

Lesson Learned a Global Business Strategy in Electronic Book Reader: A Comparative Study

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Abstract

People who like to read today need books that are instant, easy to sell anywhere, available anywhere, can be read anywhere and anytime, without fear of the book being lost, wet, or torn pages. The COVID-19 pandemic has also made people worry about reading printed books in libraries or bookstores. With the technology in the form of an ebook reader, both from applications and devices or gadgets, it can make it easier for people who like to read. The ebook reader industry is currently growing rapidly, so a study was conducted on the comparison of global business strategies from Amazon and Rakuten. Amazon owns the Amazon Kindle, and Rakuten owns the Rakuten Kobo in the ebook reader industry. Comparisons are made by analyzing the I/O Model and RBV. Later, lessons learned will be obtained regarding the strategy they use, so that later it will be a lesson for companies in Indonesia such as Gramedia Digital Nusantara. Data retrieval is done with secondary data, using a google search engine, and some related literature reviews from websites, newspapers, as well as articles and journals. No research discusses the comparison ebook reader industry.

Keywords

Electronic Book Reader, Global Business Strategy, Comparative Study, Lesson learned.

1. Introduction

Since the COVID-19 pandemic, the world has experienced limited activities outside the home. Going to a bookstore or just reading in the library is a difficult thing to do because a physical book can pass from one hand to another. With the development of technology, books can be read and purchased through personal gadgets. Electronic books do not need to be physical, but can be read and carried through personal gadgets wherever they are. E-books do not need to be afraid of getting wet, lost, or damaged due to torn pages. Electronic books do not take up storage space on closet

shelves. E-books prevent global warming and are environmentally friendly because they reduce the use of paper, ink, and machines. Paper is made from trees. People want to access any and any readings instantly without having to worry about running out of stock or not being available. We divided ebooks into three categories and dubbed them Ebook 1.0, 2.0, and 3.0. Ebook 1.0 is an electronic version of a printed book. This begins in print, followed by an eversion, with text that is completely similar and layouts that are virtually identical in both versions. Ebook 2.0 is a completely electronic product, from conception to dissemination. Ebook 3.0 is an improved ebook that includes audio, video, animation, and other interactive features in addition to text, pictures, and tables (Sanguo et al. 2012). The eBook market has grown in importance as a fast-growing segment of mobile services. Its growth presents new difficulties and opportunities for eBook publishers and readers. New business models occur as a result of the adaptation or radical modification of existing business models, as well as the invention of novel business models. In the last two decades, digitalization has transformed practically every aspect of our daily lives. Although eBooks have been around for more than two decades, they are still far from replacing traditional books. Specialized mobile technical gadgets for reading digitalized books, known as eBook readers or simply eReaders, have just recently been available (Loebbecke et al. 2010). The electronic book reader industry is getting more interesting in the world of books, so there are two e-commerce platforms, especially electronic book readers and the largest online bookstores in the world, namely Amazon Kindle and Rakuten Kobo. In Indonesia, recently Gramedia Digital Nusantara has also been enjoyed by book lovers. The three companies have their strategies to survive in the face of global competition. Amazon kindle and Rakuten kobo have been in the electronic book reader industry for more than ten years, so you can better understand the strategies used to find above-average returns from both companies.

Amazon is a company originating from the Seattle United States, founded by Jeffrey Preston Bezos with his wife in 1995. Initially, Amazon started as an online marketplace for books but later expanded to sell other digital electronic goods such as software, video games, DVDs, etc. One of the amazon products in the electronic book reader is the Amazon Kindle. Amazon Kindle was released in 2007. Amazon kindle has 6 types namely; kindle 1, kindle 2, kindle 2 international versions, kindle dx international, kindle dx graphite, and kindle 3. Each type has different advantages and technologies. There are 100 countries targeted for international sales of the Amazon Kindle, but not Indonesia. Amazon revenue in 2018 had US\$ 10,073 Billion. To dominate the market, Amazon employs a consistent long-term growth strategy in which revenue is continuously converted for investment. The investment strategy is continuously pursued to acquire new customers which can generate revenue to acquire more customers. The business strategy implemented by Amazon is carried out by investing in new business lines.

On the other hand, a similar company from the United States, namely Rakuten kobo, is a company originating from Canada. This company produces reading applications, e-books, e-readers, tablet computers, and audiobooks. Michael Serbinis founded the company in 2009. Rakuten Kobo has distribution partners in 4 in 25 countries, with more than 10,000 points of sale and access to more than 100 million consumers with 2.4 million titles. Rakuten Kobo has the idea that instead of following the game by the big three like (amazon, apple, google) in controlling market share in the United States, then Rakuten Kobo will compete collaboratively, building partnerships with every major job bookstore in the world, Rakuten Kobo is expanding into several countries started from the UK in 2011. Rakuten Kobo built all of its back-office technology and operations on the assumption that the company would be able to operate internationally, hence kobo works in multiple currencies and multiple languages.

Gramedia Digital Nusantara is one of the Gramedia compass units originating from Indonesia. From 2019 to 2020, Gramedia Digital Nusantara focuses on creating profit through 6 digital products, with top priority on Gramedia Digital (digital books) and Bhisma (e-commerce provider). Gramedia Digital is the largest digital book application in Indonesia that provides services for buying and reading books, magazines, and newspapers in digital form. To date, more than 120,000 digital edition titles have been available from Indonesia, Singapore, Malaysia, the Philippines, India, and America. Because the geographical segmentation is the first in Indonesia, it is much favored by the people of Indonesia because it uses the Indonesian language. The strategy used by Gramedia Digital Nusantara is to combine startup and corporate cultures. Several steps have been implemented to be able to consolidate with the group, separate Gramedia Digital offices, and run the business independently (Yusra, 2018).

Rakuten Kobo and Amazon are two companies that should be seen from their respective strategies and advantages in facing global competition because they have been proven to be in the electronic book reader business for more than 10 years. The comparison of the two companies will provide a study on how to develop and implement global business strategies to provide insight to companies in Indonesia who want to start implementing strategies in the electronic book reader field to gain above-average returns and so that companies in Indonesia can also grow big in the global

market. To achieve the above-average return, a strategic management approach can be used using the industry-organization strategy model, the resource and capability model.

2. Comparative Study Approach

2.1 Global Business Strategy

Companies that will enter the global market, of course, the company must understand the importance of doing business in the global market, so that companies can compete and get maximum benefits from other companies. Companies must be able to capture threats and opportunities from the company's external environment and understand the weaknesses and strengths of the company's internal environment. Economies of scale, global brand awareness, lowest labor costs and additional input prices, global customer satisfaction, R&D costs and recovery of development costs in as many countries as feasible, and the creation of new markets are all advantages of a global approach (Lynch 2018). It is vital to assess the variations in the external and internal business environments to implement a global strategy as part of a company's management strategy (Motohashi 2015).

2.2 Strategy Management

The strategic management process is a set of managerial decisions and actions that determine a company's long-term success (Wheelen and Hunger 2012). The strategic management process consists of a set of commitments, decisions, and activities that a corporation must take to attain strategic competitiveness and above-average returns (Hitt et al. 2010). There is a mechanism for examining the company's external and internal aspects while establishing strategic management.

2.2.1 The Industrial Organization Model (External Environment)

When it comes to studying the external environment, there are three types to consider: general environment, industry environment, and competitor environment. The general environment focuses on the future, and numerous factors, such as demographic, political/legal, economic, technological, social and cultural, and global, have an impact on the sector and the enterprises that operate within it. The industrial environment examines characteristics and situations that influence firm earnings in a given industry, such as the power of suppliers and purchasers, the threat of new entrants, the threat of substitute products, and the intensity of competitor competition. The competitor environment, on the other hand, focuses on competitors by forecasting the dynamics of competitors' activities, responses, and intents, as well as gathering and evaluating information about all competitors.

2.2.2 Resources Based View analysis (Internal Environment)

The results of the internal analysis are resources, capabilities, and competencies. By studying the internal environment, companies should be able to identify what they can do for a sustainable competitive advantage. Resources are the company's assets, including brand values, people, and production processes. There are two types of resources, namely intangible and tangible (Aqidawati et al. 2020). The terms resources and capabilities are interchangeable terms that refer to the intangible and tangible assets that businesses employ to design and implement their strategy (Ray et al. 2004). The resource-based view explains competitive heterogeneity by assuming that close competitors have significant and long-term differences in their resources and skills. As a result of these disparities, competitive advantage and disadvantage are influenced (Helfat and Peteraf 2003). Firms' competitive advantage may be built on unique processes like coordinating and combining, which are influenced by firm-specific assets like a portfolio of difficult-to-trade knowledge assets and complementary assets. These could be extremely distinctive information that companies obtain through internal learning-by-doing and that other companies find difficult to replicate (Ghosal 2015).

2.3 State of The Art

Several previous studies, such as comparative studies and lessons learned on global business strategies, have been carried out in various fields. The research entitled The global business strategy of the DJI drone and Parrot Drone businesses is examined by (Khofiyah et al. 2020). This study discusses the comparison of global business strategies with the main business engaged in drones using I/O (Industry/Organization) management strategies and resource-based models. Furthermore, the research entitled Lesson Learned in Developing and Implementing Global Business Strategy to Commercialize Battery Swap Technology: A Comparative Study by (Aqidawati et al. 2020). The study discusses global business strategy planning by comparing two companies engaged in battery swaps to find above-average returns using five stages, namely resource analysis, capabilities analysis, competitive advantage, an attractive industry, strategy formulation, and implementation, and superior returns. Furthermore, the research entitled Lessons

Learned in Developing and Implementing a Global Business Strategy in Outdoor Gear Companies: A Comparative Study by (Sakti et al. 2021). This study discusses the implementation of global business strategies of two outdoor gear companies, the study uses a descriptive approach and qualitative analysis by comparing the two companies to find above-average returns and taking lessons from the two outdoor gear companies. For previous research on electronic book reader technology, there has been no research that discusses electronic book reader technology.

2.4 Framework Selection

This study uses the concept of strategic management by comparing the I/O model, and the Resources Based Model to achieve Above Average return. There are five stages (figure 1) used in analyzing the three companies, namely Resources, Capabilities, Competitive Advantages, An Attractive Industries, Strategy Formulation, and Implementation. After the comparison is made, then conclude the business strategy used in each company, taking lessons that can be adopted from this research. The first stage, resources, is identifying company resources, studying strengths and weaknesses compared to competitors. The second stage, capability, is to determine the company's ability to be better than its competitors. The third stage, competitive advantage, is to determine the potential resources and capabilities of the company in terms of competitive advantage. The fourth stage, an attractive industry, is an industry with opportunities that can be utilized by the company's resources and capabilities. The fifth stage is strategy formulation and implementation, which is choosing the strategy that best enables the company to utilize its resources and capabilities relative to opportunities in the external environment.

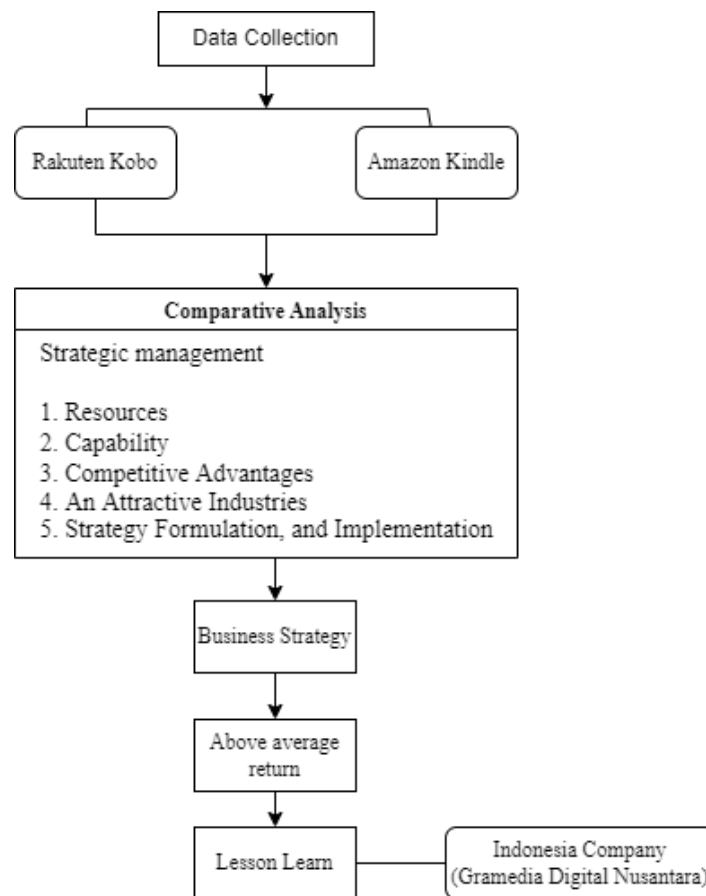


Figure 1: Framework Selection

Case studies are taken as examples from three electronic book reader platforms, outside and within the country. Abroad, the electronic book reader platform that was taken was Rakuten Kobo and Amazon Kindle, and in the country, the electronic book reader platform that was taken was Gramedia Digital Nusantara. The data was taken using secondary data, using a google search engine, and several related literature reviews. The time needed to collect data is September 2021 to December 2021. The methods used in the research are lessons learned and comparative study of

strategic management. Comparing and taking lessons from two big global companies can be applied to domestic companies.

3. Result and Analysis

From the data collected, the next step is to compare three companies engaged in the electronic book reader sector, namely Amazon Kindle, Rakuten Kobo, and Gramedia Digital Nusantara. There are five stages to compare, resources, capability, an attractive industry, competitive advantage, and strategy formulation and implementation. Table 1 shows the comparison of the two companies using the RBV model and presents the advantages of each product.

3.1 External Environment

The competition between the two companies globally is sequential, as can be seen in the market share and total revenue of Amazon with the highest market share and sales for the last five years, followed by Rakuten. Both companies experienced an increase in sales from 2016 to 2020. For electronic book readers themselves, amazon sales still dominate thirty percent of its market share. Amazon's e-book sales surpassed the sales of printed books for the first time on December 25, 2009. The following data (figure 2 and 3) on revenue and net income from Amazon and Rakuten are taken from google finance.

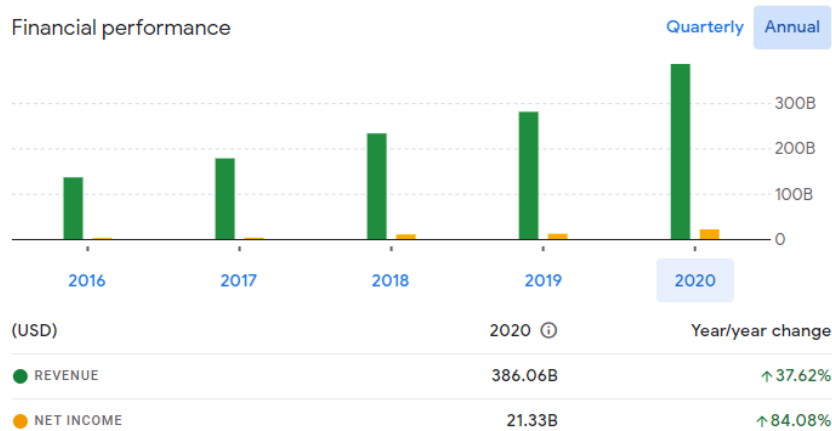


Figure 2: Revenue dan Net Income Amazon

Source: <https://www.google.com/finance/quote/AMZN:NASDAQ>

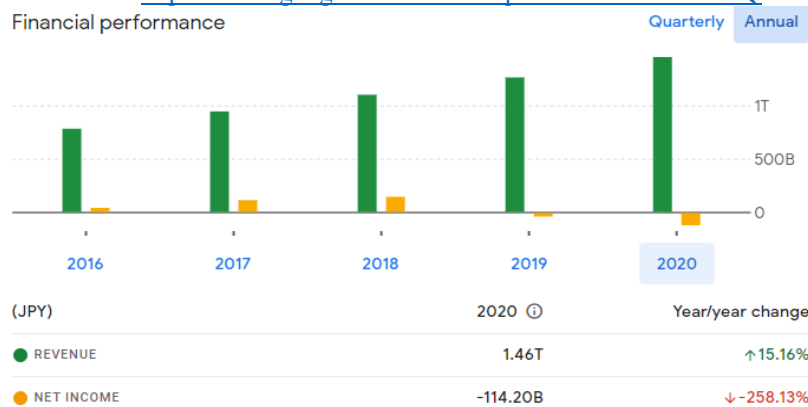


Figure 3. Revenue dan Net Income Rakuten

Sumber: <https://www.google.com/finance/quote/4755:TYO>

Amazon has a functional organizational structure that focuses on business functions to define the interactions among the various parts of the company. Amazon's best and most significant corporate structure is broken down as global function-based groups, global hierarchies, and geographies. The largest retail sales division is in the United States. On the other hand, the main factor in the success of amazon is its CEO (Jeff Bezos) with his intelligence can capture the vision and foresight, as well as his ability to maintain and expand the company's competitive advantage with Customer – Purchased – Criteria (CPC) or which includes price, fast delivery, and service reliable.

With the changes that are taking place very quickly and dynamically in society and the environment, especially the covid pandemic, Rakuten as a company that operates business globally to continue to maximize company value, Rakuten has built a strong management system by identifying and managing risks quickly and combining with the PDCA cycle. The company has implemented various strict corporate governance measures as its highest priority, to maximize corporate value and to realize its goal of becoming a global innovation company. In addition, Rakuten implements tax orders and minimizes corruption. The demographics of the targeted market areas are America, Asia Pacific, Europe, and Japan.

3.2 Internal Environment

3.2.1 Resources and Capability

Table 1. Summary Companies Comparison

Aspect	Rakuten	Amazon
Logo		
Resources	<ul style="list-style-type: none"> - Number of employees: 10,351 (June 2013) - Total assets (income) : 1.46 T(2020) / \$12,772 B. - Subsidiaries: 42 subsidiaries - Products and services: online retail, internet (entertainment, media, video, ebook), and services such as banking and travel. - Number of book titles in it: Kobo is a global eReading service with a world-class catalog of over 5 million eBooks, newspapers, and magazines. - Forbes ranked 26 innovative companies. 	<ul style="list-style-type: none"> - Number of workers: 647,500 (2018) - Number of factories: 80 warehouses for storage of goods in several locations in several countries. - Total assets (income): US\$ 386.06 B (2020) - Subsidiaries: 26 subsidiaries - Products and services: more than 17 products and services, in the form of websites, web services, digital, technology, publishing, and others. First, digital products such as books, DVDs, CDs, music, video cassettes, and software. - Number of book titles in it: more than 650,000 downloadable books - World ranking 10 according to Alexa.
Capability	<ul style="list-style-type: none"> - Members/users: More than 12 billion readers use kobo in 190 countries. - Innovation (<i>Catatan Kesuksesan Rakuten Dalam Layanan Internet</i>, 2014): <ul style="list-style-type: none"> • Opening "Rakuten Cafe" • Its acquisition of several digital content companies • Financing start-up companies in several areas. 	<ul style="list-style-type: none"> - Member/users: more than 100 million users worldwide. - Have an efficient supply chain. Such as Outsourcing Inventory Management and Insourcing Logistics, Delivery Options To Customers, Push/Pull Strategy for Supply chain Success, Amazon's Warehouse Classes and Zones, Warehouse Automation, Supply Chain Cost (Fauzi, 2018).

Amazon Kindle continues to innovate design and technology every year. The first generation in 2007 kindle was launched until now in 2021 kindle paperwhite 5. Kindle has an internal storage of 250 MB to 4 GB. Kindle has resolution, battery, features, size, service that is released every year. The following summarizes the timeline of the innovation and technology journey from amazon kindle citing an article from the website (Kowalczyk 2021). In 2007, The first generation Kindle launched has a large keyboard and still uses E-Ink. In addition, along with the launch of the Kindle device, amazon.com launched the kindle store. In the Kindle store, users find not only ebooks but also magazines and newspapers. In 2009, the second generation Kindle was launched. The second-generation Kindle has started using audiobooks and has a read-to-me feature that converts writing into spoken words. Next, launched kindle dx. Kindle dx is bigger than ever. Kindle dx is aimed at users who want to read a lot of graphic books, and pdf documents. In 2009 also the kindle application can be accessed through the app store and desktop PCs. In 2010 the Kindle was accessible via Android. Furthermore, Kindle 3rd generation was launched, there are not many changes other than the features that exist in the third generation kindle. In addition, with the launch of amazon for web browsers, web browsers can be accessed without having to install or have an amazon account. In 2011, Kindle can be accessed through Windows 7. Furthermore, the Kindles Single was launched, which is a forum for writers, business leaders, thinkers, and publishers. In addition, the kindle cloud reader was launched for instant access using only their web browser, no download or installation required. Launched kindle 4, has features without a keyboard, namely touch screen, larger internal memory, but cannot use audiobooks. In 2012, Kindle launched Kindle Paperwhite 1, features

whisper sync and Kindle serials, and can be downloaded on Windows 8. In 2013, Kindle launched Kindle Worlds, Amazon's new innovative publishing model focused on fan fiction, and launched Kindle Paperwhite 2. In 2014, the kindle app on ios and android can be audible. Furthermore, the launch of the Kindle Unlimited ebook subscription, an ebook subscription service that gives members unlimited access to a collection of Kindle audiobooks and ebooks. In addition, the launch of the Kindle 7 Voyage device. 2015 launched the Kindle Paperwhite 3. In 2016 the Kindle Oasis was launched, there is a dual-battery system. One battery is built into the device; the other one is in the detachable case. Furthermore, the Kindle 8 was also launched, with the voice view feature. In 2016, the Kindle Single Classic feature was launched, which is a collection of essays, articles, and short stories from well-known authors. In 2017, the kindle oasis 2 was launched, for the first time an electronic book reader device with a waterproof device feature. In 2018 the kindle paperwhite 4 was launched, the features are the same as before, waterproof and audible available. 2019 launched the kindle oasis 3, the first Kindle to use an adjustable warm light. With the 2021 release of the Kindle PaperWhite 5, Amazon claims, the battery can last up to 10 weeks, based on half an hour of reading per day, with the Wi-Fi connection turned off. The "See a Kindle in Your City Program" allows potential purchasers to see a Kindle in person before purchasing one, as well as connect with other Kindle users (Cuddy 2008).

Just like Amazon, kobo has a timeline in the innovation of design and technology. The following summarizes the timeline of the innovation and technology journey of Rakuten kobo citing writings from the website (Kozlowski 2018). Rakuten's global business strategy is to acquire several companies and cooperate with local book distributors. Over the years Kobo has released more than ten electronic readers. Some of the most notable are the five-inch Kobo Mini, Kobo Aura, premium Kobo Aura One, and Kobo H2O. Currently, the Electronic book readers from Kobo are Kobo Nia, Kobo Clara HD, Kobo Libra 2, Kobo Sage, Kobo Elipsa. The first Kobo electronic reader was launched in May 2010, followed by the launch of kobo wifi. In 2012, Kobo published a self-publishing platform called Kobo Writing Life, which allows authors to track sales in real-time, and allows an author to sell books globally. From 2015 to 2016, Kobo took over the e-book business in several countries and companies, they closed their online store and transferred all e-books and customer accounts to Kobo, such as Waterstone's from the UK, Sainsbury's, Blinkbox books from Tesco, and Flipkart from India. Customers who have recently migrated to kobo don't have to worry about losing their reading collection. Their reading collection will remain intact. In 2017 Kobo purchased backend infrastructure from Deutsche Telekom, including German language e-books. Furthermore, kobo also acquired Shelfie from Colombia. In addition, Kobo launched Kobo Plus is an unlimited subscription e-book launched in the Belgium and Netherlands. At the end of 2017, Kobo published audiobooks that sell audiobooks, and audiobooks can be accessed via Android and iPhone. In 2018, kobo launched the kobo originals program, exploring with kobo writing lives, this program brings electronic books and audiobooks. The features of the device that Kobo has are more or less like the Kindle. Kobo has a height, thickness, and weight that is lighter than the kindle. Kobo can be read in various formats such as pdf, epub, Mobi, HTML, and so on, but if you read kobo using the MOBI format it will hang. Buy books on google playbook, can convert and read on kobo devices, there is an official site to explain the steps. Kobo devices cannot be installed on other applications like tablets. The kobo device supports 68 languages.

3.2.2 Competitive Advantage

The competitive advantages of the two companies, especially for products engaged in the electronic book reader sector, can be seen from the value innovation, technology differentiation advantage, cost advantage, channel advantage, and sales force advantage. Research conducted by (Richardson and Mahmood 2012) found that from 32 respondents, Kindle users were the most popular than Kobo users.

Value Innovation is owned by Amazon, Amazon sells many products from various brands and companies, amazon increases competition for tablets or devices for electronic book readers, but still at high prices. A replacement device from an electronic book reader can be an amazon kindle application for Android, iPhone, or Blackberry. Amazon's cost advantage, Amazon applies a cost leadership strategy, sometimes Amazon gives a discount on each title, even \$0 if the copyright has run out. Furthermore, amazon's channel advantages are low and efficient supply chain dependence. And lastly, Amazon's Salesforce advertising Market/channels contain a list of 100 countries targeted for international sales of the amazon kindle, but not Indonesia.

Talking about Rakuten's competitive advantage, just like amazon, the Rakuten kobo electronic book reader's Value Innovation is technology. Applications can be accessed via Blackberry, iPhone, Android, Palm, PC/Mac & eInk platforms. on Rakuten devices, has multiple currencies and languages. various options for payment, not only using a credit card but also using PayPal. Rakuten can store customer libraries in the cloud. The channel advantage of Rakuten, a distribution partner on 4 continents in 25 countries, with more than 10,000 retail points of presence and access to

more than 100 million consumers, Rakuten also has relationships with thousands of publishers worldwide. The huge competitive advantage that Rakuten Kobo has built with the consumer in mind is a major advantage in general to being a company that can handle age-related issues well, Rakuten wants to optimize the customer experience at every stage of a reader's life.

3.2.3 An Attractive Industry

Between amazon kindle and Rakuten kobo, both have an interest in users and potential users in the last five years since 2015. It is proven by google trends and web searches regarding electronic book readers from Rakuten kobo and electronic book readers from amazon kindle, which are accessed by more than 100 people with information on both. Electronic book readers are indeed an interesting industry for those who like to read but don't want to be complicated. People now think that books in physical form are inflexible, so electronic books and e-readers are indispensable for those who like large collections of books. Electronic book reader does not take up space to use, it is not difficult to tidy up books and minimal storage space. An electronic book reader is very suitable for people who have high mobility. Electronic book reader has unlimited book access, the stock is always available. There is no risk of wet, damaged, and lost books if taken out of the house.

3.2.4 Formulation strategy and Implementation

Amazon's strategy formulation and implementation resemble that of a customer-centric company. Every Amazon employee, including the founder and CEO, is required to work in customer service for two days every year. Its goal is to improve customer satisfaction and track performance. Customers, building markets, and understanding the competitive environment are all significant focuses of market intelligence that Amazon has effectively executed. Amazon has devised a product differentiation strategy while keeping its competitors in mind to meet the idea of mastering a competitive environment. One way is Amazon's massive data potential and integrated distribution infrastructure, which makes it tough for competitors to compete with it. Amazon adopts a constant, long-term growth strategy in which revenue is consistently transformed into investment to dominate the market. This continual investment approach is pursued to recruit new revenue-generating clients. Amazon's business strategy entails investing in new business lines. Amazon's commercial expansion has expanded to include the manufacture and distribution of the Kindle tablet, which was created as an electronic book reader but is now fully functioning as a tablet and media device. There are many different types of Kindle tablet products available, with Amazon offering the best price value. Strategy formulation and implementation owned by Rakuten, Kobo was originally a bookstore company in Canada, then acquired by Rakuten from Japan. Rakuten initially did not follow the fight with the US market, Rakuten expanded the market, building partnerships with every major book retailer anywhere in the world. Rakuten employs people who are experts in other markets. Then over time, instead of Rakuten kobo spending a lot of money and resources on expansion into new territories, Rakuten kobo partnered with local companies. A strategic acquisition is made to create the goal of creating synergy with a long-term on-balance advantage (Yolanda et al., 2020). Acquisitions can provide companies with fresh staff that has improved technical capabilities and distinctive qualities. In a transaction, important personal needs and resources should be determined, followed by a rigorous review of equipment capabilities (Michael 2006).

3.2.5 Above Average Return

After analyzing the resources and capabilities, competitive advantage, attractive industry, as well as formulating and implementing strategies to respond to market needs, then above-average income will be obtained. Taken from Google Finance (table 2), the income reports of both companies have increased in the last 5 years. Amazon sales are still ahead followed by Rakuten. Amazon has an average revenue for the last 5 years of USD 242B, and it is increasing every year. Meanwhile, Rakuten has an average income in the last 5 years of USD 9,639B, and it's increasing every year.

Table 2. Summary Above Average Return of both companies Comparison (USD \$)

Year	Amazon	Rakuten
2016	135.990.000.000 B	6.788.334.850 B
2017	177.870.000.000 B	8.205.106.400 B
2018	232.890.000.000 B	9.561.035.000 B
2019	280.520.000.000 B	10.951.731.000 B
2020	386.060.000.000 B	12.690.101.000 B

Sources: Google Finance

3.3 Lesson Learned

Companies in the e-commerce industry, especially those engaged in electronic book readers or bookstores, can take advantage of the strategies used by Amazon and Rakuten. There is a company in Indonesia that is also engaged in this field, namely Gramedia Digital Nusantara, which can learn the strategies used by Amazon and Rakuten which are successful in the global market. From the description of resources, capability, competitive advantage, an attractive industry, strategy formulation, and implementation, it can be learned that the two companies started a business with technology, especially in the electronic and digital fields. The ever-changing nature of technology requires innovation in carrying out its business strategy.

Amazon has a strategy such as selling many products from various brands so that it has an efficient supply chain. Amazon is increasing tablet or device competition for electronic book readers, but still at a high price. Amazon applies customer purchased criteria and cost leadership strategy. Customers are their main focus.

Rakuten has a strategy such as, working with local bookstore distributors, market expansion, not only focusing on the United States. Rakuten acquired several companies, financed and collaborated with start-up companies in the area that stood close to them, as well as created a Rakuten café to introduce Rakuten products or introduce Rakuten's ecosystem, such as electronic book reader devices installed in several corners of the cafe.

Both Amazon and Rakuten, for applications, can be accessed on any device, App store, and play store. Amazon and Rakuten have their tablets or devices that differ by generation and technology. Rakuten kobo and amazon kindle can be affordable anywhere, but the Indonesian language is not yet available for the target international market. Both companies have a network of publishers and writers.

4. Conclusion

Based on a comparative analysis of the strategies of two electronic book reader companies that excel in the global market, namely amazon kindle and Rakuten kobo on the resources and capabilities they have. They have a competitive advantage and apply their respective strategy formulations which will later get the results above-average return. After conducting a comparative analysis, lessons learned from the two companies will be obtained so that they can be implemented in similar companies in Indonesia such as Gramedia Digital Nusantara. For both Amazon and Rakuten, the lessons learned in implementing a global business strategy are technology innovation, investing in the new business line, customer focus, acquisitions, and market expansion.

There are several limitations to this research for data collection. Data collection was obtained from the literature contained in website articles, newspapers, and journals. Of course, this will be difficult to analyze, because it is based on the subjective of each author, especially the real conditions of the internal company.

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