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Business Strategy Adaptation Amid Industry Dynamics and Energy Transition: Evidence from PT Merdeka Copper Gold Tbk and PT Indika Energy Tbk

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Abstract *- Business strategy is a critical factor for companies in responding to industrial challenges. This study aims to analyze the strategies implemented by PT Merdeka Copper Gold Tbk and PT Indika Energy Tbk, particularly in the areas of human resources, finance, production, and marketing. Using a SWOT analysis framework, this research highlights how both companies adapt to dynamic market conditions. The results indicate that PT Merdeka Copper Gold places greater emphasis on production expansion and mineral diversification, particularly in gold, copper, and nickel, while PT Indika Energy focuses more on energy transition from coal toward green energy and electric vehicles. From a financial perspective, both companies face challenges in the form of declining net profit despite an increase in total assets. In terms of marketing strategy, PT Merdeka Copper Gold optimizes domestic and global market expansion, whereas PT Indika Energy adopts a more aggressive approach to business diversification. In conclusion, although the two companies demonstrate different business strategy orientations, both remain committed to achieving sustainable growth.*

Keywords: *Business Strategy, SWOT Analysis, Mining Industry, Energy Transition*

BACKGROUND

The mining and energy industries are among the most volatile and strategically complex sectors of the global economy. Firm performance in these sectors is highly sensitive to external forces, including commodity price fluctuations, regulatory interventions, technological change, and shifting global demand toward low-carbon and environmentally sustainable energy systems (Porter, 2008; Grant, 2019). In recent decades, these pressures have intensified as climate change commitments, stricter environmental regulations, and increasing investor expectations related to Environmental, Social, and Governance (ESG) performance have reshaped strategic priorities across resource-based industries (Eccles et al., 2014; Geels, 2014). Consequently, companies operating in mining and energy are required to develop robust business strategies that not only ensure short-term resilience but also support long-term competitiveness under conditions of high uncertainty.

From a strategic management perspective, long-term firm performance depends on the alignment between internal resources and capabilities and the external business environment (Barney, 1991; Grant, 2019). Strategic management emphasizes environmental scanning, strategy formulation, implementation, and evaluation as integrated processes that enable firms to respond effectively to dynamic industry conditions (Sudiantini & Hadita, 2022). In capital-intensive industries such as mining and energy, where investment decisions are largely irreversible and exposed to market volatility, strategic choices related to production scale, vertical integration, capital structure, and market positioning become particularly critical (Damodaran, 2012; Trigeorgis, 1996).

In Indonesia, the strategic context of mining and energy companies is further shaped by national policy frameworks, including mineral downstreaming mandates, Domestic Market Obligation (DMO) requirements, and regulatory incentives for renewable energy development. These institutional arrangements aim to enhance domestic value creation, reduce reliance on raw commodity exports, and support the country’s transition toward a more sustainable energy system (Scott, 2014). As a result, firms must balance regulatory compliance, operational efficiency, financial performance, and long-term strategic positioning while navigating institutional complexity and policy-driven uncertainty.

Within this context, PT Merdeka Copper Gold Tbk and PT Indika Energy Tbk represent two prominent Indonesian companies that adopt contrasting strategic responses to industry challenges. PT Merdeka Copper Gold primarily pursues a growth-oriented strategy through production expansion and mineral diversification, particularly in gold, copper, and nickel. These minerals play a critical role in global electric vehicle (EV) manufacturing and renewable energy infrastructure, positioning the company strategically within future-oriented mineral supply chains. In addition, the firm emphasizes downstream integration and mining technology development to enhance value capture and operational efficiency, consistent with theories of vertical integration and resource-based competitive advantage (Barney, 1991; Harrigan, 2003).

In contrast, PT Indika Energy is undergoing a strategic transformation driven by the global energy transition. The company is gradually shifting its business orientation from coal-based operations toward renewable energy and EV-related industries, reflecting declining long-term demand prospects for coal and increasing regulatory and market pressures for decarbonization (Geels, 2014). Rather than exiting its legacy business abruptly, Indika Energy adopts a transitional strategy by maintaining coal as a short-term cash-generating asset while reallocating capital toward emerging low-carbon sectors. This approach illustrates organizational ambidexterity, whereby firms simultaneously exploit existing capabilities while exploring new strategic domains to sustain long-term performance (O’Reilly & Tushman, 2013; Teece, 2007).

To systematically analyze such strategic differences, this study employs a SWOT (Strengths, Weaknesses, Opportunities, and Threats) framework. SWOT analysis is a widely used strategic management tool that integrates internal and external perspectives, enabling firms to assess resources, capabilities, market conditions, and competitive threats in a structured manner (Leigh, 2010). When combined with established strategic management theories—such as the resource-based view, dynamic capabilities, and competitive strategy—SWOT analysis provides a comprehensive lens for evaluating strategic alignment and sustainability (Barney, 1991; Grant, 2019).

Accordingly, this study aims to comparatively analyze the business strategies of PT Merdeka Copper Gold Tbk and PT Indika Energy Tbk using a SWOT framework across four key dimensions: human resources, financial performance, production strategy, and marketing strategy. By examining how each company aligns its internal capabilities with external opportunities and constraints, this research seeks to identify strategic patterns that support resilience, sustainability, and long-term value creation in Indonesia’s mining and energy sectors. The findings are expected to contribute theoretically to strategic management literature in resource-based industries and practically to managerial decision-making in contexts characterized by volatility, regulation, and energy transition pressures.

RESEARCH METHODS

This study adopts a qualitative descriptive research design with a comparative analytical approach to examine and compare the business strategies of PT Merdeka Copper Gold Tbk and PT Indika Energy Tbk in responding to dynamics within the mining and energy industries. A qualitative approach is considered appropriate because the research seeks to understand strategic orientations, managerial choices, and organizational responses within their specific industrial and institutional contexts, rather than to test causal relationships through statistical inference.

2.1. Research Approach and Design

The research is grounded in strategic management theory, emphasizing the alignment between internal capabilities and external environmental conditions (Barney, 1991; Grant, 2019). A comparative case study design is employed to allow in-depth analysis of two companies operating within the same broad sector but adopting contrasting strategic trajectories—one focused on mineral expansion and downstream integration, and the other on energy transition and business diversification. Comparative analysis enables the identification of similarities and differences in strategic choices, as well as their implications for long-term sustainability and competitiveness.

2.2 Data Sources and Data Collection

The study relies exclusively on secondary data, collected from multiple credible and publicly available sources to ensure data reliability and triangulation. The data sources include:

1. Annual reports and sustainability reports of PT Merdeka Copper Gold Tbk and PT Indika Energy Tbk;
2. Financial statements, including income statements, balance sheets, and cash flow statements;
3. Academic journal articles and books related to strategic management, mining economics, and energy transition;
4. Official company websites and investor presentations;
5. Industry reports and reputable business news sources relevant to the mining and energy sectors.

Secondary data were selected because they provide comprehensive information on corporate strategy, financial performance, operational activities, and ESG practices over multiple periods, which is essential for strategic and comparative analysis.

2.3. Analytical Framework

The primary analytical tool employed in this study is the SWOT (Strengths, Weaknesses, Opportunities, and Threats) framework. SWOT analysis is used to systematically evaluate both internal and external strategic factors affecting each company (Leigh, 2010). Internally, the analysis focuses on strengths and weaknesses related to human resources, financial structure, production capabilities, and marketing strategy. Externally, the analysis examines opportunities and threats arising from commodity market dynamics, regulatory frameworks, technological change, and the global energy transition.

To enhance analytical depth, the SWOT analysis is integrated with established strategic management theories, including the Resource-Based View (RBV) (Barney, 1991), Dynamic Capabilities Theory (Teece, 2007), Competitive Strategy (Porter, 2008), and Organizational Ambidexterity (O'Reilly & Tushman, 2013). This theoretical integration allows the SWOT results to move beyond descriptive assessment toward strategic interpretation and explanation.

2.4 Financial Performance Analysis

In addition to qualitative strategic analysis, the study incorporates basic financial analysis to support the evaluation of strategic outcomes. Financial performance is assessed using data from income statements, balance sheets, and cash flow statements, complemented by key financial ratios related to profitability, leverage, liquidity, and asset growth. This analysis provides insight into how each company's strategic orientation—growth-oriented expansion versus risk mitigation and transition—manifests in financial outcomes and capital structure decisions (Damodaran, 2012; Myers, 2001).

2.5 Comparative Strategy Dimensions

The comparative analysis focuses on four key strategic dimensions that are central to competitiveness in the mining and energy sectors:

1. Human Resource Strategy, examining capability development, workforce agility, and organizational learning;
2. Financial Strategy, assessing capital allocation, leverage decisions, and risk management;
3. Production Strategy, analyzing mineral diversification, operational optimization, and transition pathways;
4. Marketing Strategy, evaluating market expansion, repositioning, and stakeholder-oriented approaches, including ESG considerations.

Each dimension is analyzed separately for both companies and then compared to identify strategic differences, trade-offs, and their implications for business sustainability.

2.6 Data Analysis Procedure

The data analysis followed several stages. First, relevant qualitative and financial data were systematically collected and categorized according to the four strategic dimensions. Second, a SWOT matrix was developed for each company to identify key strengths, weaknesses, opportunities, and threats. Third, the SWOT results were interpreted using strategic management theories to explain observed strategic patterns. Finally, a comparative assessment was conducted to identify differences in strategic logic and their potential impact on long-term competitiveness and sustainability.

2.7 Research Limitations

This study has several limitations. First, the reliance on secondary data may limit access to internal managerial perspectives and real-time strategic decision-making processes. Second, the qualitative nature of the study restricts the generalizability of findings beyond the two case companies. Nevertheless, the comparative and theory-driven approach provides valuable insights into strategic adaptation in volatile and transition-oriented industries such as mining and energy.

RESULTS AND DISCUSSIONS

This section discusses the comparative business strategies of PT Merdeka Copper Gold Tbk and PT Indika Energy Tbk based on the SWOT framework, focusing on four key strategic dimensions: human resources, financial performance, production, and marketing. The discussion not only describes company conditions but also interprets their strategic implications within the context of the mining and energy industry transformation.

3.1 Human Resource Strategy: Capability Development versus Organizational Agility

Human resources play a critical role in sustaining competitiveness in capital-intensive and technology-driven industries such as mining and energy. Beyond operational efficiency, human capital determines a company’s ability to manage technological complexity, execute large-scale projects, and adapt to structural industry change. Both PT Merdeka Copper Gold and PT Indika Energy place strong emphasis on human resource management, as reflected in their sustainability and annual reports (Indika Energy, 2023; Merdeka Copper Gold, 2023). However, the two companies demonstrate distinct human resource strategies aligned with different strategic objectives.

Table 1. Human Resource Strategy Comparative

Aspects	PT Merdeka Copper Gold Tbk	PT Indika Energy Tbk
Strategic orientation	Long-term capability development	Organizational agility and transformation
HR development focus	Leadership pipeline, succession planning, firm-specific expertise	Workforce reskilling, digital competency, adaptability
Role of human capital	Strategic asset supporting expansion and operational complexity	Enabler of strategic renewal under energy transition
Theoretical Lens	Resource-Based View (RBV)	Dynamic Capabilities & Strategic HRM.

Table 1 highlights the contrasting human resource strategies of the two companies. PT Merdeka Copper Gold adopts a human resource strategy oriented toward long-term capability building. The company emphasizes talent development through structured leadership programs, performance-based incentives, succession planning, and the digitalization of human resource processes. This indicates that PT Merdeka Copper Gold views employee skills, knowledge, and experience as productive assets that generate future economic returns. By systematically investing in leadership pipelines and technical expertise, Merdeka strengthens its internal capability base to support large-scale expansion projects and increasingly complex multi-commodity operations.

From a strategic management perspective, Merdeka’s approach is also consistent with the Resource-Based View (RBV), which posits that companies achieve sustained competitive advantage by developing valuable, rare, and difficult-to-imitate internal resources, including human capital (Barney, 1991). In capital-intensive mining operations, where project execution and operational reliability are critical, deep organizational knowledge and managerial capability become strategic resources that competitors cannot easily replicate. Thus, Merdeka’s emphasis on internal capability development reflects a deliberate strategy to support long-term operational growth and technological sophistication rather than short-term labour flexibility. Recent strategic human capital literature further emphasizes that firm-specific skills and coordinated expertise play a critical role in sustaining competitive advantage in complex industries (Nyberg et al., 2014).

In contrast, PT Indika Energy’s human resource strategy is closely aligned with organizational transformation and strategic renewal. Facing declining coal demand and increasing regulatory and market pressure, Indika prioritizes workforce agility, reskilling, and digital competency to support its transition toward renewable energy and electric vehicle-related businesses. Extensive training investments exceeding 100 hours per employee in 2023 along with the implementation of digital HR platforms such as the Talent Management Information System (TMIS) and enhanced employee well-being programs, indicate a strategic focus on adaptability rather than production expansion (Teladan Resources, 2023).

This approach aligns with the Dynamic Capabilities Theory, which emphasizes a company's ability to sense environmental change, seize emerging opportunities, and reconfigure internal resources accordingly (Teece, Pisano, & Shuen, 1997; Teece, 2007). In industries undergoing energy transition, workforce reskilling and organizational agility become essential capabilities that enable companies to respond effectively to uncertainty and technological disruption. Indika's HR strategy reflects an understanding that competitive advantage in transitional industries depends not only on existing skills but also on the organization's capacity to continuously transform its human capital base.

Furthermore, Indika's emphasis on digital HR systems and employee well-being supports insights from Strategic Human Resource Management (SHRM) theory, which argues that HR practices must be aligned with broader corporate strategy to enhance organizational performance (Wright & McMahan, 1992). By fostering flexibility, learning orientation, and employee engagement, Indika strengthens its organizational readiness for strategic diversification while mitigating social and operational risks associated with large-scale transformation.

From a SWOT perspective, PT Merdeka Copper Gold's primary strength lies in the depth and specialization of its human capital, which supports production growth, operational scalability, and technological complexity. Conversely, PT Indika Energy's strength lies in workforce flexibility and adaptability, enabling the firm to navigate structural changes associated with the global energy transition. While both strategies enhance competitiveness, they serve different strategic goals. Merdeka prioritizes capability accumulation to sustain expansion, whereas Indika emphasizes organizational agility to manage uncertainty and strategic renewal. Together, these findings highlight that effective human resource strategy in the mining and energy sectors must be context-specific and closely aligned with long-term corporate objectives.

3.2 Financial Strategy: Growth-Oriented Expansion versus Risk Mitigation

Financial performance analysis reveals that both companies face short-term profitability pressure despite adopting different strategic orientations. PT Merdeka Copper Gold recorded a substantial increase in revenue in 2023, reaching approximately USD 1.7 billion, nearly doubling the previous year's figure. However, this strong revenue growth was accompanied by a sharp decline in net profit, driven by rising operational costs, higher depreciation, and significant capital expenditures associated with mine expansion and downstream integration projects. The weakening of operating cash flow further indicates that Merdeka is operating in a capital-intensive growth phase, where short-term financial pressure is deliberately accepted as a trade-off for long-term value creation.

This condition aligns with the investment life-cycle theory, which posits that companies in the expansion stage often experience declining profitability and cash flow due to substantial upfront capital investment before long-term returns materialize (Damodaran, 2012). In addition, Merdeka's financial behavior can be explained through the Resource-Based View (RBV), which emphasizes that companies invest aggressively to exploit strategic resources that are valuable, rare, and difficult to imitate (Barney, 1991). By expanding gold, copper, and nickel assets linked to electric vehicle and renewable energy supply chains, Merdeka prioritizes the development of long-term competitive advantage over short-term earnings stability. The observed growth in total assets and equity supports this strategic orientation toward future value creation.

In contrast, PT Indika Energy experienced declining revenue and profitability, largely due to lower coal prices and reduced production volumes. Rather than pursuing aggressive expansion, Indika responded by reducing liabilities and strengthening its balance sheet through deleveraging. This conservative financial strategy reflects principles from the trade-off theory of capital structure, which suggests that companies operating under heightened uncertainty tend to reduce leverage to minimize the risk of financial distress (Myers, 2001; DeAngelo & Roll, 2015). Given increasing regulatory pressure and long-term demand uncertainty in the coal sector, Indika's emphasis on balance sheet resilience represents a rational response to external threats.

Indika's approach can be interpreted using real options theory, which argues that maintaining financial flexibility enables companies to delay, scale, or abandon investments as market conditions evolve (Trigeorgis, 1996). By preserving liquidity and lowering debt exposure, Indika retains strategic optionality to accelerate investments in renewable energy and electric vehicles when economic and regulatory conditions become more favorable. However, this risk-averse strategy may constrain short-term growth potential compared to more aggressive expansion-oriented companies.

To enhance clarity and readability, Table 2 summarizes the contrasting financial strategies of PT Merdeka Copper Gold and PT Indika Energy.

Table 2. Financial Strategy Comparison

Aspect	PT Merdeka Copper Gold Tbk	PT Indika Energy Tbk
Strategic financial orientation	Growth-oriented expansion	Risk mitigation and financial resilience
Capital structure & investment behavior	High capital expenditure for mine expansion and downstream integration	Deleveraging and liability reduction to strengthen balance sheet
Short-term financial impact	Revenue growth accompanied by declining profitability and pressured cash flow	Declining revenue and profit with improved financial stability
Long-term strategic intent	Long-term value creation through asset accumulation and critical mineral development	Financial flexibility and strategic optionality during energy transition

Using SWOT analysis, we further compare strategies of both companies. PT Merdeka Copper Gold leverages financial expansion and capital investment as strategic strengths to exploit future opportunities in global demand for critical minerals. Conversely, PT Indika Energy prioritizes mitigating financial threats arising from commodity price volatility and regulatory uncertainty through deleveraging and financial discipline. This comparison highlights that financial performance should not be evaluated solely on short-term profitability, but rather in relation to strategic intent, industry life cycle, and long-term value creation objectives.

3.3 Production Strategy: Mineral Diversification versus Transitional Optimization

Production strategy plays a central role in shaping competitive advantage in mining and energy industries, particularly under conditions of commodity price volatility, technological change, and decarbonization pressure. The contrasting production strategies adopted by PT Merdeka Copper Gold and PT Indika Energy reflect differing responses to long-term demand uncertainty and structural industry transformation. To clarify these contrasting production approaches, Table 3 summarizes the key dimensions of production strategy adopted by both companies.

Table 3. Production Strategy Comparison

Aspect	PT Merdeka Copper Gold Tbk	PT Indika Energy Tbk
Core production focus	Diversified production of gold, copper, and nickel	Coal-centered production with gradual diversification
Operational strategy	Expansion-oriented production and capacity development	Cost optimization and operational flexibility
Value chain positioning	Vertical integration through downstream processing (e.g., HPAL, nickel refining)	Limited integration; reliance on contractors and flexible operations
Transition pathway	Positioning for long-term demand in critical minerals	Ambidextrous strategy: coal as cash generator, renewables as future option

As shown in Table 3, the divergence between both companies lies not only in commodity focus, but also in how production systems are aligned with long-term industry transformation. PT Merdeka Copper Gold demonstrates a production strategy oriented toward mineral diversification and vertical integration. The company's expanding gold and nickel output, alongside long-term copper development projects, positions it strategically within the global demand for critical minerals required for electric vehicle and renewable energy infrastructure. This strategy aligns with the concept of portfolio diversification in mining, where companies reduce revenue volatility and market risk by operating across multiple commodities with different demand cycles (Humphreys, 2019).

From a strategic management perspective, Merdeka's downstream initiatives such as nickel processing and High Pressure Acid Leach (HPAL) development reflect principles of vertical integration theory, which argue that companies internalize upstream or downstream activities to improve cost control, secure supply chains, and capture higher value-added margins (Harrigan, 2003; Grant, 2019). Such integration, in the context of Indonesia's mineral downstreaming policies, also enhances regulatory alignment and strengthens long-term market positioning. Although operational challenges remain, including declining copper grades and rising production costs, Merdeka's production strategy prioritizes long-term competitiveness over short-term operational efficiency, consistent with companies operating in a growth and capability accumulation phase.

On the other hand, PT Indika Energy adopts a production strategy centred on operational optimization and transitional diversification. While coal remains a major contributor to production and revenue, the company emphasizes cost control through production optimization, contractor utilization, and operational flexibility. This approach reflects insights from cost leadership and operational efficiency theory, which emphasize process optimization and outsourcing as mechanisms to sustain profitability in mature or declining industries (Porter, 2008; Slack et al., 2022).

Indika's gradual expansion into solar energy and electric vehicle manufacturing indicates a strategic shift toward low-carbon energy systems. This dual production strategy is consistent with ambidextrous strategy theory, which suggests that companies facing disruptive change must simultaneously exploit existing assets while exploring new growth opportunities (O'Reilly & Tushman, 2013). In this context, coal functions as a cash-generating asset that supports near-term financial stability, while renewable energy investments represent strategic options for long-term growth and risk mitigation.

Furthermore, Indika's approach aligns with transition management and energy transition frameworks, which argue that incumbent energy companies often adopt phased transformation strategies rather than abrupt exits from legacy operations (Geels, 2014). By maintaining coal production while incrementally reallocating resources toward renewable energy, Indika reduces transition risk and preserves organizational learning capacity. This strategy reflects a cautious but adaptive response to policy uncertainty, technological maturity, and market readiness in emerging low-carbon sectors.

The comparison highlights two distinct production logics. PT Merdeka Copper Gold emphasizes mineral diversification and downstream integration to secure long-term competitiveness in future-facing mineral markets. PT Indika Energy prioritizes production efficiency and strategic ambidexterity to manage decline in coal demand while positioning itself for energy transition opportunities. Both strategies are rational within their respective industry contexts, underscoring that effective production strategy depends on alignment between resource endowments, market conditions, and long-term corporate objectives.

3.4 Marketing Strategy: Market Expansion versus Market Repositioning

Marketing strategy plays a crucial role in translating production capabilities into sustained market competitiveness, particularly in commodity-based industries facing increasing environmental, regulatory, and investor scrutiny. The contrasting marketing strategies of PT Merdeka Copper Gold and PT Indika Energy reflect different approaches to managing market risk, customer diversification, and strategic repositioning amid global energy transition. To facilitate comparison, Table 4 summarizes the key dimensions of marketing strategy adopted by both companies.

Table 4. Marketing Strategy Comparison

Aspect	PT Merdeka Copper Gold Tbk	PT Indika Energy Tbk
Market orientation	Market expansion through diversified domestic and international markets	Market repositioning from coal-centric to diversified energy solutions
Product & quality positioning	Emphasis on high-quality, internationally certified mineral products (e.g., LBMA)	Transition from coal branding toward renewables and EV-related products
Risk management approach	Revenue stabilization via customer and geographic diversification	Regulatory compliance (DMO) and demand stabilization through partnerships

Aspect	**PT Merdeka Copper Gold Tbk**	**PT Indika Energy Tbk**
Reputation & branding focus	ESG-driven credibility to access premium global markets	Brand transition supported by strategic alliances and long-term contracts

As shown in Table 4, the divergence between both companies lies not only in target markets, but also in how marketing functions are used to manage risk and signal long-term strategic intent.

PT Merdeka Copper Gold's marketing strategy is closely aligned with its production expansion and mineral diversification. The company emphasizes the marketing of high-quality mineral products that comply with international standards, such as the London Bullion Market Association (LBMA), supported by long-term sales contracts and a diversified customer base. This approach reflects principles of market expansion strategy, where companies increase market reach by enhancing product quality, reliability, and compliance with global standards to access premium markets (Kotler & Keller, 2016).

In addition, Merdeka's increasing domestic market share reduces exposure to global price volatility and trade-related regulatory risks. From a strategic perspective, this dual domestic–international market orientation aligns with risk diversification theory, which suggests that spreading sales across multiple markets can stabilize revenue streams in volatile commodity environments (Aaker, 2008). The company's improved Environmental, Social, and Governance (ESG) ratings, accredited by institutions such as MSCI (Morgan Stanley Capital International), further strengthen its credibility among international investors and industrial buyers. Recent marketing and finance literature emphasizes that strong ESG performance enhances corporate reputation, improves market access, and reduces the cost of capital particularly in resource-intensive industries (Eccles, Ioannou, & Serafeim, 2014; Friede, Busch, & Bassen, 2015). Consequently, Merdeka's marketing strategy extends beyond transactional sales to encompass reputation-based competition in global mineral markets.

In contrast, PT Indika Energy's marketing strategy focuses on market repositioning rather than pure expansion. While coal exports remain a major revenue source, the company balances export-oriented sales with increasing domestic supply to comply with Indonesia's Domestic Market Obligation (DMO) policy. This approach reflects institutional theory, which argues that companies must adapt marketing and operational strategies to align with regulatory and policy environments to maintain legitimacy and market access (Scott, 2014).

Indika also actively builds brand presence in renewable energy and electric vehicle markets as part of its long-term transformation. The introduction of electric vehicle products and solar energy projects signals a deliberate effort to reposition the firm from a coal-focused producer to a diversified energy solutions provider. This approach aligns with corporate repositioning and brand transition theory, which emphasizes signalling strategic change to investors and customers during periods of business transformation (Kapferer, 2012; Wirtz et al., 2020). Strategic partnerships and long-term contracts further support marketing stability during this transition, consistent with relationship marketing theory in capital-intensive industries (Håkansson & Snehota, 2017).

Overall, the comparison highlights two distinct marketing logics. PT Merdeka Copper Gold leverages market expansion and ESG-based reputation to secure demand in future-facing mineral markets, while PT Indika Energy prioritizes market repositioning to balance short-term coal dependence with long-term clean energy opportunities. These findings reinforce that effective marketing strategy in the mining and energy sectors must align closely with production structure, regulatory context, and long-term corporate transformation objectives.

3.5 Comparative SWOT Analysis

Table 5. Comparative Strategic Dimensions of PT Merdeka Copper Gold and PT Indika Energy

Strategic Dimension	PT Merdeka Copper Gold Tbk	PT Indika Energy Tbk
Strategic Logic	Growth & Accumulation: Focused on scaling production and vertical integration	Transformation & Resilience: Focused on diversifying away from coal and deleveraging.

Strategic Dimension	PT Merdeka Copper Gold Tbk	PT Indika Energy Tbk
HR Focus	Deep technical expertise and leadership pipelines for complex projects.	Workforce agility, digital competency, and reskilling for new industries.
Financial Stance	Aggressive CapEx; high leverage accepted for long-term value creation.	Conservative; prioritizing balance sheet strength and debt reduction.
Production Core	Multi-commodity (Gold, Copper, Nickel) & downstream processing (HPAL).	Ambidextrous; optimizing legacy coal assets to fund renewable energy pivot.
Market Position	International standard compliance (LBMA) and global mineral supply chains.	Market repositioning from coal-centric to "diversified energy solutions."
Theoretical Lens	Resource-Based View (RBV) & Vertical Integration.	Dynamic Capabilities & Ambidextrous Strategy.

Table 5 consolidates the key strategic dimensions discussed in the previous sections and serves as the analytical basis for the comparative SWOT synthesis. Rather than restating operational details, the SWOT analysis integrates how internal capabilities and external pressures interact to shape each firm’s strategic trajectory under industry uncertainty and energy transition dynamics.

PT Merdeka Copper Gold exhibits a growth-oriented SWOT configuration, where internally accumulated strengths, namely mineral diversification, downstream integration, and deep technical capabilities, are structurally aligned with external opportunities arising from global demand for critical minerals and Indonesia’s downstreaming policies. This strategic coherence indicates that Merdeka is positioned in an expansion and capability-accumulation phase of the corporate life cycle. However, the same strengths simultaneously intensify exposure to key weaknesses, particularly high capital intensity, liquidity pressure, and operational complexity. As illustrated in Figure 1, Merdeka’s strategy amplifies sensitivity to short-term execution risk and commodity price volatility, suggesting that value creation is highly dependent on disciplined project delivery and cost control.

In contrast, PT Indika Energy demonstrates a transition-oriented SWOT configuration, where internal strengths emphasize financial discipline, organizational agility, and workforce adaptability. These strengths directly support external opportunities linked to renewable energy development, electric vehicle markets, and ESG-driven capital allocation. As shown in Figure 2, Indika’s conservative financial stance and flexible operating model reduce exposure to downside risk during periods of market and regulatory uncertainty. Nevertheless, continued reliance on coal remains a structural weakness that exposes the firm to persistent threats from declining long-term demand, tightening environmental regulation, and intensified competition in emerging clean energy sectors.

Taken together, the comparative SWOT analysis reveals that the two firms are not pursuing competing strategies, but rather contextually rational strategies shaped by different resource endowments, risk tolerances, and stages of strategic transformation. PT Merdeka Copper Gold prioritizes long-term value creation through scale, integration, and capability depth, accepting short-term financial pressure as a strategic trade-off. PT Indika Energy, by contrast, emphasizes risk mitigation and strategic flexibility, using legacy coal assets to preserve optionality while repositioning toward future energy markets. This comparison reinforces the central argument of this study: in the mining and energy sectors, strategic effectiveness depends not on a single “optimal” strategy, but on the alignment between internal strengths, external pressures, and long-term corporate objectives.

Figure 1. SWOT analysis of PT Merdeka Copper Gold Tbk

Figure 2. SWOT analysis of PT Indika Energy Tbk

CONCLUSION

This study provides a comparative business analysis of PT Merdeka Copper Gold and PT Indika Energy, highlighting how companies within the mining and energy sectors adopt distinct strategic responses to commodity volatility, regulatory pressure, and the global energy transition. The findings demonstrate that financial performance alone is insufficient to explain corporate competitiveness; instead, strategic alignment across finance, human resources, production, and marketing plays a decisive role in shaping long-term value creation.

PT Merdeka Copper Gold exhibits a growth-oriented strategy characterized by mineral diversification, downstream integration, and intensive internal capability development. While this approach has successfully expanded revenue and strengthened long-term market positioning in critical mineral supply chains, it also introduces short-term financial pressure due to high capital intensity and operational complexity. Merdeka's strategy reflects a deliberate trade-off between short-term profitability and long-term competitive advantage, positioning the company to benefit from increasing demand for minerals supporting electric vehicles and renewable energy systems.

In contrast, PT Indika Energy adopts a transition-oriented strategy that emphasizes financial resilience, organizational agility, and gradual diversification. Indika Energy's strategy exemplifies organizational ambidexterity, successfully balancing the exploitation of legacy coal assets with the exploration of renewable energy markets. By maintaining coal as a cash-generating asset while incrementally expanding into renewable energy and electric vehicle markets, Indika mitigates risk associated with market uncertainty and regulatory change. However, continued dependence on coal remains a structural constraint, requiring successful scaling of non-coal businesses to ensure sustainable long-term growth.

Overall, the comparative analysis reveals that effective strategy in resource-based industries is highly context-dependent. Companies with strong growth opportunities may prioritize capability accumulation and market expansion, while companies operating in structurally declining sectors benefit from risk mitigation and strategic flexibility. These findings suggest that mining and energy companies navigating energy transition should align investment, workforce development, production configuration, and market positioning with their resource endowments and long-term strategic objectives. Future research may extend this analysis by incorporating additional companies, longer time horizons, or quantitative performance modelling to further assess strategic effectiveness under transition dynamics.

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