,285 juta. Jumlah pelanggan telekomunikasi seluler ini telah melebihi jumlah penduduk Indonesia pada akhir tahun 2013, yang berjumlah 242,013 juta. Ketiga operator telekomunikasi seluler tersebut mendominasi pangsa pasar seluler di Indonesia dan sangat menentukan tingkat harga, kualitas layanan dan strategi persaingan lainnya. Persaingan di telekomunikasi seluler saat ini sudah masuk ke masa jenuh untuk suara dan SMS, tetapi sudah beralih ke layanan data atau penggunaan internet. Para operator telekomunikasi seluler berlomba-lomba untuk meningkatkan kualitas layanan internet kepada pelanggan yang menggunakan prabayar dan pascabayar untuk suara dan SMS. Kajian ini menggunakan metodologi penelitian kualitatif, dengan melakukan observasi atau pengamatan langsung ke lapangan kepada Telkomsel, XL Axiata dan Indosat. Teknik analisis data menggunakan teknik analisis deskriptif. Berdasarkan hasil analisis diperoleh bahwa strategi persaingan ketiga operator tersebut dari aspek core competence, time based competition, disiplin nilai sama-sama mengimplementasikannya. Dari aspek expeditionary marketing sangat tergantung pada luas jaringan yang dimiliki, aspek standar produk, memiliki sertifikat ISO yang lebih baik dan kompetensi manajemen fokus pada sumber daya manusia dengan belajar ke luar negeri.

ABSTRACT

The number of subscribers of three mobile telecommunication operators by the end of 2013, namely PT. Telkomsel Tbk, PT. XL Axiata Tbk, and PT. Indosat Tbk is 251.285 million. The number of mobile telecommunication subscribers has exceeded the population of Indonesia amounted to 242.013 million at the end of 2013. Those operators dominate the market in Indonesia and determine the level of price, quality of service and other competitive strategies. Competition in the mobile telecommunications currently logged into saturated period for voice and SMS service, and has switched to data service. The operators are competing to improve the quality of internet services. This study use qualitative research methodology by observing those operators. Data analysis is using descriptive analysis techniques. The results of this study showed that the operators's have implemented competitive strategy such as core aspects of competence, time-based competition and value discipline. Meanwhile aspect of expeditionary marketing is very dependent on the vast of network owned, aspect of product standard, own ISO certificate of competency management and focus on human resources to study abroad.

1. Introduction

Advances in telecommunications in Indonesia can not be separated from the supporting regulation, namely Law No. 36 of 1999 on telecommunications and the regulations under the law, even if the regulations has been applicable long enough, but this regulation is still a strong legal basis in the field of telecommunications. Emphasized in Article 10 of the legislation, in the operation of telecommunications it is prohibited to conduct activities that may result in monopolistic practices and unfair competition among telecommunications providers. This article is intended to enable the healthy competition between telecommunication operators in conducting its activities. Legislation in force in question is Law No. 5 of

1999 on Prohibition of Monopolistic Practices and Unfair Competition as well as its implementing regulations.

Stiff competition causes companies to try to win the competition by implementing appropriate competitive strategy so as to implement and realize the company's objectives in accordance with what is expected. Companies that are not able to create new innovations could certainly find themselves struggle to win the competition in the global world. According to Ade Oyedijo (Oyedijo, 2012) in order to improve the performance of the competition, telecommunications companies have to demonstrate a high level of commitment to get the right strategy. In addition, it also needed a reliable and competitive strategy oriented to the future, where it needs careful preparation of the strategy and not messing around. Companies must understand what customers want today and for the foreseeable future. Thus, the success and failure of a company relies heavily on competitive advantage possessed by these companies. Market strategy should be established in order to sustain the growth of the industry despite of the already saturated cellular market, specifically for the development of voice and sms (Venkatram & Zhu, 2012). Selection of the best creations are produced from qualified personnel. Limited qualification of human resources can make them rely heavily to the third party in terms of technology, operations, and business development for the future (Dachyar et.al, 2013: 38). Telecommunication operators to open basic communication skills and professional business skills for the telecommunications industry, but telecommunication operators also need to adjust the organizational structure and promoting innovative business model to build a real platform management system (Wei et.all., 2013).

Competition of the mobile telecommunications operator in Indonesia is dominated and controlled cellular market in Indonesia with the number of subscribers at the end of 2013, i.e. three (3) mobile telecommunications operators consisting of PT. Telkomsel Tbk. : 131.513 million; PT. XL Axiata Tbk. : 60.172 million and PT. Indosat Tbk. : 59.6 million. The three mobile telecommunications operators determine the price and other competitive strategies. The rest with the number of subscribers under 20 million subscribers, are: PT. Smartfren Telecom Tbk. : 11.332 million. (Annual report 2013: the 4 operators). According to Nonot Harsono Member of Indonesian Telecommunications Regulatory Body (BRTI), today, Indonesia is the country with the largest mobile telecommunications operators in the world when compared to its population, because there are 10 operators in both GSM and CDMA technology. Operator with GSM technology itself is still dominating the Indonesian market. According to the Directorate General of Resources and Equipment of Post and Informatics of the Ministry of Communication and Informatics, Telkomsel dominate the market share of 42 subscribers, followed by Indosat by 16.7 percent, XL Axiata by 15.9 percent, Hutchison 3 Indonesia (Tri) by 5.4 percent, and Axis Telekom Indonesia by 2.1 percent.

Indonesian cellular telecommunication has been introduced since 1984 to 2015, it has been 31 years ago since the existence of mobile telecommunications in Indonesia and currently the development of technology is increasingly sophisticated and easy to use. Mobile telecommunication operators are increasingly large and very profitable. This of course requires proper competition strategy and become a winner to seize the market and is evidenced by PT. Telkomsel, PT. XL Axiata and PT. Indosat and others.

Taking it into consideration, it is expected that this study can produce an analysis and input in structuring mobile telecommunications operators in Indonesia. The formulation of the problem in this research is: "What are the competitive strategies of mobile telecommunications operators in Indonesia?"

The purpose of this research was to obtain a more detailed picture of the competitive strategies implemented the mobile telecommunications operators in Indonesia. The goal of this research is as an input for the government in restructuring of the number of mobile telecommunications operators in Indonesia.

The research is limited only to three mobile telecommunications operators who control the market of mobile telecommunications in Indonesia, namely Telkomsel, XL and Indosat.

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2. Desktop Study

Strategy is an energy to grow the company's competitive strength in the global era.

This strategy is developed from a creative response to changes in internal and external changes. Strategy is also an instrument to develop and strengthen the company's competitiveness. In formulating and implementing the strategy, companies must recognize the need to strengthen the internal and external strength systematically to create and build competitiveness (Ellitan & anatan, 2007).

Competition-Winning Strategy requires strategic thinking of the management, not only required to be able to leverage internal resources of the company but are also required to be able to leverage the resources outside the company that are not limited to space and time. Furthermore, to win the competition, the management is required to establish the real capacity of the company within the scope of a new paradigm. According to Lena Ellian & Lina Anatan (2007: 13-14) the Strategy to win the competition consists of:

1. Core Competence

By relying on core competence, a company will have a core strength. Core competence may include technology and production expertise, R & D, marketing expertise, and the ability of the company's core members. Coordination in the global business process is a process to grow and develop core competence or capability of the company and build a learning organization. The development of core competence could not be accelerated by investment, not easily replicated and transferred by rival companies, as well as provides competitive advantage for the company. By developing core competence, global enterprises can achieve competitiveness in the long term.

2. Expeditionary Marketing

Expeditionary marketing is a key factor in opening new market opportunities and realize all the potential created by the core competence. Basically the company must move quickly to learn the dimensions of customer demands and product performance requirements compared to the competitors. In addition, the company is also required to be able to move quickly and accurately to meet the demands of increasingly sophisticated customers.

3. Time Based Competition

Time-based competition focuses on the exact timing of all policies and strategies undertaken by the company. Time-based competition requires high flexibility of response in delivering value system, is able to determine the capabilities in accordance with the customer's perspective as well as to develop strategies to survive against competitors.

4. Value Discipline

Value discipline is a fundamental action and the establishment of any subsequent action that characterize the entire process occurred, ranging from competence to the corporate culture. The key is to focus on achieving operational excellence, product leadership, and provide high quality services to customers or create customer intimacy.

5. Product Standards

Control of product standards is a consequence of the increasing demands of customers. Product quality standards should be based on internationally accepted standards such as ISO 9000, ISO 14000 and other standards that are on par with international standards.

6. Management Competence

Globalization brings challenges for the company's management. Therefore, managers of global companies have a responsibility to coordinate international operations, improve operating performance, improve the performance of global supply chain and eliminate the limitations of the company's performance. Because of the magnitude of the responsibilities and challenges faced by the managers of companies in the globalization, they are required to have high skills, knowledge and abilities. Each manager must understand the revolutionary changes associated with operations, technology, and the implications of these changes in strategy, performance and operation of their business. Similarly, managers at all levels of the organization requires a global perspective, namely an

ability to learn in the global arena, in collaboration with international business partners, able to understand why one project is more important than the other projects and able to design global projects. The role of top management has also changed. They are required to understand the conditions of globalization, able to develop ways to manage the organization, and establish cross-organizational cooperation to achieve corporate objectives. Top managers must be able to take strategic measures such as to suggest ideas of product development, process technology, operations management, human resources management, information technology, marketing, and capital investment.

The marketing strategy should be responsive to changing conditions. Once implemented, evaluation and control continues to maintain a strategy to be in the target and indicate when adjustments are needed. Evaluation of the strategy requires information to measure performance and then take the necessary actions to maintain the results to remain on track. Marketing executives need to continuously monitor the performance of and if necessary revise the strategy, due to changes in conditions (Cravens, 1998: 159).

3. Methods

The approach of this research is using qualitative research methodologies to make observations to the mobile telecommunications operators and the analysis used is descriptive. According to Rosady Ruslan (Ruslan, 2008), a qualitative approach aims to get understanding of the general nature of the social reality from the perspective of the participants. The understanding is not predetermined, but is obtained after conducting an analysis of the social reality that are the focus of research, and then a conclusion is drawn in the form of a common understanding of the facts. According to Freddy Rangkuti (Rangkuti, 2013), in general, qualitative research can use two approaches, namely a direct approach and indirect approach. Direct approach is the approach used to clearly define the purpose of the research to respondents. This approach consists of focus group discussions and in-depth interviews. Indirect approach is an approach that does not specify the purpose of the research to respondents. This approach is like an observation.

This research uses observation in order to collect data in a research, is derived from an active and attentive soul to recognize the existence of a specific stimulus desired, or a deliberate and systematic study about the social state/phenomena and psychic symptoms with way to observe and record. What has been done is to observe social phenomena in the proper category, to observe several times and recorded it immediately by using recording devices such as recording tools, forms and mechanical devices. In the implementation, supporting tools were used such as checklists, rating scale or mechanical devices such as recording devices and other (Mardalis, 2007: 63). Adler and Adler (1994: 389) said that in the future, observational study will be found as part of the "methodological spectrum", but within such spectrum an observational study would serve as the most powerful source of validation. Observation rests on something that is constantly encountered by researchers, which means "direct science and their own judgment" (Denzin & Lincoln, 2011).

4. Results and Discussion

Results of data collection to the mobile telecommunications operators, especially operators that lead and dominate the market of mobile telecommunications customers, namely Telkomsel, XL and Indosat. Data of the three operators are as follows:

1. PT. Telkomsel Tbk.

Telkomsel is the first GSM mobile telecommunications operator in Indonesia with kartuHALO postpaid service, which was launched on 26 May 1995. Telkomsel became the first cellular operator in Asia to offer a prepaid GSM services. Telkomsel claims to be the largest mobile telecommunications operator in Indonesia with 131.513 million subscribers in 2013. And Telkomsel has become the seventh mobile operator in the world that has more than 100 million subscribers in a country as of May 2011. Telkomsel officially launched the first 4G LTE mobile commercial services in Indonesia. Telkomsel 4G

LTE service has data access rate up to 36 Mbps.

As the 7th largest mobile operator in the world in terms of number of subscribers, Telkomsel is the market leader in the telecommunications industry in Indonesia. In an effort to guide the development of the mobile telecommunications industry in Indonesia entering a new era of mobile broadband services, Telkomsel consistently implement roadmap of 3G technology, HSDPA, HSPA + and Long Term Evolution (LTE). Now, Telkomsel has developed broadband networks in 200 major cities in Indonesia. To help the service of customer needs, Telkomsel is now supported by 24 hours call center access and 430 service centers spread throughout Indonesia. (Speedup, 2013).

Data of Telkomsel subscribers are presented in Table 1, while Table 2 and 3 each presents data on the number of network of BTS and PT. Telkomsel Tbk Products.

Table 1. Data of PT. Telkomsel Subscribers (in thousand)

Activity	2011	2012	2013
Number of Subscriber	107.017	125.146	131.513
Prepaid	104.829	122.997	129.023
Postpaid	2.188	2.149	2.489

Source: Telkomsel Annual Report 2013

PT. Telkomsel Tbk. subscribers from 2011 to 2013 is increasing, but the increase is varied every year, in 2011 the number of subscribers was 107,017,000 to 125,146,000 subscribers in 2012, an increase of 18.129,000, whereas in 2012 the number of subscribers were 125,146,000 increased in 2013 to 131,513,000 or increased by 3.637 million.

Prepaid products in 2011 amounted to 104,829,000 the number of subscribers increased in 2012 amounted to 122,997,000 or 18,168,000 and increased again in 2013 amounted to 129,023,000 or 6.026,000. Compared to postpaid products in 2011 the amount of subscribers were 2,188,000 decreased by 39,000 in 2012, so the total number of subscribers in 2012 amounted to 2,149,000, then an increase in 2013 amounted to 340,000, so that in 2013 the number of subscribers amounted to 2,489,000.

Table 2. BTS Network

Network	2011	2012	2013
2 G	33.144	38.864	42.830
3 G	9.508	15.433	27.034
Number of BTS	42.622	54.297	69.864

Source: Telkomsel Annual Report 2013

2G BTS network owned by PT. Telkomsel Tbk. in 2011 amounted to 33,144 increased in 2012 amounted to 38,864 or a total of 5,720 BTS. In 2013 increased again by 42,830 or by 3,966 BTS. Whereas the 3G BTS network in 2011 amounted to 9,508 BTS increased in 2012 amounted to 15,433 BTS or increased to 5,925 BTS and in 2013 rose by 11,601 (27,034 -15,433).

Table 3. PT. Telkomsel Tbk. Products

No.	Product	Description
1.	SimPATI	Prepaid Cards
2.	SimPATI Loop	Prepaid Card for the youth segment
3.	Kartu AS	Prepaid Cards
4.	Kartu AS PlayMania	Knowledge for children
5.	Kartu HALO	Postpaid Card
6.	Telkomsel Flash	Internet broadband for data users
7.	4G LTE	High-speed internet users
8.	Bundling Program	One example: Applications for Android on Nokia X, advanced smartphones

		supported by SimPATI
9.	Smartphone Package	One example: new sosialita telkomsel blackberry package. Blackberry package for those who likes to surf, chat, social media, BBM, downloading and streaming: daily, weekly and monthly
10.	Facebook Card	Prime cards specifically for facebook

Source : Telkomsel Annual Report 2013

The products produced by PT. Telkomsel Tbk. in 2013 are more and more varied, the products are made to follow the developments in mobile telecommunications technology and the needs of subscribers such as bundling, facebook cards and smartphone package system. Except products that are standard and known to the public such as prepaid cards and postpaid cards.

2. PT. XL Axiata Tbk.

As one of the leading mobile telecommunications company in Indonesia, through network coverage and extensive service throughout Indonesia, XL provides services for retail subscribers and offers business solutions for corporate subscribers. These services include Data, Voice, SMS and other mobile telecommunications value added services. XL operates a network on the GSM 900/DCS 1800 and IMT-2000/3G technologies. XL also holds a Leased Line License, Internet Service Provider (ISP) License, Voice over Internet Protocol (VoIP) License, and Network Access Point (NAP) License, as well as e-Money (Electronic Money) permit from Bank Indonesia, which will enable XL to provide money transfer services to its subscribers.

Data on the number of XL Axiata subscribers is presented in Table 4, whereas the tables 5 and 6 each present data on the number of BTS network and PT. XL Axiata Products respectively.

Table 4. Subscriber Data (in thousands)

Activity	2011	2012	2013
Number of Subscriber	46.359	45.750	60.549
Prepaid	46.053	45.395	60.172
Postpaid	306	355	377

Source: XL Axiata Annual Report 2013

Subscribers of PT. XL Axiata Tbk. from 2011 to 2012 decreased from 46,359,000 to 45,750,000 by 609,000, furthermore in 2013 the number of subscribers increased by 60,549,000 an increase of 14,799,000. As for prepaid decreased from 2011 to 2012 by 659,000 (46,053,000 -45,395,000) and in 2013 increased by 14,777,000. Postpaid increased in 2011 by 306,000 to 355,000 or increased by 49,000 in 2012 and increased again in 2013 to 377,000 – 355,000 = 22,000.

Table 5. BTS Network

Network	2011	2012	2013
2 G	23.363	26.310	29.878
3 G	4.910	13.142	15.068
Number of BTS	28.273	39.452	44.946

Source: XL Axiata Annual Report 2013

2G BTS network owned by PT. XL Axiata Tbk. in 2011 amounted to 23,363 increased in 2012 amounted to 26,310 or a total of 2,947 BTS. In 2013 increased again by 29,878 or an increased by 3,568 BTS. Whereas the 3G BTS network in 2011 amounted to 4,910 BTS increased in 2012 amounted to 13,142 BTS, up by 8,323, and in 2013 increased by 15,068 or increased by 1,926 (15,068 -13,142).

Table 6. Produk PT. XL Axiata Tbk.

No.	Product	Description
1.	XL Bebas	Offers 150 MB/month for a monthly fee of only Rp 5,000/month for active period of 6 months. This service is intended for Data users.
2.	myXL store	integrate social networking.

3.	XL home for Android	by Hotrod3G + provides longer SIM card expiration period and has a wide range of applications and mobile Data awareness.
4.	OTT chatting provider service: WeChat, The LINE, Whatsapp and KakaoTalk	social networking communities
5.	Xlalu Musik	to find and download favourite songs on Blackberry App World
6.	XL Nonton	watch movies through online streaming
7.	XL-VAST	mobile communication services (Vehicles Assistant) which is part of the XL Machine to Machine (M2M) vehicle tracking (XLOCATE)
8.	MyXL	check and replenish the balance, check internet quota status and buy the internet package.
9.	mobile content	XL cooperate with Alfa Group, Carrefour and Indomaret in providing sales in more than 8,300 outlets
10.	XL-M2M	e-M2M to meet the demands of corporate users
11.	XL TUNAI	online transactions, initiate mobile financial services - for the payment of electricity

Source: XL Axiata Annual Report 2013

The products produced by PT. XL Axiata Tbk. in 2013 follows the developments in mobile telecommunications technology and the needs of customers such as XL nonton, subscribers can watch movies through online streaming, XL Tunai, online transactions, initiate mobile financial services for payment of electricity etc.

Increasing the coverage, especially on 3G networks is one of the main focus of XL. 3G network is considered as a more efficient network for Data compared to 2G. Therefore, there is an emphasis to move users accessing data from 2G to 3G. Overall, XL launched 5,494 new BTS in 2013 with additional 1,926 Node B 3G BTS with or increased by 15% from the previous year, bringing the total of 2G and 3G BTS to 44,946 BTS (where 8,507 are Green BTS). Some Node B XL in selected areas are DC - HSPA + which provide fast internet access to subscribers at speeds up to 42 Mbps. Up to December 2013, XL's 2G network coverage is over 90% and for 3G is more than 40%.

On marketing and distribution channels at the end of 2013, according to XL's records, there were 116 partner agents, who are responsible for managing more than 238,159 independent retail outlets in 132 cluster area. XL also has more than 70,000 non-traditional retail outlets with Mobile Data Service (MDS), modern channel dealers are responsible for managing more than 1,175 modern outlets of the channel. XL has been successful in increasing the participation of the Retail Outlet by more than 300% of the sales package of data services from 2,500 Retail Outlet at the beginning of 2013 to 75,000 at the end of 2013. As of December 2013, XL also has more than 5 Data Solutions Centers. XL also operates direct distribution channels via the "XL Center" which amounted to 113 as of December 31, 2013. XL Center serves as a direct distribution channel for XL products, and also to disseminate information to the end user.

XL technology focuses on developing digital services outside of the Voice, SMS and Data services, such as financial services (M-Finance), content services and applications, advertising services (mobile advertising) and other services.

3. PT. Indosat Tbk.

Established in 1967, PT Indosat Tbk (Indosat) is a leading telecommunication and information service provider in Indonesia. Indosat offers mobile services, fixed data and wireless broadband services and fixed telecommunication services or fixed voice services, including IDD, fixed wireless connections and fixed telephone line. In addition, together with its subsidiaries, PT. Indosat Mega Media (IM2) and PT Aplikasinusa Lintasarta, Indosat provides fixed data or multimedia, Internet & data communication services (MIDI) such as IPVPN, line leasing, internet services and information technology services of corporate segment. Indosat's shares are listed on the Indonesia Stock Exchange (IDX: ISAT). Operational territory of Indosat provide services throughout Indonesia.

Table 7. Indosat Subscribers from 2011 to 2013 (in thousands)

Activity	2011	2012	2013
Prepaid	50.500	57.800	58.800
Postpaid	1.200	600	800
Number of Subscribers	51.700	58.500	59.600

Sumber : Laporan Tahunan Indosat 2013

PT. Indosat Tbk. Subscribers from 2011 to 2012 increased from 51,7,000 to 58,500,000 amounted to 6,800,000, then in 2013 the number of subscribers increased by 59,600,000 an increase of 1,100,000. As for prepaid increased from 2011 to 2012 amounted to 7,300,000 (57,800,000 – 50,500,000) and in 2013 there was an increase of 1,000,000 (58,800,000 -57,800,000). Postpaid declined from the year 2011 by 1,200 to 600 or declined to 600 in 2012 and increased again in 2013 to 200 (800 -600).

Table 8. BTS Network from 2011 to 2013

Network	2011	2012	2013
2 G	15.816	17.344	17.334
3 G	3.437	4.596	6.946
Number of BTS	19.253	21.940	24.280

Sumber : Laporan Tahunan Indosat 2013

2G BTS network owned by PT. Indosat Tbk. in 2011 amounted to 15,816 increased in 2012 amounted to 17,344 or a total of 1,528 BTS. In 2013 was decreased by 17,334, or decreased by 10 BTS. While the 3G BTS network in 2011 amounted to 3,437 BTS increased in 2012 amounted to 4,596 BTS or up by 1,159 BTS and in 2013 increased to 6946 or an increase of 2,350 (6946 - 4596).

Table 9. PT. Indosat Tbk. Products

No.	Produk	Keterangan
1.	Mentari	premium prepaid cellular service
2.	Indosat IM3	prepaid cellular services for young people at affordable rate
3.	Indosat Matrix	postpaid mobile for premium users
4.	IDD service	International Direct Dialing
5.	I-Phone	local telephone services and domestic long-distance (DLD)
6.	StarOne	wireless fixed line services (PSTN)
7.	MIDI	Indosat MIDI services consist of Internet and data communication services (multimedia, interactive data & Internet)
8.	Satellite-based service	transponder leasing, VSAT services, IT (Information Technology) services such as Disaster Recovery Center and Data Center Services and the latests
9.	Dompetku/Mobile Wallet dan Mobile Money Service	solusi e-money, tidak menggunakan jasa bank, jasa layanan keuangan bergerak e-money solution, without banks services, a comprehensive mobile financial service, this product facilitates people who do not have a bank account to get financial services at low cost
10.	Indosat Super WiFi	provide seamless internet access (without login) and is not limited to speeds up to 42 Mbps.

Sumber : Laporan Tahunan Indosat, 2013

The products produced by PT. Indosat Tbk. in 2013 also follow its competitors in following the developments in mobile telecommunications technology and the needs of customers such as MIDI namely Indosat MIDI services consist of Internet and data communications services, satellite-based services etc.

4.1. Discussion

Competition strategies implemented by the three mobile telecommunications operators, Telkomsel, XL Axiata and Indosat as in the theory of Competition Strategies by Ellian & anatan (Ellian & Anatan, 2007: 13-14) are:

1. Core Competence

The application of technology in a company will increase the added value of the company in facing the increasingly fierce competition, especially in the field of mobile telecommunications, as occurred in

three (3) mobile telecommunications operators that dominates or lead the share of the cellular market in Indonesia. Telkomsel, XL and Indosat apply Super 4G-LTE network technology is the fastest wireless network successor to 3G networks with new standards to increase the capacity and speed of the network, the 4G-LTE technology uses a different technology from the 3G. Indosat Super 4G-LTE network speed access is up to 185 Mbps (download) and up to 41Mbps (upload).

The usage of mobile telecommunications is full with technology applications, considering the use of mobile phones using technology applications that makes it easy for the users. On the other hand the movement of technology in mobile telecommunications is very fast, transition from newly emerging technology to then turn to the future technology. Therefore, each mobile telecommunication operators support the use of technology. Full support of Telkomsel apply the technology throughout its management system and products, with this program telkomsel has been awarded in the form of ISO/IEC 27001: 2005 Certificate - networking and IT for IT Directorate, Networks Directorate, and GraPARI at Wisma Mulia Building (Bureau Veritas). Furthermore, telkomsel applies technology in several fields, among others: financial, entertainment, health, education, trade, agriculture and other sectors. Has 68 applications/Content During 2013, Telkomsel launched the Digital Creative Indonesia with the aim of helping local application developers in Indonesia to market their products both at national and international levels. 68 applications and contents largely in edutainment, social media, lifestyle, games, utilities, information, entertainment and e-commerce.

Marketing and Sales Strategies applied by Telkomsel is to retain the position of leading brands, products and solutions and to ensure that they are still the product of choice in their respective segments: prepaid, postpaid and data services. To do this, in 2013 we have strengthened our marketing communications to build awareness and top of mind for every brand positioning through campaigns in the mass media.

XL Axiata with existing technology can develop XL-VAST (Vehicle Assistant), solution of way of communication with the owner of the vehicle. With XL-VAST, vehicle owners can get information quickly and easily whether general information about the vehicle, the reminder to do regular servicing, fast reaction of the vehicle when stolen or hijacked. Through technology solutions, Machine to Machine (M2M) has been introduced, XL continues to develop innovative services that are able to be the answer to the various needs of the community, both for individuals and for business purposes. One of the latest services XL M2M is XL Dekat, namely services to track the whereabouts of an object (personal tracker) that can be a family safety and security solutions, both for children and parents. Furthermore, XL has launched the "Location Based Advertising" in Indonesia. This technology is used to determine the location of the customer and provide advertising-specific to a particular location on their mobile devices. AdReach has collaborated with Telkomsel and Indosat to provide commercial mobile ad campaigns from some of the leading brands on all operators. XL has long used the equipment with the latest technology to monitor activities of sales/marketing and branding in the field. XL has put canvasser and merchandisers equipped with Intelligent Canvasser System (ICS) and Intelligent Merchandiser System (IMS). All these devices help XL with better control and evaluate the sales and distribution of products, improve branding/advertising to directly monitor in real-time, through an integrated system.

XL's core productions are XL Bebas and data services. Number of end users in 2013 reached 60,549 million customers, in 2012 the number of users are 45,75 million subscribers. Subscribers of those 3 services gain data service access of internet broadband with the number of users of 29.1 million subscribers by the end of 2013. Recently, XL mobile users switch to Internet data services. Marketing strategy implemented by XL launched an Internet-based products with applications, such as topups, money transfer etc.

Indosat has used digital technology to get closer to customers, such as: a) Ondego: Solutions for banking transactions conducted through mobile devices as an alternative service that is safe and comfortable; b) PayUp: Cellphone bundling package that can be used as EDC machine. With PayUp

applications one can make payments via debit card at 42 ATM bersama; c) Advertising: A mobile advertising services, in the form of media advertising or promotional messages display on the handset of Indosat subscribers tailored to the target; d) Dompetku: an innovative service that allows their subscribers to perform various financial transactions daily through SMS service; e) Ideabox: Technology business incubator supported by Indosat in partnership with Mountain Partners AG, Founder Institute and Ooredoo Group; f) Cipika: mobile commerce services that can meet the various needs of users, ranging from the market place, e-vouchers, digital books, e-ticket, and games.

The company also has KLOC as a unit engaged in technology research and technology development. KLOC supports Indosat Digital and its development towards application that is ready to be used, namely a) Technology Research: Technology research to develop applications using the latest developing tools; b) Development: Develop ideas and suggestions into a product that is ready for use; and c) Manage Service Digital Technology: Update and manage applications with the latest digital technology.

Indosat core production are IM3, mentari, matrix and data services. The number of IM3, the sun and the matrix users by the end of 2013 had reached 59.6 million subscribers, increased by 1.9% from the year 2012 with the number of users of 58.5 million subscribers. Subscribers of the 3 services gain access to Internet broadband data services with the number of users of 27.3 million subscribers by the end of 2013. Recently, Indosat mobile users switch to Internet data services. Marketing strategy implemented by IM3 Indosat has launched a product called suka-suka with a very aggressive SMS price. Suka-suka provides greater interconnection services benefits. To increase revenue from data services, Indosat to market New SP Super Data IM3 1.8 GB for one year and Mentari 3GB for three months.

2. Expeditionary Marketing.

A second strategy to win the competition is decisive expeditionary marketing strategy. Focuses on marketing channel of products from the three mobile telecommunication operators dominating the market share, namely Telkomsel, Indosat and XL. Companies must decide the best way to store, handle and move products and services that are available to customers in the right diversity, at the right time, in the right place. The effectiveness of logistics will have a major impact on customer satisfaction and the company's costs. Poor distribution system can destroy the marketing efforts that are actually good.

From the results of data collected it is obtained that Telkomsel has 430 service centers spread throughout Indonesia, until now customers have been serviced through more than 400 Telkomsel office centers or GraPARI scattered in various parts of Indonesia and 268 mobile GraPARI ready to penetrate even the rural areas. Whereas XL has had 116 partner agencies, which are responsible for managing more than 238,159 independent retail outlets in 132 cluster area. XL also has more than 70,000 non-traditional retail outlets with Mobile Data Service (MDS), modern channel dealers who are responsible for managing more than 1,175 modern channel outlet. Indosat pretty much have Indosat Point of Sales consists of more than 270,000 traditional regular outlets; more than 18,000 modern channels consisting of modern retail outlets such as Indomaret, Alfamart, Carrefour etc.; more than 900 Gadget Retail Chain outlets such as Okeshop, Global Teleshop, Erafone and more; more than 48,000 banking sales center through ATMs; and the center of integrated sales and customer service called Gallery Indosat (117), Griya Indosat (49), and KILAT (130).

The respective operators, Telkomsel, XL and Indosat pretty much have service centers, given the accessibility of service centers will enable customers to get the desired product and product availability and quick service are also important. For voice and SMS credit, there is now an electronic system, which allows customers to get it. Compared with the credit for internet data services, the role of service centers is critical to the availability of the varied and affordable products.

3. Time Based Competition

In general, the products are homogeneous or similar products as the products in the field of mobile telecommunications, if a company implements a new one, it will be followed by other similar companies.

With a more saturated development of voice and SMS market, subsequently followed by internet data services which use are not maximized. In this regard, the point requires fast quality service and current or appropriate time that requires technology capable of supporting the service speed or quick access, i.e. using 4G technology. Telkomsel, XL and Indosat have immediately started to provide the 4G technology services in order to support the access speed services to customers..

4. Value Discipline

Customer trust and support, so that Telkomsel could continue to be at the forefront leading the mobile telecommunications industry in the country. Telkomsel put customers' satisfaction as the main thing. The main key is to provide excellent service. Until now, customers have been serviced through more than 400 Telkomsel service offices or GraPARI scattered in various parts of Indonesia and 268 mobile GraPARI ready to penetrate even remote areas, as well as the Call Center that are certified with ISO 9001: 2008.

Quality of Telkomsel services also received recognition from various national and international organizations, among others Indonesia Mobile Service Provider of the Year from Indonesia Service Excellence Awards 2014.

The principle of value in Telkomsel is the Telkomsel Way, which is a way in order to continue to be the leading mobile telecommunications operator in Indonesia.

Telkomsel launched our new corporate culture, The Telkomsel Way that acts as a believe system consisting of three layers to help guide employee behavior to realize the company with vision, mission and strategy of growth. The three layers of Telkomsel Way are a) philosophy of being the best, b) Principles to be a star and c) The practice to become the winner. The third transformation is within the organization. In a changing business both on the environment to digital business and to exploit business opportunities in the area/region, the transformation of the entire organization is focused on the establishment of digital business. The three transformation initiative has been implemented in 2013, and continued the following year in accordance with the work program that has been created. With the power of the human resources as many as 4,700 people across Indonesia, Telkomsel believe that they will always be the market leader and remain competitive.

Furthermore, XL Axiata have the basics of the corporate cultural value, namely the prime value of XL abbreviated as ITS XL, consisting of: a). Integrity, b). Cooperation and c). Excellent service. Further strengthened by the work culture of the company which includes: a). Taking Ownership, dare to be responsible in giving service to internal and external customers; b). Outside-In (outside and inside), understanding the basic needs of customers and make it as a reference in all the daily action; c). Demanding, set high standards for themselves, colleagues, team members and external partners to ensure high quality and timely service, and d). End to end, wherever the position is in the internal process, one must understand the whole process to ensure timely service that has been promised to the customer. The customer is a benchmark in the start and finish the job. Therefore XL has been given awards from both domestic and foreign parties, one of them is an award in the form of Customer Relationship Excellence Awards 2013 (Award for relationship excellence with customers in 2013), which won three awards simultaneously, namely the category of CRM Director of the Year (Best Director 2013), Best Social Media Program of the Year (Telecommunication) (the best in social media in 2013), and Best Use of Knowledge Management of the Year (Telecommunication) (the best in the field of management in 2013).

Indosat introduces the new five (5) company values, namely: a). Reliable: think positive, consistent in word and deed which is praiseworthy and reliable; b). Care: Shows the attention, respect and serve with

wholeheartedly; c). Determination to Become the Best: the spirit of achieving excellence by improving and continuous improvement; d). Quick: eager to solve problems, make decisions, act and adapt and e). The Spirit of Youth: energetic, dynamic and dare to be a driver of change. The five new values of this company is an inspiration and guide for all employees in improving performance.

With the implementation of new company values consistently on all Indosat employees and attention to customer needs, an increasing number of Indosat's cellular subscribers increased by 1.9% from the previous year to reach 59.6 million subscribers including wireless broadband subscribers that surpassed 58.5 million subscribers of the previous year. Revenue from cellular services increased by 4.8% year over year to Rp19,374.6 billion, up from Rp18,489.3 billion in 2012.

5. Product Standards

Given the field of mobile telecommunications, the focus point is the service, therefore the quality of services must be national and international quality standards. To guarantee this quality, mobile telecommunication operators already have quality standards that refer to international standards such as ISO 9000, ISO 14000 and other standards. The quality of services is essential for customers, given that communication requires good network and fast access to the Internet, if it is interrupted, then the customer will move to other telecommunications operators.

A standard conditions of qualities possessed by mobile telecommunications operators, namely Telkomsel has achieved, among others: a). 20 (twenty) Telkomsel GraPARI awarded with ISO 9001: 2008; b). Telkomsel Certification received ISO/IEC 27001: 2005 from Bureau Veritas Certification for the operation of broadband service, charging system, the e-wallet system, service desk system, customer service, billing system for postpaid and prepaid supplied by the IT Directorate, Networks Directorate, and GraPARI at Wisma Mulia building. It was achieved on 23 September 2013 and valid through September 22, 2016; c). 5 (five) Telkomsel Call Center was awarded ISO 9001: 2008, while PT. Indosat in customer service has been recognized internationally having been awarded with 5 (five) certificates, namely: a). ISO 9001: 2000 for Quality Management System in 2006; b). ISO 27001 for Security Management System in 2012; c). ISO 14001 for Environmental Management System in 2012; d). ISO 31000 for Risk Management in 2013; e). Premium Services Certification MEF CE 1.0 (Metro Ethernet Forum - Carrier Ethernet 1.0) in 2013. Furthermore, PT. XL Axiata was awarded both management systems and human resources performance as many as 27 (twenty-seven) awards, among others: a). XL grabbed the "Best Operator in Emerging Market" in the event of The 16th Telecom Asia Awards and became the sole operator from Indonesia to become the winner in this competition; b). XL has been awarded Indonesia Service to Care Champion 2013 in the category of service provider, which was held by MarkPlus Insight to encourage the service industry in Indonesia in order to continue improving the quality of service up to the stage of caring; c). CEO of XL, Hasnul Suhaimi, achieve the award of Digital Business Leader in Bubu Awards v0.8. Digital Business Leader award is intended for individuals who are considered to have successfully encouraged and led the organization or company to achieve its business goals by utilizing a strategy based on the development of the digital era; d). XL awarded the Excellent Service Experience Award (ESEA) 2013 in the category of mobile operators given by Carre Center for Customer Satisfaction and Loyalty (CCSL) and Bisnis Indonesia; e). XL Customer Service Team won seven medals which consists of four gold medals and three bronze medals at the Top Ranking Performers in the Contact Center World Asia Pacific. The 7 awards consists of four gold medals for Best Leader, Best Operation Manager, Best Recruitment Campaign, and Best IT Support, and 3 bronze medals for Best Contact Center (small size), Best Community (@xlcare), and Best Helpdesk.

With the standardization of products, services, companies from home and abroad such as achieving the ISO, the company has the quality that can be trusted consumer, so that the company can develop rapidly. PT. Telkomsel and PT. Indosat achieved ISO, whereas PT. XL Axiata has been awarded. Each of these companies have advantages in certain fields. When real situation in the field is observed,

Telkomsel is superior compared to Indosat and XL, from 131.513 million subscriber base. While XL and Indosat are competing closely, the number of customers difference is very small, XL only 60,549 million and Indosat 59.600 million.

6. Kompetensi Manajemen

The role of human resources is very important in increasing competition among mobile telecommunications operator. Therefore each operator always provide training and ongoing education both at home and abroad in order to improve the quality of human resources at various levels in the company's career. Placing the highest priority and invest in human resources, because employees are a major asset, stakeholders and a competitive differentiator in this dynamic industry. Strongly believes that employees who have a good performance and a high potential is key to the success of the Company.

Telkomsel send employees up abroad to study science in college. We continue to enhance our leadership capabilities through training and leadership programs as we continue to make expansion to digital business. In 2013, Telkomsel launched a program that aims to develop managerial and leadership skills of the employees. The Program used 3C (Character, Competence, Collaboration), building concepts that are giving more attention to building character. To promote a positive and favorable work environment, we also consistently maintain good communication with Telkomsel Workers Union. Because we believe that the best, culture can be an asset that enable, provide energy, and improve human behavior and when used wisely, can accelerate and sustain business results. Culture transformation program is one of the key strategic of Telkomsel in 2013. We called it The Way Telkomsel. Internal socialization program of 'The Way Telkomsel' is one of the main strategic programs of human resources during 2013 in order to support business and culture transformation within the organization. Through the transformation of values and behaviors of employees, we believe it is on the right track to realize the company's vision, mission and strategy of growth.

Telkomsel transfers as many as 1,279 employees from the central office to the area/region that alters the composition ratio between the central and the local office of about 65%: 35% to around 40%: 60%. In a dynamic digital business, which have short product life cycles, Telkomsel requires an adaptive organization and speed in execution and internal processes to enable it to face the challenges. In 2013 Telkomsel has hired 179 people in the digital business organizations, compared with 131 in 2012.

XL employs 2,021 employees for various levels of positions, age and educational backgrounds. Approximately 80% of XL employees are 40 years old maximum, reflecting XL as a company that has a dynamic working atmosphere and can be a valuable asset in today's digital era. The Quality of XL employees can also be seen from the educational background, which is more than 85% have a minimum education level of Bachelor Degree and has a particular expertise. Educational background is becoming the initial capital to be developed so as to contribute the maximum in their respective fields. This competence should include the leadership, managerial, technical and general competence. Currently, most of the programs carried out by on the job training so that the development process is faster. Such programs include coaching, special assignments, implementation of innovation ideas and others.

In addition to on the job training, in class training are also held for programs of a general nature. During 2013, training programs and technical competence development was focused on the business data and digital services. Several development programs that have been implemented is the development of ideas and innovation, the development of applications and digital services marketing strategy. The implementation of training and development activities also involve the active participation of the leadership of the company. The leaders involved as a trainer for a large part of training and development activities. Throughout the year 2103, XL conducted a total of 314 in-house trainings and a workshop involving the majority of employees from all directorates and functions.

Indosat human resource capacity enhanced by getting training and material support given by managers to enhance leadership skills, and provide effective training and structured input for each team.

Management proactively hold communication with employees through a variety of channels, both formal and informal, to convey the purpose of the Company, establishing agreements, and receive inputs. Channels of communication include, among others, the forum of open discussion between top management and employees in the town hall meeting, visits by the Directors to the branches and locations of work, social gatherings with CEOs, By maintaining effective two-way communication, Indosat improve employee engagement and make the company to be more agile. Furthermore, Indosat has conducted 674 training programs more intensively in 2013 by increasing training programs and higher employee participation. In order to help employees develop their competencies. In addition, Indosat also maintain special facilities for the training center in Jatiluhur, complete with classrooms and computer rooms, which can cater for 16 classes simultaneously for up to 200 participants. The training center also has dormitories and sport facilities including outbound training area. A number of well-equipped training rooms with a maximum capacity of 80 people is also available at the head office of Indosat, also a computer room with a capacity of 25 people. Always strive to be the best workplace for employees by providing a positive work environment and to ensure the well-being of employees and their family members. In addition to the monthly salary, employees also receive benefits such as telephone allowances, health care benefits, annual bonus as an incentive, and a variety of facilities and awards. Committed to implementing a culture that promotes the Health, Safety and Environment (HSE), according to the government program to build national HSE culture in 2015.

Indeed, human resources is the key to success by the implementation of the competitive strategy in mobile telecommunications operators. Therefore, the operators' strategy can be known either Telkomsel, XL and Indosat in improving the quality of human resources.

5. Summary

5.1. Conclusion

The three aspects of the competition, the core competition/main competition, Time Based Competition/competition based on time, Value Discipline/basic corporate values applied by the operator Telkomsel, XL Axiata and Indosat shared the same way in implementing the strategy.

Expeditionary Marketing/channel marketing is one aspect of competition applied by mobile telecommunication operators such as Telkomsel, XL and Indosat. The marketing channels heavily relies on availability of the existing network. Judging from the three operators, Telkomsel has more network compared to XL and Indosat.

Competition from the aspects of product standards, it learned that Telkomsel and Indosat have ISO certificates, while XL Axiata has been awarded in the country. The three mobile telecommunications operators has been given awards, but in general, the awards in the field of higher standard is ISO.

Competitive strategies on management competencies that focus on human resources described better by Telkomsel in human resources, considering that there are education programs abroad, in addition to the home education, when compared to Indosat and XL Axiata who only conduct training in the country.

5.2. Suggestion

The homogeneous products or similar as in this mobile segment, competitors have no difficulty in dealing with their competitors. Because the strategy adopted by competitors will be followed by other competitors. Which is rather difficult to follow is to invest massively.

The main key in cellular business is to increase quality by expanding the network in this case building BTS network throughout Indonesia.

ISO certificate is a recognition from home and abroad in quality standards both from the aspect of service and product as well as management system applied.

Indonesian people still recognize that education from abroad is still the best, so it is good to individual or company in enhancing its human resources by giving the opportunity to study at universities abroad.

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