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# Satwagia Animal Clinic Business Transformation Strategy

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**ABSTRACT**

*Satwagia's veterinary clinic faces a performance paradox: despite strategic advantages like vertical integration and superapps amid a 9.5% CAGR animal care market, systemic operations remain suboptimal. This is evident in outlet closures and missed revenue targets. Meanwhile, the sector is driven by the humanization trend, causing a social paradigm shift and necessitating a transformation strategy for Satwagia. This case study formulates a strategy by diagnosing the gap between assets and execution. Using a three-stage formulation framework with expert input, quantitative analysis yielded an Internal Factor Evaluation (IFE) Matrix score of 2.238 (average) and an External Factor Evaluation (EFE) score of 3.023 (strong). Internal-External (IE) Matrix Mapping places Satwagia in Cell II (Grow and Build). The strong EFE score reflects defensive success; the weak IFE score reveals failure on the 'O' (organization) aspect within VRIO to fully exploit VRI assets. The recommended strategy is a two-phase transformation rather than expansion: (1) Build—urgent internal improvements in inventory and human resources to address core weaknesses; (2) Grow—technology-driven expansion to seize external opportunities sustainably. This research provides an empirical diagnosis of the knowing-doing gap in veterinary health care, offering critical guidance for Satwagia's systemic transformation.*

***KEYWORDS*** *Strategy Formulation; Animal Care Industry; EFE Matrix; IFE Matrix; Matrix IE.*



## INTRODUCTION

The pet care sector in Indonesia shows great growth prospects, with a projected combined annual growth of 9.5% through 2033 and an estimated market value of over USD 5.88 billion (Future Market Insight 2023). This growth is driven by a shift in social paradigm, namely the trend of humanization of pets, where animals are no longer considered property but rather as family members. This phenomenon directly increases the demand for high-quality animal health services and products that are on par with human care standards. However, behind this potential, the industry faces a market paradox. Macroeconomic conditions characterized by inflation and the rising cost of living have made consumers more price-sensitive. Global data show that 47% of pet owners plan to increase their savings, indicating a tendency to be more cautious in spending (Euromonitor 2024). This creates a challenge for industry players to balance the demand for premium services with consumers' need for affordable and high-value products.

*Satwagia* Veterinary Clinic, which was founded in 2019, positions itself as a key player in the industry with a unique business model. The company has a structural competitive advantage through vertical integration that includes drug factories, distribution networks, and digital application platforms, and is supported by ISO 9001:2015 quality management certification (Attianese, 2025; Khosroniya, Hosnavi, & Zahedi, 2024). Despite having a strategic advantage and operating in a rapidly growing market, *Satwagia Veterinary Clinic* faces contradictions in its performance (Geetha, 2025; Verma, Malik, Singh, Dhar, & Singla, 2024). The company has seen a decrease in the number of outlets, from a peak of 24 clinics in 2023 to only 15 clinics in March 2025 (Tichy et al., 2025). This decline was accompanied by

a failure to achieve widespread revenue targets, with only two of the 20 branches operating in 2024 managing to achieve annual turnover targets. Furthermore, the company's revenue structure shows a high dependence on one service line, with clinical services accounting for an average of 73.22% of total revenue, indicating that the diversification of other services is not optimal (Fernandes, 2025; Yang, Akroyd, & Zhang, 2025).

This condition shows a fundamental dysfunction between the strategic potential of the company and the operational execution in the field (Al Najjar & Qandeel, 2025; Stephen, 2025). Therefore, this study aims to answer how the *Satwagia Animal Clinic* can formulate an effective transformation strategy by considering the imbalance between internal capabilities and external opportunities. Applying the EFE, IFE, and IE matrix analysis frameworks, this research will map the company's current strategic position and formulate strategic recommendations that can be the foundation for the business transformation needed to realign internal capabilities with existing market opportunities. Collectively, a review of previous studies identified findings such as the importance of digital platforms for veterinary clinic operations (Setyawan 2023), customer loyalty driven by service quality (Khaddapi et al. 2022), and the reality of price sensitivity in pet owners (Kusuma 2024). A review of previous studies found a gap: it is still rare for transformation-focused research for animal health providers to optimally leverage internal strategic assets to resolve the key market paradox between demand for premium services and the demand for cost efficiency. This framed gap provides justification for the research objectives outlined in this study.

Strategic management is a systematic process consisting of three main stages: formulation, implementation, and evaluation of strategies (Jauhari, 2025; Siagian, Akhir, Iqbal, & Ependi, 2025). The formulation of the strategy itself involves a series of analytical tools to identify the competitive position of the company and formulate the most appropriate course of action (David et al. 2017). The framework used in this study adopts a three-stage model consisting of the input stage, the matching stage, and the decision stage. The input stage focuses on collecting and evaluating fundamental data regarding the company's business environment. At this stage, two main analytical tools are used. The first is the External Factor Evaluation (EFE) Matrix, which serves to summarize and evaluate various external factors, both opportunities and threats, originating from the macro environment (political, economic, social, technological) and industrial environment. This matrix produces a weighted total score that indicates how effective a company's current strategy is in responding to its external environment (David 2013). The second is the Internal Factor Evaluation (IFE) Matrix, an internal audit tool that evaluates a company's key strengths and weaknesses in various functional areas such as management, marketing, finance, and operations. The weighted total score of the IFE matrix reflects the company's overall internal condition (David 2013).

The results of the two matrices are then used as inputs for the matching stage, in which the Internal-External (IE) Matrix plays a central role. The IE matrix is a portfolio tool that maps the weighted total scores of the IFE matrix on the x-axis and the EFE matrix on the y-axis. The matrix is divided into nine cells grouped into three main strategic areas: (1) Grow and Build, which recommends intensive or integrative strategies; (2) Hold and Maintain, which suggests market penetration and product development strategies; and (3) Harvest or Divest, which leads to defensive strategies. Mapping the company's position, the IE matrix provides a general

strategy recipe that can be a guide for management in strategic decision-making (Budiono 2017).

This research aims to formulate a transformation strategy for the *Satwagia Animal Clinic* to address the performance gap between its strategic potential and operational execution. The primary objective is to diagnose the internal and external factors affecting the clinic's performance and develop a phased strategic plan to realign its capabilities with market opportunities. The benefits of this research are twofold: practically, it provides *Satwagia*'s management with an evidence-based roadmap for operational improvement and sustainable growth; academically, it contributes to the strategic management literature by empirically examining the knowing-doing gap in the veterinary care sector and demonstrating the application of the VRIO framework alongside quantitative EFE/IFE/IE analysis to identify organizational dysfunction as a core cause of strategic underperformance.

## METHOD

This study employed a descriptive case study approach focused on Satwagia Management, the entity overseeing the network of *Satwagia Veterinary Clinic*. This method allowed for an in-depth analysis of the specific internal and external conditions faced by the company.

Data collection occurred intensively from April to October 2025. Primary data was gathered through in-depth interviews and structured questionnaires with key company management and external experts. External experts contributed to validating and objectively weighting macro and industrial environmental factors. Secondary data was obtained from internal company documents, industry reports, and academic literature.

The credibility and relevance of the participating experts underpin the study's validity. Profiles of these resource persons and experts are summarized in Table 1.

Unnecessary methodological definitions were removed for clarity and conciseness. The focus was on the practical aspects of data collection and validation relevant to the *Satwagia Animal Clinic Business Transformation Strategy*.

**Table 1. List of expert speakers**

| No. | Category | Position | Relevance |
|---|---|---|---|
| **1** | Company Internal | President Director | Strategic perspective and top decision-making. |
| **2** | Company Internal | *General Manager* and Chief Medical Officer | Internal operational and medical perspectives. |
| **3** | Company Internal | *Human Resources Manager* | Human resources perspective |
| **4** | External (Association) | Indonesian Veterinary Association (PDHI) | Industry and professional perspectives. |
| **5** | External (Government) | Head of Animal Husbandry (Food Security Service) | Regulatory and macro perspectives. |
| **6** | External (Industrial) | Director of Operations (Veterinary Digital Technology) | A technological and disruption perspective. |
| **7** | External (Industrial) | President Director (Supplements and Veterinary Medicines) | Supply chain perspective. |

| | | | |
|---|---|---|---|
| **8** | External (Industrial) | Pet Veterinarian and Exotic Aquatic Animals Professional Association | Pet owner *perspective* |

Data collection combined primary and secondary sources. Primary data were gathered through in-depth interviews with key company management, including the president director, general manager, chief medical officer, and human resources manager, to understand internal operations and strategies. Interviews also involved external experts such as representatives from the Indonesian Veterinary Association (PDHI), government officials from the Food and Agriculture Security Service (DKPP), directors of veterinary technology and animal supplement companies, and representatives of veterinary professional associations related to pets. All participants provided informed consent voluntarily, with identities and responses anonymized to protect privacy and ensure data objectivity. External experts contributed to validating macro and industrial environmental factors. Secondary data were collected from internal company documents, industry reports, and academic literature to supplement primary data.

Data analysis followed a strategic formulation framework in these stages: identifying external factors (opportunities and threats) via PESTEL and Porter's Five Forces analyses and internal factors (strengths and weaknesses) via Value Chain Analysis and the VRIO framework; selecting the 5–10 critical factors for the EFE and IFE matrices through expert Delphi method validation; assigning weights to each factor using pairwise comparisons with a Saaty scale to reflect relative importance; rating each factor on a scale of 1 to 4 according to company response (EFE) or internal condition (IFE); computing weighted scores by multiplying weights by ratings; and mapping total weighted scores from the IFE (x-axis) and EFE (y-axis) matrices into the IE Matrix to determine the company's strategic position and recommend appropriate strategies.

## RESULTS AND DISCUSSION

### Evaluation of External Factors (EFE Matrix)

The EFE matrix is used to identify and evaluate key external factors that present opportunities and threats to the company, as well as to assess the effectiveness of the company's response to these factors. The external factor identification process collects 61 factors which are then qualitatively screened to identify the level of probability of occurring, the level of emergency, the level of urgency, and the level of response provided by the company, which is then filtered again quantitatively through the Delphi method to see the consistency of the response provided by the expert. Table 1 presents the results of the EFE matrix analysis for the Satwagia animal clinic, which is compiled based on the experts' assessment of the most significant factors.

**Table 2. EFE Matrix of Satwagia Veterinary Clinic**

| External Key Factors | Weight | Rating | Standard Deviation Rating | Weighted Score (Weight*Rating) |
|---|---|---|---|---|
| **Chance** | | | | |
| **The popularity of the humanization of pets by Indonesian political figures** | 0,03 | 2,38 | 0,52 | 0,078 |
| **Increasing trend of pet humanization** | 0,03 | 3,25 | 0,46 | 0,107 |

| External Key Factors | Weight | Rating | Standard Deviation Rating | Weighted Score (Weight*Rating) |
|---|---|---|---|---|
| **Telemedicine innovation for remote diagnostic services** | 0,04 | 3,00 | 0,76 | 0,129 |
| **Increasing omnichannel *shopping trend* among *pet owners*** | 0,03 | 3,13 | 0,52 | 0,097 |
| **Developments in AI technology for automation** | 0,20 | 2,63 | 0,46 | 0,515 |
| **Threat** | | | | |
| **Pharmaceutical industry's dependence on imported drug raw materials (90%)** | 0,26 | 3,50 | 0,35 | 0,907 |
| **Deficit in the availability of veterinary professionals in Indonesia** | 0,12 | 3,25 | 0,52 | 0,384 |
| **There is no spatial regulation for the construction of veterinary clinics** | 0,13 | 3,38 | 0,46 | 0,422 |
| **Number of veterinary clinics with large capital owned by large companies** | 0,12 | 2,38 | 0,52 | 0,280 |
| **The rate of public visits to veterinary clinics is still low** | 0,04 | 2,88 | 0,52 | 0,104 |
| **Total** | **1,00** | | | **3,023** |

Source: Data processed from expert questionnaire results (2025)

EFE's total weighted score for Satwagia Veterinary Clinic is 3.023. This score is above average which indicates that the company has a good ability to respond to the external environment. Satwagia is able to take advantage of existing opportunities while mitigating the impact of external threats. A deeper analysis reveals interesting dynamics. The opportunity with the highest weighted score is the development of AI technology for automation (0.515). This reflects that Satwagia, with its existing technology foundation in the form of superapps, is in an excellent position to adopt AI to improve operational efficiency and personalization of services. On the other hand, the threat with the highest weighted score is the dependence of the Indonesian pharmaceutical industry on imported drug raw materials (0.907). Although the weight is very high (0.26), the rating given by experts is also very high (3.50). A high rating (3.50) for the threat of dependence on imported drug raw materials (weight 0.26) is a key finding. This rating, which seems counterintuitive, has a strong justification. The standard deviation of the rating based on the responses given by experts shows the level of consistency, the lower the standard deviation value, the more consistent the expert's response to the rating of each factor. The results of the analysis, the Kendall's W test yielded a value of concordance coefficient (W) of 0.557. This value showed a moderate (quite strong) level of agreement among 8 raters with an asymptomatic significance of .000 ($p < 0.05$).

This superior rating on EFE values can be strategically justified. The justification lies in the structural advantages of the organization as part of a vertically integrated parent entity, which has its own drug factories and distributors. These findings are consistent with the strategic management literature. Specifically in the pharmaceutical context, where supply chains are very complex, research confirms that vertical integration is an essential strategic effort to reduce raw material supply uncertainty. Broader empirical research confirms that companies that face significantly increased supply chain risks are more likely to engage in

vertical mergers and acquisitions as an operational hedging mechanism, which in turn provides operational cost efficiencies (Windha and Andriati 2023). Therefore, a rating of 3.50 is an objective validation that the corporate-level strategy has successfully neutralized the most significant external threats in its industry. However, this defensive success masks significant offensive weaknesses. When faced with the most important external opportunity, namely the development of AI technology for automation (weight 0.20), companies are only able to provide an average response (rating 2.63). This reveals a disparity in response that superior capabilities in defensive strategy in mitigating threats but only average capabilities in offensive strategies by utilizing opportunities. As such, a strong EFE score of 3.023 is largely a result of his defensive success.

**Internal Factor Evaluation (IFE Matrix)**

The IFE matrix is an analytical tool for auditing a company's key internal strengths and weaknesses. The external factor identification process collects as many as 45 factors which are then qualitatively screened to identify the level of probability of occurring, the level of emergency, the level of urgency, and the level of response provided by the company, which is then filtered again quantitatively through the Delphi method to see the consistency of the responses provided by the experts This evaluation provides a quantitative picture of the company's internal conditions in various functional areas. The results of the IFE matrix analysis for the Satwagia Animal Clinic are presented in Table 2.

**Table 2. IFE Matrix of Satwagia Veterinary Clinic**

| Internal Key Factors | Weight | Rating | Standard Deviation Rating | Weighted Score (Weight*Rating) |
|---|---|---|---|---|
| **Strength** | | | | |
| **Interactive communication skills in animals and pet owners** | 0,09 | 3,9 | 0,00 | 0,333 |
| **Has ISO 9001:2015 quality management standard** | 0,07 | 3,6 | 0,58 | 0,254 |
| **Have a customer base that has been established and recorded in the CRM system** | 0,05 | 3,4 | 0,58 | 0,165 |
| **Part of an integrated holding company in the field of animal care** | 0,05 | 3,9 | 0,00 | 0,174 |
| **Has integrated superapps** | 0,05 | 3,6 | 0,00 | 0,185 |
| **Debilitation** | | | | |
| **Ability to maintain stock of medicines as needed** | 0,08 | 1,4 | 0,00 | 0,106 |
| **Ability to record inventory** | 0,18 | 2,0 | 0,58 | 0,350 |
| **Ability to coordinate multiple divisions for smooth operation** | 0,15 | 1,4 | 0,58 | 0,205 |
| **Marketing and sales team** | 0,14 | 1,5 | 0,58 | 0,209 |
| **Ability to manage work schedules effectively** | 0,16 | 1,6 | 0,58 | 0,257 |
| **Total** | **1,00** | | | **2,238** |

Source: Data processed from expert questionnaire results (2025)

IFE's total weighted score of 2.238 puts the Satwagia Veterinary Clinic in an average internal position (range 2.00-2.99). This score shows that while the company has a significant number of strategic strengths, these strengths are substantially weakened by fundamental weaknesses in the operational area. The Kendall's W test shows a value of the concordance coefficient of 0.900. This value, reinforced by an asymptotic significance of .000 ($p < 0.05$), indicates that there is a very strong and statistically significant agreement (concordance).

The aspect of strength, namely the ability to communicate interactively in animals and animal owners, has the highest weight of 0.09 and the highest rating of 3.9 among all factors, both internal and external. Based on value chain analysis, this capability is part of the operational aspect of the primary activity, this capability is developed through training carried out since the beginning of the company's establishment. This capability is important because it gives the company the characteristics of continuous competitive advantage under the VRIO framework. The ability to communicate with animals and animal owners is a driver of customer loyalty as well as a means for veterinarians to educate animal owners in caring for their pets properly and correctly (Khaddapi et al. 2022). However, on the other hand, the company's operational weaknesses can affect aspects of the company's strengths.

Low ratings for operational weaknesses (e.g., 1.4 and 1.6) are supported by qualitative evidence for example, for the ability to maintain stocks of medicines (rating 1.4), this rating (major weakness) is explained by the finding that the entire distribution process for 15 branches is handled by only one central warehouse head and one staff. This leads to chronic supply delays and forces drug substitution at the clinic level. Furthermore, for the coordination ability of various divisions (rating 1.4), based on findings that identified significant information distortion between top management and operational staff, as well as the lack of intensive coordination meetings. Similarly, the ability to manage work schedules (rating 1.6) reflects systemic weaknesses; The thesis found that there were a disproportionate workload and trappings of positions, such as veterinarians who also served as branch heads, administrators who doubled as sales teams, and groomers who served as drivers. This practice leads to employee burnout and operational inefficiencies. The standard deviation of the rating based on the responses given by experts shows the level of consistency, the lower the standard deviation value, the more consistent the expert's response to the rating of each factor.

Under the VRIO framework, a valuable resource, or a scarce resource, will not create a lasting advantage if an organization fails to align its systems, processes, and culture to leverage those assets. The Satwagia veterinary clinic is a classic case study of the failure of 'VRI' without 'O'. Its organizational structure, which has a concurrent position, actively reduces the performance of its VRI assets. Weaknesses identified in IFE (drug stock 1.4; coordination 1.4; HR 1,6) [1 is] empirical evidence of the absence of the 'O' component. Failure on the 'O' explains why a company fails despite having a competitive advantage. Unexploited 'VRI' assets become a cost burden. The company bears the cost of maintaining superapps and the complexity of vertical integration without reaping the benefits of its operations, this directly explains the stagnation of revenue and outlet closures that the Satwagia veterinary clinic is experiencing.

**Internal-External (IE) Matrix**

The IE matrix integrates the results of EFE and IFE analysis to comprehensively map the company's strategic position and provide general strategy recommendations. With a total weighted score of IFE of 2.238 and a total weighted score of EFE of 3.023, the position of the Satwagia Animal Clinic can be mapped as shown in Figure 1.

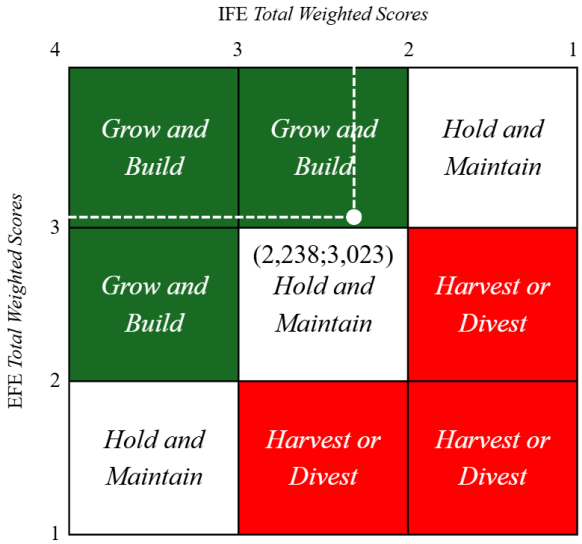


**Figure 1. IE Matrix**

Source: Results of primary data analysis (2025)

The position of the Satwagia Animal Clinic is in cell II. This cell is included in the category of grow and build strategies. The standard recommendation for companies in this position is to implement an intensive strategy (such as market penetration, market development, or product development) or an integrative strategy (such as backward, forward, or horizontal integration). However, direct interpretations of aggressive expansion must be done with caution given the specific context of the Satwagia. The company has tried a rapid physical growth strategy by targeting 500 outlets, but has failed and has experienced a significant decrease in the number of branches. These failures can be attributed directly to the inability of the company's internal systems (as reflected in the average IFE score) to support a larger scale of operations. A high EFE score does confirm that opportunities in external markets are real, but IFE scores serve as a warning that a company's internal machinery is not strong enough to pursue those opportunities sustainably.

Therefore, the prescription of the grow and build strategy for Satwagia must be interpreted as a two-phase transformation process. The first phase is built, which focuses on an intensive internal improvement strategy. The top priority is to address the operational weaknesses identified in the IFE analysis, such as improving inventory management, strengthening internal coordination, and optimizing the marketing function. This phase aims to build a stable, efficient, and reliable operational foundation. The second phase is growing, which can only be executed after the internal foundation is strengthened. Growth in this phase must be more strategic, by utilizing digital assets that have been less than optimal (such as superapps) and the advantages of vertical integration. This approach allows for a shift from a

capital-intensive and high-risk physical expansion model to a more flexible, efficient, and technology-based growth model. Thus, fundamentally Satwgia veterinary clinics need to correct the allocation of resources from premature external expansion to urgent internal improvements first, in order to mitigate risks and optimize implementation.

The condition of the gap between the ownership of valuable assets but with the lack of execution for the optimization of the potential of valuable assets identified in Satwagia illustrates that the company knows what to do, has the knowledge codified in ISO certification and technology assets in superapps but the results are not systemically optimal, which is evidenced by a rating of 1.4 (major weakness) for the ability to maintain drug stocks and capabilities coordination. The literature on this gap highlights that the failure to bridge knowledge and action is often caused by factors such as bureaucratic inertia, misaligned incentives, and the failure of leadership to create systems that facilitate the transformation of knowledge into action (Ashok et al. 2021).

## TOWS Matrix

SWOT analysis is a strategic management framework that evaluates the organization's internal factors, namely Strengths and Weaknesses, as well as external factors that include Opportunities and Threats. The goal is to formulate a comprehensive strategy based on four combinations, namely (1) SO Strategy, which utilizes internal strengths to seize external opportunities, (2) WO Strategy, which focuses on improving internal weaknesses in order to take advantage of opportunities; (3) ST strategy, which uses internal force to confront or mitigate threats; and (4) the WT strategy, which is a defensive strategy to minimize weaknesses while avoiding threats.

**Table 3. Matrix TOWS**

| | | **Strength** | | **Weakness** | |
|---|---|---|---|---|---|
| | | S1 | Interactive communication skills in animals and pet owners | W1 | Ability to record inventory |
| | | S2 | Has ISO 9001:2015 quality management standard | W2 | Ability to coordinate multiple divisions for smooth operation |
| | | S3 | Have a customer base that has been established and recorded in the CRM system | W3 | Marketing and sales team |
| | | S4 | Part of an integrated holding company in the field of animal care | W4 | Ability to manage work schedules effectively |
| | | S5 | Has integrated superapps | W5 | Ability to maintain stock of medicines as needed in a timely manner |
| **Opportunities** | | | **Strategy SO (Maxi-Maxi)** | | **Strategy WO (Mini-Max)** |
| O1 | The popularity of humanization of pets by Indonesian political figures. | SO1 | [PD] Build an animal fitness center that combines the concept of a healthy lifestyle for humans and animals to support preventive care integrated with veterinary clinic services (S1O1O4O5). | WO1 | [PD] Implement Smart Inventory Management System to improve inventory recording capabilities and efficiency (W1W4W5O3). |
| O2 | The increasing trend of humanization of pets is fueling the demand for products for pets that are equivalent to human products. | | | | |

| | | | | | |
|---|---|---|---|---|---|
| O3 | Telemedicine innovation for remote diagnostic services. | SO2 | [MP] Develop personalized interactive communication between pet owners and patients that integrates AI technology into Satwagia's CRM system and mobile apps . (S1S2S3S5O4). | WO2 | [MP] The use of AI technology in efficient and decentralized marketing and sales activities in each branch (W3W4O3). |
| O4 | The increasing trend of omnichannel shopping for pet owners globally. | | | | |
| O5 | The development of AI technology for automation. | | | | |
| | | | | WO3 | [MP] Increase awareness of the concept of One Health to the public through the influence of public figures such as political figures (W3O1). |
| **Threat** | | | **Strategy ST (Maxi-Mini)** | | **WT Strategy (Mini-Mini)** |
| T1 | The dependence of the Indonesian pharmaceutical industry on imported drug raw materials reaches 90 percent. | ST1 | [PD] Develop a variety of veterinary drugs through research by utilizing big data collected on superapps that will be commercialized under the parent company (S3S4S5T1). | WT1 | [MD] Develop superapps licenses as software as a service (SaaS) (W3T3T5). |
| T2 | The level of visits to pet clinics by Indonesians is still low | ST2 | [MP] Building a network of pet owner communities in Indonesia as an educational forum (S1S3T2). | | |
| T3 | There is no spatial regulation for the construction of veterinary clinics that do not limit the radius within a certain distance. | ST3 | [PD] Developing user experience on Satwagia Apps to increase user adoption (S5T3T4). | | |
| Q4 | The number of veterinary clinics with large capital owned by large companies. | | | | |
| Q5 | Deficit in the availability of veterinary professionals in Indonesia. | | | | |

Source: Data processed from expert questionnaire results (2025)

The TOWS matrix in Table 3 produces a systematic strategic framework to address fundamental performance gaps in the Satwagia veterinary clinic. This finding stems from the identification of a gap between knowledge and implementation, where the ownership of superior VRI or Value, Rarity, Imitability assets cannot be executed effectively due to organizational deficiencies (O), so that these assets cause cost inefficiencies. The resulting TOWS matrix confirms the diagnosis from the IFE/EFE/IE analysis and avoids the premature expansion recommendations indicated by Cell II of the IE Matrix. Instead, this matrix presents a disciplined and sequential two-phase transformation design. The first phase, namely the build is prioritized for internal stabilization with a single focus on the execution of the WO1 (Smart Inventory Management System) strategy to improve the operational foundation (W1, W4, W5), supported by WO2 (AI Marketing) and WO3 (Influencer Marketing) to strengthen commercial functions (W3). The second phase, grow, is implemented only after core operational stability is achieved, by launching a two-pronged growth strategy that leverages VRI assets that have

been activated: core reinforcement (SO2: Interactive communication; ST3: Digital Moat) and expansion and diversification (SO1: Fitness Center; ST1: Drug Research). The WT1 (SaaS Pivot) strategy is maintained as a vital strategic contingency option. Collectively, the TOWS synthesis provides a comprehensive design for Satwagia to bridge implementation gaps, stop the cost inefficiencies of unexploited VRI assets, and transform the company's strategic potential into superior and sustainable market performance.

**Research Limitations**

This study acknowledges methodological limitations. The main limitation lies in the subjectivity in the IFE and EFE methodologies, where the determination of weights and ratings depends on the interpretive judgment of experts. Although the analysis seeks to mitigate this through the validation of qualitative evidence, the process remains susceptible to bias and has the potential to provide a false impression of objectivity through precise numerical scores, which often obscure the underlying qualitative understanding. The second limitation is the low generalization validity of a single case study design. These findings inherently have statistical generalization limitations, which is a deliberate trade-off to achieving the required depth of qualitative analysis. Therefore, this study does not claim statistical generalizations.

Further research is recommended to apply the qualitative deconstruction model that has been developed to a more extensive sample that includes comparable organizations. Specifically, follow-up research needs to identify a number of companies, through industry studies, that are identified in Cell II of the IE Matrix with an IFE score below 2.5. Advanced research could test this model on similar companies or develop quantitative methods to reduce subjectivity in the assessment of strategic factors. Validation of these patterns across industries will provide significant reinforcement to the analytical generalizations of the findings reported in this study.

## CONCLUSION

This study concluded that the suboptimal performance at the *Satwagia* veterinary clinic resulted not from weaknesses in corporate strategy or market conditions, but from fundamental deficiencies in operational execution. A significant knowing-doing gap was identified, demonstrated by a strong External Factor Evaluation (EFE) score of 3.023 contrasted with a weak Internal Factor Evaluation (IFE) score of 2.238. Weaknesses were localized in the 'O' (Organizational) aspect of the VRIO framework—particularly in inventory management, human resources, and coordination—causing advanced assets like superapps and drug factories to become cost burdens rather than performance enhancers. Managerially, this indicated the need to halt expansion prematurely and refocus on internal improvements before pursuing growth. More broadly, the findings caution the veterinary industry on the risks of rapid physical expansion without corresponding back-office investments, highlighting that vertical integration requires strong internal coordination competencies. The unique contribution of this research lies in empirically bridging the VRIO framework with quantitative EFE/IFE/IE analysis to reveal organizational dysfunction as the root cause of the clinic’s performance paradox. Future research could explore longitudinal case studies across multiple veterinary clinics to validate these findings and investigate specific operational interventions that can effectively close the knowing-doing gap in this sector.

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