Analysis Of Co-Creation Strategy For Digital Entertainment Products Of PT Telekomunikasi Indonesia For The B2B2X Segment

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Abstract.

Research analyzes PT Telekomunikasi Indonesia's response to the decline in traditional communication services (landlines, mobile phones, SMS) due to consumer shifts toward free communication platforms like WhatsApp, Telegram, and Line. Additionally, the rise of entertainment content platforms (music, video, gaming) has driven changes in the telecommunications industry. In response, PT Telekomunikasi Indonesia's B2B2X segment aims to gain a competitive advantage by collaborating with various stakeholders to create mutually beneficial business value. The research utilized methods including observations, supporting documents, and interviews, structured with the Co-Creation Design Framework. The findings show that the Co-Creation strategy successfully established collaborative value in PT Telekomunikasi Indonesia's digital entertainment products for the B2B2X segment.

Keywords: *Strategy, Co-Creation, B2B2X and Digital Entertainment.*

I.   INTRODUCTION

With the global growth of the digital market, it is estimated that there will be an additional one billion middle-class customers for telecommunications companies, especially in emerging markets, by 2025. The door for new over-the-top (OTT) players is opening wider, as these digital players offer core services such as voice, messaging, and video calls, which were once the domain of traditional telecommunications companies. Specifically, OTT players like Apple's FaceTime, Google Hangouts, Skype, Tencent's QQ or WeChat, and WhatsApp are threatening to erode these core services with their innovative, easy-to-use, and even more appealing messaging and communication services. (McKinsey, Jürgen Meffert).The OTT phenomenon has negatively impacted legacy businesses such as mobile voice, mobile SMS, and international traffic (SLI), and this trend will continue as the rise in smartphones substitutes traditional voice and SMS services with OTT services. (Telkom Annual Report, 2022).

To remain relevant in the growing digital space, established telecommunications companies are advised to consider two strategic steps and, if appropriate, take immediate action: 1) make the core business "super lean," cost-efficient, and more agile, and 2) identify new growth areas in spaces that combine the great potential of digitalization with the core competencies already held by telecommunications companies. (McKinsey, Jürgen Meffert).Given this reality, the business strategy approach set by PT Telekomunikasi Indonesia B2B2X segment management is divided into Cooperative Strategy, Competitive Strategy, and Comparative Strategy. Among the three business strategies, the researcher chooses Cooperative Strategy, it is focuses on collaboration with other parties, including business partners, to achieve shared goals. In the context of the telecommunications industry, this could include partnerships with OTT players, digital content providers, or technology companies to create more innovative and relevant services for consumers.The B2B2X co-creation model is expected to become an effective collaboration framework aimed at connecting digital players, as content owners, with eyeballs, i.e., retail telecommunications customers who access that content. To follow up on the B2B2X co-creation initiative, the researcher utilized the Co-creation Design Framework from Pennie Frow to map out the stakeholders involved, along with their motives and other indicators within a measurable framework.

II.   METHODS

The The method used by the researcher in this study is the observation method with a qualitative approach, supported by several relevant documents and based on interviews with informants related to a specific case study of a corporation during the period from 2019 to 2023. The analyses obtained from observations, documents, and interviews are assessed and structured using the Co-Creation Design Framework.

Dimensions					
Co-creation motive	Co-creation form	Engaging actor	Engagement platform	Level of engagement	Duration of engagement
Access to resources	Co-conception of ideas	Focal firm	Digital application	Cognitive	One-off
Enhance customer experience	Co-design	Customer	Tool or product	Emotional	Recurring
Create customer commitment	Co-production	Supplier	Physical resources, spaces/events	Behavioural	Continuous
Enable self-service	Co-promotion	Partner	Joint processes		
Create more competitive offerings	Co-pricing	Competitor	Personnel groups		
Decrease cost	Co-distribution	Influencer			
Faster time to market	Co-consumption				
Emergent strategy	Co-maintenance				
Build brand awareness	Co-outsourcing				
	Co-disposal				
	Co-experience				
	Co-meaning creation				

(Categories)

Fig 1. Co-Creation Design Framework Consept

Data collection was conducted using documentation methods, specifically by analyzing documents published by various units within PT Telekomunikasi Indonesia. Additionally, the researcher conducted interviews with informants directly related to and having authority or specific criteria relevant to the research object. The interview questions were structured by the researcher to align with the parameters of the Co-Creation Design Framework. Besides these two methods, the researcher also carried out direct active participant observation.This research was conducted in the Sub Directorate of Wholesale Product & Service (WPS) at PT Telkom, while the research period spanned from February 2019 to August 2023, during which the researcher was entrusted as a part of the Sub Directorate of Wholesale Product & Service (WPS) at PT Telkom. On the other hand, interview informants are individuals perceived to have knowledge about the subject of this research. According to Bungin (2017), informants are individuals who are interviewed and are expected to possess knowledge and understanding of the data, information, or facts relevant to a particular study.

Informant	Criteria
AVP Digital Platform & Digital Service (WPS)	Having the authority to convey product, service, and digital business policies within the scope of WPS (Wholesale Product & Service), which are directed toward DWS (Divisi Wholesale Service) and RWS (Regional Wholesale Service).
SO Digital Platform & Digital Service (WPS)	Having the authority to validate new digital businesses, including determining whether a partner is needed and selecting the target segment or customers to be addressed. Subsequently, this concept is conveyed to DWS (Divisi Wholesale Service) and RWS (Regional Wholesale Service) to be executed commercially.

Fig 2. Informant and Criteria

Documentation technique is a method of data collection by reviewing or analyzing documents created by the subject themselves or by others. The documentation technique can be understood as a data collection method through written materials published by institutions that are the object of research, such as procedures, regulations, and reports of work results issued by the institutions being studied. Some of the documents used by the researcher as sources of analysis include:

Document	Period	Desgination
Corporate Strategic Scenario (CSS) Telkom Group	2023	Documents containing the analysis and strategic planning of Telkom Group.
Digital Group Scenario Orcherstration (DGSO)	2023	Documents containing the analysis and strategic planning of Telkom Group within the scope of Digital Business.
WPS Marketing Plan	2023	Documents containing industry studies, strategies, and business wholesale implementation.
WPS Digital Product Evaluation	2023	Documents containing the performance, development, and implementation of Digital Business within the scope of WINS

Fig 3. Source Document for Analysis

In this research, the author used a participatory observation method, where the author actively participated in the activities of the observed subject (Safithry, 2018). Several formal activities in which the researcher conducted direct observation include:

Forum	Period	Desgination
Rolling Marketing Plan	2023	Forum for evaluating overall WPS products or services business performance, business schemes, and product development.
Digital Product Evaluation	2023	Forum for evaluating business performance, business schemes, and product development, specifically for digital businesses and products.

Fig 4. Observation Forum

Interviews are one of the techniques that can be used to collect research data. Simply put, an interview is an event or a process of interaction between the interviewer and the source of information or the person being interviewed through direct communication (Yusuf, 2014). The interviews that the author will conduct are of the structured type, where the author already knows the information that will be obtained as follows:

Questions	Criteria
What is the condition of the telecommunications industry or business in Indonesia?	External Analysis
How does PT Telkom, specifically WPS, respond to the condition of the telecommunications industry in Indonesia?	Internal Analysis
Can the adoption of B2B2X Co-Creation be applied to the development of digital entertainment products in the Wholesale segment?	Internal Analysis
In your opinion, what motives drive the need for this Co-Creation?	Co-Creation Design Framework
In your opinion, what objectives drive the need for this Co-Creation?	Co-Creation Design Framework
In your opinion, what actors or entities are involved in this Co-Creation?	Co-Creation Design Framework
In your opinion, what platforms will be involved in this Co-Creation?	Co-Creation Design Framework
In your opinion, to what extent is the level of engagement in this Co-Creation?	Co-Creation Design Framework
In your opinion, how long does the level of engagement in this Co-Creation last?	Co-Creation Design Framework

Fig 5. Question and Criteria

III.   RESULT AND DISCUSSION

Structured analysis based on supporting documents, observations conducted in several forums, and interviews with informants, the author uses the Co-Creation Design Framework as a tool to form a structured and comprehensive analysis. The research findings several collaborative values formed within the framework as follows:

Dimensions					
Co-creation motive	Co-creation form	Engaging actor	Engagement platform	Level of engagement	Duration of engagement
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	Co-experience				
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Fig 6. Co-Creation Design Framework Assesment

Access to Resources

Allows participants to share and utilize each other's assets, knowledge, and capabilities, fostering a collaborative environment that enhances innovation, efficiency, and problem-solving.

Create Customer Commitment

Reflects customers' dedication to actively engage and contribute feedback, which strengthens the customer-organization bond and ensures that outcomes align with customer needs. This commitment enhances satisfaction, loyalty, and long-term collaboration.

Decrease Cost

Key collaborative value that helps organizations and participants reduce expenses by pooling resources and streamlining processes. This active collaboration minimizes redundancies, leading to more efficient use of time and materials, ultimately lowering production costs and making innovation more sustainable and accessible for all parties involved.

Faster Time to Market

Collaborative value that speeds up product or service development and launch. By engaging customers and stakeholders, organizations can obtain real-time feedback, facilitating quicker iterations and decision-making. This streamlined approach enhances efficiency, reduces bottlenecks, and enables faster responses to market demands, giving organizations a competitive advantage by delivering innovative solutions more rapidly.

Build Brand Awareness

Key collaborative value that boosts a brand's visibility by actively involving customers and stakeholders in the development process. This engagement fosters a sense of ownership, encouraging participants to share their experiences and promote the brand within their networks. As a result, organizations benefit from enhanced marketing efforts, stronger relationships, increased brand loyalty, and greater exposure in the marketplace.Collaborative values formed are based on continuous cooperation that is cognitive level engagement. Continuous engagement means sustained involvement. This term refers to the process by which individuals or parties are actively and consistently engaged in an activity, interaction, or relationship without significant breaks. In the context of business or co-creation, continuous engagement fosters stronger relationships and enhances collaboration, leading to better outcomes. Cognitive agreement fosters a more cohesive environment, enabling better communication and collaboration, as all parties involved have a shared understanding of objectives, concepts, or strategies, and are not required to make investments.

IV. CONCLUSION

Co-Creation Design Framework has proven effective as a tool for shaping collaborative values, as shown in the assessment results in (Fig 6). Unique Value Proposition (UVP) formed from the collaborative values and co-creation efforts for PT Telekomunikasi Indonesia in the B2B2X segment is (1) the existence of double-sided revenue from content sales to end-users through resellers, as well as payments for the use of Telkom's data center for hardware storage and content platforms. (2) Additionally, PT Telekomunikasi Indonesia in the B2B2X segment will acquire a new type of customer, namely agnostic eyeballs, (3) and generate additional revenue from connectivity products specifically for eyeball owners who wish to connect directly to that content, thereby enhancing customer experience in terms of access speed.
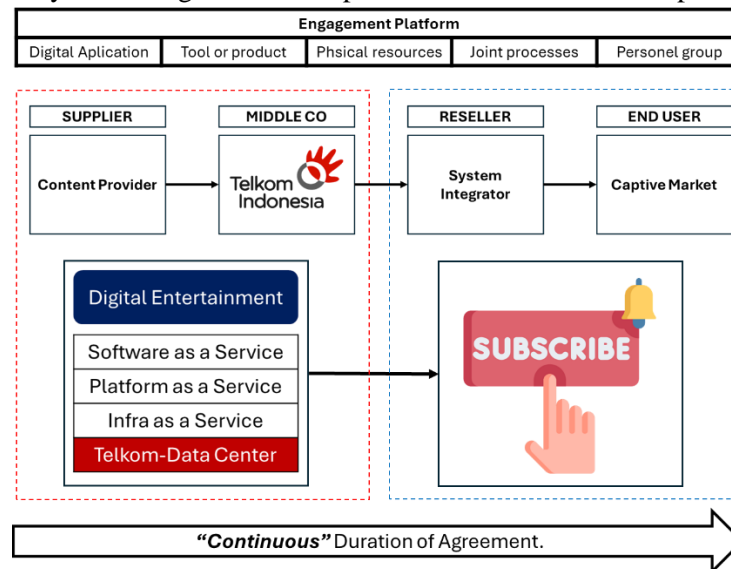

Fig 7. PT Telekomunikasi Indonesia B2B2X Segment UVP

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