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Evaluating Strategic Alternatives in the Indonesian Pharmaceutical Industry: A QSPM-Based Study of PT Darya-Varia Laboratoria Tbk

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Abstract

Objective – This research aims to evaluate the strategic alternatives available to PT Darya-Varia Laboratoria Tbk by analyzing internal and external strategic factors that influence competitiveness in the Indonesian pharmaceutical industry. The study focuses on determining the most appropriate strategic direction using the Quantitative Strategic Planning Matrix (QSPM).

Design/methodology/approach – This study employs a qualitative–quantitative strategic analysis approach using tools such as PEST, Porter's Five Forces, Internal Factor Evaluation (IFE), External Factor Evaluation (EFE), SWOT analysis, IE Matrix, and the Grand Strategy Matrix. The QSPM model is then applied to quantify and compare the attractiveness of alternative strategies, enabling the identification of the most optimal strategic choice for the company.

Findings – This study employs a qualitative–quantitative strategic analysis approach using tools such as PEST, Porter's Five Forces, Internal Factor Evaluation (IFE), External Factor Evaluation (EFE), SWOT analysis, IE Matrix, and the Grand Strategy Matrix. The QSPM model is then applied to quantify and compare the attractiveness of alternative strategies, enabling the identification of the most optimal strategic choice for the company.

Research limitations/implications – his study focuses on a single case within Indonesia's pharmaceutical sector, which may limit generalizability. Future research is encouraged to examine similar strategic evaluations in different pharmaceutical companies or across other emerging markets. Additional variables such as digital transformation, supply chain resilience, or post-pandemic market shifts may further enrich strategic insights.

Practical implications – The findings provide managerial guidance for PT Darya-Varia and similar companies to prioritize innovation driven product development to enhance competitiveness. Firms are encouraged to invest in technology based R&D, improve supply chain independence, and align strategic initiatives with industry trends to maintain long-term market strength.

Originality/value – This research integrates multiple strategic frameworks with QSPM to quantitatively determine the most suitable strategic direction for a leading pharmaceutical company in Indonesia. The study contributes by demonstrating how technology-driven product development can serve as a key strategic lever in a competitive and rapidly evolving industry landscape.

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INTRODUCTION

The pharmaceutical industry in Indonesia plays an increasingly important role in supporting national health security and economic development. With a rapidly growing population and expanding Universal Health Coverage (JKN), demand for medicines continues to rise, placing pressure on domestic manufacturers to enhance capacity, efficiency, and innovation. However, despite its growth potential, the industry faces persistent structural challenges particularly the country's heavy dependence on imported pharmaceutical raw materials. Studies report that more than 90% of Active Pharmaceutical Ingredients (API) used in Indonesian drug manufacturing are sourced from abroad, creating supply-chain vulnerabilities, exposure to exchange-rate fluctuations, and limited autonomy over production stability ((Hermawan, 2023); (Asih, 2025)). Such dependency reflects a broader challenge faced by firms embedded in global value chains, where upstream concentration heightens operational and strategic risks (Gereffi, 2018). These conditions reinforce the need for pharmaceutical companies to adopt strategic approaches that align internal capabilities with external industry realities.

PT Darya-Varia Laboratoria Tbk (Darya-Varia) is one of Indonesia's leading pharmaceutical companies with long-established manufacturing facilities, strong product brands, and certifications that meet national and international standards. Internally, the company benefits from strong operational capabilities, digital integration in production processes, and a resilient consumer health product portfolio. However, like many domestic pharmaceutical firms, Darya-Varia is also affected by challenges such as dependency on imported raw materials, variations in sales performance across product categories, and intensifying competition from both local and multinational firms. These conditions highlight the need for a systematic evaluation of strategic alternatives to strengthen long-term competitiveness.

In a dynamic and highly regulated industry, strategic management tools play a crucial role in supporting corporate decision-making. Beyond financial performance, long-term competitiveness in regulated industries requires effective strategy execution and innovation alignment (Kaplan & Norton, 2008). According to David & David (2017), effective strategy formulation must begin with identifying internal strengths and weaknesses as well as external opportunities and threats. Frameworks such as PEST, Porter's Five Forces, and the IFE/EFE matrices help organizations assess macro environmental conditions, industry pressures, and organizational capabilities, while the SWOT matrix integrates these factors into a clear strategic position ((Wheelen & Hunger, 2018); (Porter, 1980)). However, these descriptive tools do not indicate which strategic option is most optimal. To address this gap, the Quantitative Strategic Planning Matrix (QSPM), introduced by (David, 1986), provides a structured and quantitative method for comparing alternative strategies through weighted attractiveness scores. Empirical studies in Indonesia have demonstrated the effectiveness of combining SWOT, IFE/EFE, and QSPMparticularly in pharmaceutical companies and SMEs showing that multi-framework analysis supports more objective and robust strategic decisions ((Nugraha & Sari, 2022a); (Laksmi & Zunaidi, 2024); (Siregar & Pratiwi, 2023)).

Technological advancements are increasingly reshaping strategic priorities in the global pharmaceutical industry. Artificial intelligence (AI) is accelerating drug discovery and formulation by improving predictive modeling and optimizing delivery systems, allowing companies to reduce development time and enhance precision (Jayakrishnan et al., 2010). At the same time, nanotechnology enables targeted and controlled drug-delivery mechanisms that improve therapeutic efficacy while minimizing adverse effects, making it one of the most transformative innovations in modern pharmaceutics (Durgam & Oroszi, 2025)Biotechnology-driven therapies, including biologics and gene-based treatments, further expand opportunities for differentiated product pipelines and long-term competitiveness (Sultana et al., 2023)For Indonesian firms such as Darya-Varia, the integration of these emerging technologies into product development offers a strategic pathway to remain competitive and aligned with global innovation trends.

Based on the integration of these strategic frameworks, this study evaluates multiple strategic alternatives, including product development, market penetration, and diversification, using QSPM to identify the most appropriate strategic direction for PT Darya-Varia. The results of the analysis position the company in a growth-oriented strategic quadrant and indicate that product

development is the most attractive strategic alternative, reflecting alignment between Darya-Varia's internal strengths and external opportunities, particularly the adoption of advanced pharmaceutical technologies.

This research contributes to the literature by presenting a comprehensive, multi-framework strategic evaluation in the context of Indonesia's pharmaceutical industry an area where scholarly documentation remains limited. This study also advances prior QSPM-based research by moving beyond descriptive strategy selection and empirically demonstrating how technology driven product development functions as a critical strategic lever for sustaining competitiveness in a highly regulated, import dependent pharmaceutical industry within an emerging market context. It also provides practical insights for managers seeking to navigate regulatory complexity, supplychain challenges, and technological disruptions while pursuing sustainable competitive advantage.

THEORETICAL BACKGROUND AND RESEARCH MODEL

Strategic Management and Competitive Analysis

Strategic management is a comprehensive process that involves environmental scanning, strategy formulation, strategy implementation, and evaluation to achieve sustainable competitive advantage (David & David, 2017) Organizations operating in dynamic industries such as pharmaceuticals must continuously align internal capabilities with changing external environments. Competitive analysis frameworks, particularly Porter's Five Forces, provide a structured way to evaluate industry rivalry, supplier power, buyer power, threats of substitutes, and the threat of new entrants (Porter, 1980) In the Indonesian pharmaceutical sector, the intensity of competition, dependence on imported raw materials, and regulatory complexity make strategic management tools essential for navigating market pressures (Hermawan et al., 2023). In this context, strategic planning becomes critical for firms like PT Darya-Varia, which must address generic drug competition, regulatory uncertainty, technological shifts, and evolving consumer preferences. These dynamics justify the use of integrated strategic frameworks in identifying the most appropriate organizational strategy.

External and Internal Environment Analysis (PEST, IFE, EFE)

Environmental scanning helps organizations understand external macro-level forces and internal conditions. PEST analysis captures political, economic, social, and technological factors that shape opportunities and threats (Wheelen & Hunger, 2018). For Indonesian pharmaceutical companies, regulatory changes, post-pandemic economic recovery, increasing health awareness, and rapid digitalization significantly influence strategic direction (Asih, 2025). Meanwhile, the Internal Factor Evaluation (IFE) and External Factor Evaluation (EFE) matrices quantify internal strengths and weaknesses as well as external opportunities and threats using weighted scores (David & David, 2017). These tools are widely used in strategic research in Indonesia because they enable objective assessment of a company's strategic position (Nugraha & Sari, 2022).

SWOT Analysis and Strategy Matching

SWOT analysis integrates internal strengths and weaknesses with external opportunities and threats to generate strategic alternatives. Although SWOT is widely used, scholars emphasize that it is only a descriptive tool and does not determine which strategy should be prioritized (Pearce & Robinson, 2015). Therefore, SWOT is typically paired with additional frameworks such as the Grand Strategy Matrix or IE Matrix to map strategic feasibility more clearly ((Wheelen & Hunger, 2018)).

Quantitative Strategic Planning Matrix (QSPM)

The Quantitative Strategic Planning Matrix (QSPM) is a tool used to objectively compare strategic alternatives based on weighted attractiveness scores derived from IFE and EFE factors (David & David, 2017). QSPM allows managers to quantify the relative appeal of each strategy, making it particularly suitable for industries where decisions must balance internal capabilities with external uncertainties. Previous studies confirm that QSPM enhances objectivity in strategic decision-making by integrating multiple internal and external criteria into a structured quantitative model

(Shrestha et al., 2016). Empirical studies in Indonesia demonstrate that QSPM is effective for determining the best strategic option in pharmaceutical, cosmetic, and manufacturing sectors (Laksmi & Zunaidi, 2024); (Siregar & Pratiwi, 2023).

ANALYSIS AND RESULTS

External Environment Analysis (PEST Analysis)

The external environment was analyzed using the PEST framework to identify key political, economic, social, and technological factors influencing the pharmaceutical industry. The summary of each factor is presented below.

Table 1.
PEST ANALYSIS

Political Factors.	**Economic Factors.**
Government regulations requiring the use of generic medicines in health facilities (of Health, 2010) and the enforcement of c-GMP standards by the National Agency of Drug and Food Control (BPOM, 2020) impose strict compliance obligations on pharmaceutical firms. The dominance of generic drugs through BPJS reimbursement schemes further intensifies competition and narrows profit margins (Kesehatan, 2021)	Government regulations requiring the use of generic medicines in health facilities (of Health, 2010) and the enforcement of c-GMP standards by the National Agency of Drug and Food Control (BPOM, 2020) impose strict compliance obligations on pharmaceutical firms. The dominance of generic drugs through BPJS reimbursement schemes further intensifies competition and narrows profit margins (Kesehatan, 2021)
Social Factors.	**Technological Factors.**
Health awareness continues to rise, driven by digital health platforms such as Halodoc and Alodokter (Halodoc, 2021). This shift in consumer behavior increases demand for over-the-counter (OTC) products, as consumers prefer easy-access medication options.	Rapid digital transformation in the pharmaceutical industry enhances production flexibility, accelerates product development, and enables integrated health information systems (Prakash & Faqih, 2021); (McKinsey, 2022) Digital transformation has been empirically shown to improve efficiency, innovation speed, and strategic responsiveness in healthcare industries (Agarwal et al., 2020). Telemedicine expansion also supports wider market reach and improved patient engagement.

Source: Processed data

Porter's Five Forces Analysis

Porter's Five Forces analysis is used to evaluate the competitive dynamics within the pharmaceutical industry. This framework helps assess the intensity of competition and the external pressures that influence strategic decisions. The summary for each force is presented below.

Table 2.
PORTER'S FIVE FORCES ANALYSIS

Rivalry Among Existing Competitors	**Threat of Substitute Products.**
The industry faces intense competition with numerous large and local manufacturers offering similar products (PWC Indonesia, 2023) Low product differentiation pushes companies to focus on quality, branding, and innovation to maintain competitiveness (Kotler & Keller, 2016)	Affordable generic medicines and the increasing interest in herbal or alternative treatment methods pose significant substitution threats (Statista, 2023)). Heavy dependence on imported raw materials also increases vulnerability to quality and supply fluctuations (Bank, 2022)
Bargaining Power of Buyers.	**Bargaining Power of Suppliers.**
Public consumers have relatively low bargaining power due to limited alternatives. However, the government via BPJS possesses high bargaining power due to large volume procurement (Kesehatan, 2021)	With over 200 foreign raw material suppliers, supplier bargaining power is high, especially given the limited domestic producers that meet international quality standards (Ministry of Industry, 2020)
Threat of New Entrants.	
Strict regulatory requirements, significant investment needs, and high compliance standards create strong barriers to entry for new competitors (Porter, 1980)	

Source: Processed data

Industry Analysis

Based on the stages of the Industry Life Cycle, the Indonesian pharmaceutical industry is positioned in the maturity stage, characterized by slowing market growth and intense competitive pressure (Grant, 2019); (Hill & Jones, 2012). In mature industries, firms are encouraged to focus on product development and modification strategies to sustain market relevance and profitability (Kotler, 2017). At this stage, firms must continuously innovate to maintain profitability and sustain their competitive position. Strategies such as mergers and acquisitions are commonly adopted during maturity to enhance operational efficiency, integrate technological capabilities, stabilize pricing, and expand distribution reach (Porter, 1980); (Hermawan et al., 2023).

External Audit - Matriks Evaluasi Faktor Eksternal (EFE)

The External Factor Evaluation (EFE) Matrix is used to assess the key opportunities and threats that influence the company's external environment. By assigning weights and ratings, this matrix provides an overview of how effectively the company responds to external conditions. The resulting score reflects the company's ability to capitalize on opportunities and manage potential threats.

Table 3.
EFE MATRIX

Key External Factors	**Weight**	**Rating**	**Score**
Threats			
Increasing demand for generic medicines intensifies competition and reduces profit margins	0.11	2	0.22
Regulatory uncertainty in health and economic policies	0.13	3	0.39
High industry quality standards	0.14	3	0.42

Dependence on a single raw material supplier creates supply-risk vulnerability	0.08	3	0.24
Opportunities			
Growing demand for OTC (over-the-counter) medicines	0.15	4	0.60
Availability of new therapeutic categories and broader market segments	0.14	2	0.28
Market growth adjustment due to intensified competition	0.13	3	0.39
Advancements in telemedicine and health digitalization	0.12	3	0.36
Total	**1.00**		**2.90**

Source: Processed data

Internal Audit - Matriks Evaluasi Faktor Internal (IFE)

The Internal Factor Evaluation (IFE) Matrix identifies and evaluates the company's main strengths and weaknesses. Through weighted scoring, the matrix measures how well the company utilizes its strengths and addresses its internal limitations. The final score indicates the overall internal strategic position of the organization.

TABLE 4.
IFE MATRIX

Key Internal Factors	Weight	Rating	Score
Strengths			
Achievement of "8-Peat" performance recognition	0.13	3	0.39
Strong consumer loyalty toward Darya-Varia product brands	0.12	4	0.48
Listed among the Top 50 Most Excellent Suppliers	0.08	3	0.24
Highly reliable production and operational systems	0.11	4	0.44
Extensive CSR programs across Indonesian communities	0.05	3	0.15
Effective implementation of advanced information technology	0.10	4	0.40
Weaknesses			
High dependence on foreign raw material suppliers	0.08	1	0.08
Decline in toll manufacturing and export performance	0.11	2	0.22
Decreasing sales of prescription medicines	0.12	2	0.24
Strong marketing focus on non-ethical (OTC) products	0.10	1	0.10
Total	**1.00**		**2.72**

Source: Processed data

Competitive Profile Matrix & Key Success Factors

The Competitive Profile Matrix (CPM) is used to compare the company's performance with major competitors based on key success factors in the industry. By evaluating weighted ratings, the matrix highlights each firm's competitive strengths and weaknesses, providing a clear picture of the company's relative strategic position.

Table 5.
CPM MATRIX

Key Success Factors	Weight	Darya-Varia		Phapros		Pyridam	
		Rating	Score	Rating	Score	Rating	Score
Product Quality	0,15	4	0,59	4	0,59	4	0,59
Product Technology / Management	0,13	4	0,53	4	0,53	3	0,40
Customer Loyalty	0,10	4	0,41	3	0,31	3	0,31
Price Competitiveness	0,12	4	0,47	4	0,47	3	0,35
Competitors	0,13	4	0,53	3	0,40	3	0,40
Financial Position	0,13	3	0,40	3	0,40	3	0,40
Government Regulaitons	0,15	4	0,59	4	0,59	4	0,59
Marketing & Promotions of Products	0,09	3	0,26	3	0,26	3	0,26
JUMLAH	**1,00**		**3,78**		**3,29**		**3,54**

Source: Processed data

Strategy Generation: The Matching Stage (SWOT Matrix)

The SWOT Matrix is applied to generate strategic alternatives by matching the company's internal strengths and weaknesses with external opportunities and threats. This stage helps identify feasible strategies that align with the firm's capabilities and environmental conditions, guiding the selection of the most appropriate strategic options.

Table 6.
STRENGTHS WEAKNESSES OPPORTUNITIES THREATS (SWOT) MATRIX

MATRIX	STRENGTH (S)	WEAKNESS (W)
OPPORTUNITY (O)	1. Horizontal Integration (S3, O3) 2. Diversification (S1, 02)	1. Market Penetration (W4, O1) 2. Market Development (W3, O2)
THREAT (T)	1. Market Penetration (S2, T1) 2. Backward Integration (S4, T4)	Diversification (W2, W3, T1)

Source: Processed data

Strategy Grand Matrix

The Grand Strategy Matrix is used to determine the most appropriate strategic direction based on a company's competitive position and market growth. By placing the firm within one of the four quadrants, the matrix helps identify strategic alternatives that align with its strengths, market conditions, and overall industry dynamics. This tool supports clearer decision-making regarding long-term growth and competitive advantage.

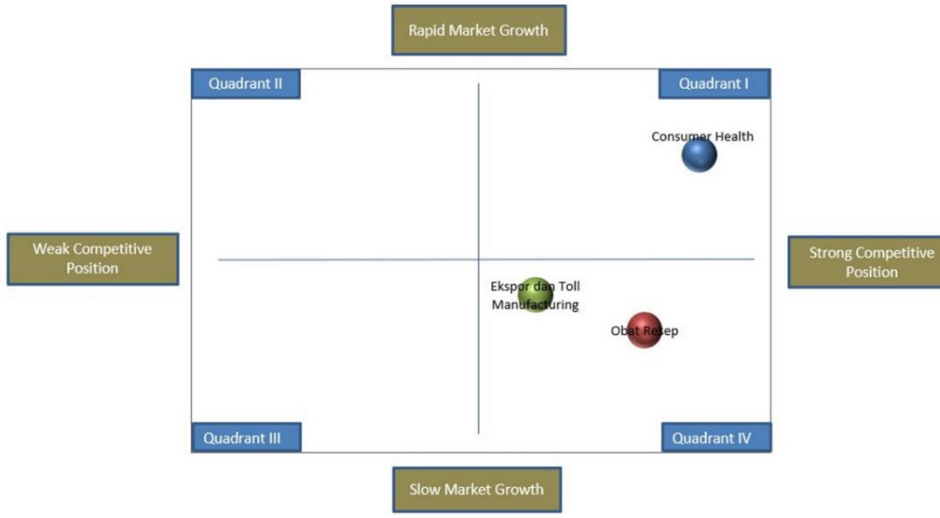


Figure 1. STRATEGY GRAND MATRIX
Source: Processed data

Table 7.
STRATEGY GRAND DIVISION

Division	Market Growth	Competitive Position
Consumer Health	9	8
Prescription Drugs	8	3
Export & Toll Manufacturing	6	4

Source: Processed data

Based on the results of the matrices, the Consumer Health division is positioned in Quadrant I, indicating that appropriate strategies include market penetration, market development, product development, related diversification, as well as backward, forward, and horizontal integration. Meanwhile, the prescription medicine division along with export and toll manufacturing activities falls into Quadrant IV, suggesting the use of strategies such as related diversification, unrelated diversification, and joint ventures.

The Internal External (IE) Matrix

The Internal External (IE) Matrix visually positions the company based on its IFE and EFE total weighted scores to determine its overall strategic condition. By locating the firm within one of the nine cells, the matrix indicates whether the company should pursue growth-oriented, stability, or

retrenchment strategies.

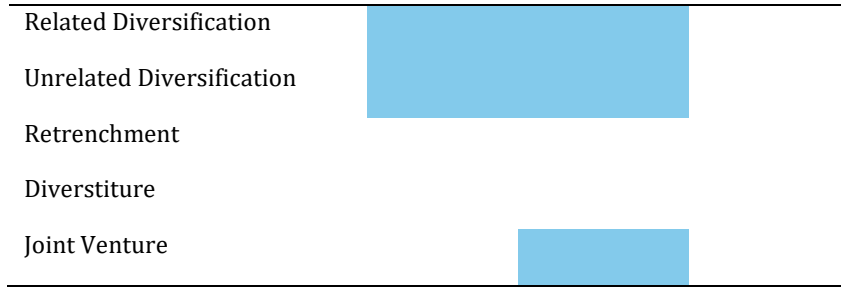
Based on the results of the Internal–External (IE) Matrix, PT Darya-Varia is positioned in Quadrant II. Therefore, the recommended strategies include backward integration, forward integration, horizontal integration, market penetration, market development, and product development.

Decision Stage: QSPM

The Quantitative Strategic Planning Matrix (QSPM) is used in the decision stage to objectively evaluate and prioritize strategic alternatives identified from the SWOT, Grand Strategy, and IE Matrix analyses. By assigning attractiveness scores to each strategy based on external threats and internal factors, the QSPM helps determine which strategic options provide the highest overall benefit and should be pursued by the company.

Table 8.
QSPM

Types of Strategies	SWOT Matrix	Grand Strategy	IE Matrix Strategy
Forward Integration			
Backward Integration			
Horizontal Integration			
Market Development			
Product Development			
Market Penetration			



Source: Processed data

This section evaluates how key external threats influence the attractiveness of alternative strategies. Each threat is weighted based on its importance, and attractiveness scores (AS) are assigned to compare how well Product Development (PD) and Market Penetration (MP) respond to these challenges. The resulting Total Attractiveness Scores (TAS) help determine which strategy offers a stronger response to external risks.

DISCUSSION

Interpretation of Key Strategic Analysis Results

The ability to integrate emerging technologies reflects dynamic capabilities that enable firms to adapt, innovate, and sustain competitive advantage in volatile environments (Teece, 2018). The environmental and organizational assessments illustrate PT Darya-Varia's position in a dynamic and regulated industry. The PEST analysis shows that regulatory requirements, such as cGMP enforcement and generic drug mandates, create structural pressures consistent with findings in Indonesian pharmaceutical research (Hermawan et al., 2023). The EFE score of 2.90 aligns with previous studies showing that pharmaceutical firms often face stronger external pressures than internal deficiencies (Asih, 2025). Internally, the IFE score of 2.72 indicates strong operational, branding, and technological capabilities, consistent with studies emphasizing operational excellence as a key driver of pharmaceutical competitiveness (Nugraha & Sari, 2022a). From a resource-based perspective, such internal strengths provide the foundation for pursuing growth-oriented strategies that are difficult for competitors to imitate (Barney, 1991). The IE Matrix placing the company in Quadrant II supports earlier work by (David & David, 2017), which states that firms in this quadrant should pursue intensive strategies such as product development, market penetration, and integration. Overall, the results show a company with strong internal capabilities navigating a moderately challenging external environment patterns also documented in recent Indonesian industry analyses. Taken together, these results suggest that PT Darya-Varia is not merely adapting to environmental pressures but possesses the internal capacity to leverage its strengths in pursuing forward-looking growth strategies. The combination of moderate external challenges and strong internal capabilities supports the argument that innovation led product development, rather than defensive or retrenchment strategies, represents a rational strategic response. This pattern mirrors recent empirical evidence from Indonesian pharmaceutical and manufacturing industries, which shows that firms with strong internal capabilities tend to prioritize innovation and integration strategies to sustain competitiveness in mature and regulated markets.

Alignment with Strategic Theory and Empirical Evidence

The findings correspond with core strategic management theories. Porter's Five Forces emphasizes competitive rivalry and supplier dependency as major determinants of industry attractiveness (Porter, 1980), which aligns with Indonesia's reliance on imported Active Pharmaceutical Ingredients (APIs) highlighted by (Hermawan et al., 2023). Environmental scanning frameworks such as PEST and the IFE/EFE matrices have been widely validated in strategic management literature as effective tools for diagnosing strategic position (Wheelen & Hunger, 2018) (David &

David, 2017). Prior empirical studies in Indonesia reinforce these theoretical conclusions. Nugraha & Sari, (2022) showed that pharmaceutical firms benefit from product and market development when internal strengths especially production quality and branding are dominant. Similar strategic patterns were found in SMEs and consumer goods sectors using SWOT–QSPM approaches (Laksmi & Zunaidi, 2024; Siregar & Pratiwi, 2023). Thus, the results of this study are consistent with established theory and resonate with empirical evidence across multiple Indonesian industries.

Determining the Optimal Strategy via QSPM

The QSPM analysis demonstrates that Product Development is the most strategically attractive option, consistent with global research showing that innovation-driven strategies outperform market maintenance in mature pharmaceutical markets (Kumar & others, 2021; Patel & Raval, 2022). The prioritization of product development is further aligned with technology-driven transformations in drug formulation and digital health integration (Jayakrishnan et al., 2010; Sultana et al., 2023). Similar findings were reported in Indonesian research where QSPM-based assessments identified innovation-oriented strategies as the most effective for sustaining competitiveness amid market saturation (Laksmi & Zunaidi, 2024). The lower ranking of market penetration reflects observations in prior studies that competition in the Indonesian pharmaceutical market, especially for branded generics and prescription drugs, has intensified sharply (Asih, 2025) Thus, the QSPM results reinforce both global pharmaceutical trends and local industry dynamics, validating the selection of product development as the optimal growth strategy.

Managerial and Strategic Implications

The study's results provide several significant implications for strategic decision-making. First, managers should prioritize new product development supported by digital health and advanced pharmaceutical technologies, a direction validated by global research on innovation-led growth (Durgam & Oroszi, 2025; Patel & Raval, 2022). Second, addressing internal weaknesses particularly heavy dependence on imported raw materials aligns with recommendations from Indonesian policymakers and academic research advocating for backward integration and local API development (Hermawan et al., 2023; of Industry, 2020). Third, the rising trend in OTC product con sumption and telemedicine platforms (Halodoc, 2021; McKinsey, 2022) suggests opportunities for expansion through consumer-centric product lines and digital marketing. Finally, alignment with empirical evidence from QSPM-based strategic studies reinforces that firms adopting hybrid integration innovation strategies often achieve stronger long-term resilience in volatile industries (Laksmi & Zunaidi, 2024). These implications collectively highlight the need for proactive investment in innovation, supply chain strengthening, and digital transformation. International policy evidence suggests that regulatory pressure in the pharmaceutical sector often incentivizes innovation based strategies rather than price competition (OECD, 2021).

CONCLUSIONS

The analysis concludes that PT Darya-Varia operates in a competitive, regulated, and technologically evolving pharmaceutical environment. Internally, the company demonstrates strong brand equity, reliable operations, and advanced digital capabilities, although challenges remain regarding dependence on imported raw materials and inconsistent performance across divisions. The QSPM results indicate that Product Development is the most attractive strategy for the company, outperforming alternatives such as Market Penetration. This finding aligns with the organization's internal strengths and external opportunities, particularly the increasing demand for innovative health products and the potential to integrate emerging technologies such as artificial intelligence, nanotechnology, and biotechnology into pharmaceutical formulation and product pipelines.

From a managerial perspective, the proposed strategic direction can be applied in practice by strengthening R&D capabilities, deepening technological integration in manufacturing processes, and developing new therapeutic categories aligned with market demand. Furthermore, the

company should strengthen supply chain resilience to reduce vulnerability from foreign raw material dependence an issue that significantly affects overall competitiveness. The implications for further research are substantial. Future studies may examine how digital transformation, supply-chain restructuring, or post pandemic consumer behavior shifts influence strategic decision-making in pharmaceutical firms. Researchers could also employ comparative case studies involving multiple companies or cross-country analyses to enhance generalizability and understanding of strategy formulation in emerging markets. However, several limitations must be acknowledged. This study focuses on a single company, which may constrain wider applicability. The use of secondary data also restricts the depth of analysis related to organizational processes and stakeholder perspectives. Future work could incorporate primary data collection, industry level comparisons, or dynamic modelling methods to enrich strategic insights.

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