

Business Strategy Architecture at ESQ Tours

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Abstract

This research examines the business strategy architecture at ESQ Tours (PT Fajrul Ikhsan Wisata), one of Indonesia's leading dedicated Umrah and Hajj travel agencies, established in 2005. The research aims to develop a comprehensive business strategy architecture aligned with the company's vision as a preferred and trusted halal tour operator in Southeast Asia. A qualitative descriptive approach was employed using a case study model, with data collected through direct observation, in-depth interviews, questionnaires, company annual reports, and literature reviews. Data analysis incorporated a multi-layered strategic framework, including foresight analysis, PESTLE, Porter's Five Forces, VRIO, Activity-Based Management (ABM), SWOT, TOWS Matrix, and the A'WOT (AHP-SWOT) method to prioritize strategic choices. The External Factor Evaluation (EFE) matrix yielded a score of 2.860 and the Internal Factor Evaluation (IFE) matrix scored 2.790, placing ESQ Tours in Quadrant V of the IE Matrix, recommending a "hold and maintain" strategy through market penetration and product development. Key findings reveal that ESQ Tours' primary competitive advantages lie in its unique ESQ 165-based meaning methodology and strong brand reputation, while its most critical weakness is the underutilization of the pilgrim waiting-period ecosystem. Three priority strategies were formulated: spiritual experience-based differentiation, strengthening unique value propositions, and service quality standardization. The resulting business strategy architecture for 2026–2030 is built upon two pillars: offensive differentiation and internal modernization, with a transformative shift from a transactional to a relational and sustainable business model through activation of the Hajj waiting congregation ecosystem.

Keywords: Business Strategy Architecture, ESQ Tours, Umrah and Hajj, Halal Tourism, Competitive Strategy

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INTRODUCTION

A business strategy architecture essentially serves as a standardization framework and a guide for realizing organizational goals. In general, a business strategy architecture is developed based on considerations of alignment with the organization's strategic objectives, integration with business processes, support for change management, reduction of development complexity, optimization of resource use, and convergence with information technology standards. In addition, business strategy architecture is associated with improved governance and can be conceptually defined as a strategic information asset base that determines the mission, as well as the information and technology needed by the organization (Kitsios & Kamariotou, 2019).

Architecture is a set of design artifacts or descriptive representations that are relevant for describing an object so that it can be produced according to specified quality requirements and maintained throughout its useful life. Architecture is manifested in the form of models and drawings of components that are reviewed from various points of view. The implementation of a business strategy architecture results in a business strategy as a dynamic elaboration of strategic design that utilizes structured processes and frameworks. In planning a business strategy architecture, the current state is documented, and the desired future state is analyzed and determined for a company or organization from an integrated strategic, business, and technological perspective (Arifin, 2022).

Umrah and Hajj are forms of worship required of every Muslim who is able to perform them. Hajj is a means and medium for Muslims to worship at Baitullah and the holy land at specific times each year, while Umrah is essentially a means and medium for Muslims to worship in the holy land at any time (Jailani & Huda, 2024).

The special Umrah and Hajj industry has great development potential. The number of Umrah pilgrims reached 26,856,833 people in 2023, an increase of 8.7% compared to the previous year. The proportion of men was 55.9%, while that of women was 44.1%. Umrah pilgrims from Saudi Arabia accounted for 14.1% of the total number of pilgrims throughout the year. Meanwhile, the number of Indonesian Umrah pilgrims has increased annually, accounting for 15.4% of total Umrah pilgrims from outside Saudi Arabia, or 1,005,336 pilgrims. The number of Umrah pilgrims from outside Saudi Arabia, including Indonesia, is projected to continue growing, as the Kingdom of Saudi Arabia targets 30 million Umrah pilgrims by 2030 (Alammash, Guo, & Vinnikova, 2021).

The transformation driven by KSA Vision 2030 through religious tourism—Umrah and Hajj—can be realized by leveraging religious heritage as an engine of economic growth and development, making Umrah and Hajj key drivers that stimulate various sectors in the national economy. Umrah and Hajj income constitute the second-largest source of KSA's revenue after petroleum. KSA has recorded an estimated 10–30 percent increase in tourist arrivals annually (Alammash et al., 2022).

The PPIU and PIHK (Penyelenggara Perjalanan Ibadah Umrah and Penyelenggara Ibadah Haji Khusus) businesses are considered highly promising. Their services include lodging (hotels), airline tickets, and land arrangements (LA) for all Umrah and Hajj needs in the holy cities of Makkah and Madinah, Saudi Arabia. Demand for these services from pilgrims originating from various countries continues to increase throughout the year. Currently, there are 476 PIHK and 2,036 PPIU operating and offering these services (Intan, 2022).

This opportunity has prompted various travel bureaus and organizers to compete for pilgrims' attention. They compete in providing guidance, services, and protection, each offering different facilities as key strengths to gain popularity (Common, Flynn, & Mellon, 2016). Some institutions operate purely for business purposes, while others regard it as a calling from God. Despite the great potential of the Umrah and Hajj industry, many travel agencies still face difficulties in improving their competitiveness (Ghandour et al., 2021).

The success of specialized Umrah and Hajj travel agencies depends on an effective business strategy, covering strategy formulation, implementation, and evaluation. Ineffective strategies or poor implementation can undermine results. The business strategy architecture must be aligned with the overall business strategy to achieve company goals, improve the quality and consistency of services and facilities, gain pilgrims' trust, attract prospective pilgrims, and generate sustainable profits (Andry, 2020a).

Although an effective business strategy is crucial, its implementation is not always easy. It must be well planned and clearly defined. Poorly defined implementation processes can lead to confusion and uncertainty, making strategy execution difficult. Problems often arise from weak strategies or an unclear vision.

The rapid development of the Umrah and Hajj industry has created intense competition in the PPIU/PIHK support service sector, as evidenced by the proliferation of companies and the resulting fierce competition, including among Hajj and Umrah travel agencies. ESQ Tours is one of the leading specialized Umrah and Hajj travel agencies. The company PT Fajrul Ikhsan Wisata or ESQ Tours has operated since 2005 as an organizer of Umrah, Hajj, and other spiritual journeys. In its operations, ESQ Tours prioritizes excellent service, superior facilities, and high-quality programs so that pilgrims' journeys are more meaningful, in line with its

motto “Meaningful Journey”. ESQ Tours’ vision is “Preferred and Trusted Halal Tour Operator in Southeast Asia” (ESQ Tours and Travel, t.t.-a).

The company, which has been established for more than 20 years, has extensive experience in serving and guiding pilgrims in performing Umrah and Hajj. ESQ Tours has strong legal standing in serving pilgrims safely and professionally, as evidenced by official permits from the government. ESQ Tours is trusted to provide special Hajj quotas and serves a market share of 2.08% of the total national quota of 48,132, or 1,003 pilgrims.

Although ESQ Tours is a leading dedicated Umrah and Hajj travel agency, there remains room to improve its performance. It faces various challenges: fierce competition in a very competitive Umrah and Hajj travel industry, requiring continuous innovation and unique services; increasingly complex regulations and licensing requirements related to safety, security, and consumer protection; volatile prices and availability of tickets, accommodations, and other services, which necessitate strong risk management; and the priority of pilgrims’ safety and health, including addressing health risks, anticipating emergencies, and maintaining safety at holy sites. The Umrah travel business is also highly dependent on service quality and reputation. A single complaint or negative experience can significantly damage the business’s image (Sansalvador & Brotons, 2018).

Specialized Umrah and Hajj travel agencies therefore need a business strategy architecture model designed specifically for this unique industry. The Umrah and Hajj sector has distinct spiritual, operational, and regulatory characteristics compared to other types of tourism. Ultimately, the Umrah and Hajj travel business offers great opportunities for companies committed to delivering high-quality services and meaningful spiritual experiences. The success of this industry depends on effective marketing strategies, strong partnerships, and adherence to high-quality standards in every aspect of the journey. By adapting to technological developments and consistently maintaining integrity, Umrah travel agencies can achieve long-term success and build reputations as trusted partners for pilgrims (Ghandour et al., 2021).

Several previous studies share similarities with this research. First, Pratama and Habibah’s journal “The Role of Tour & Travel Companies in Increasing Halal Tourism Interest (Study on ESQ Tour & Travel)” shows that ESQ’s halal tourism programs are divided into international and domestic categories. Internationally, ESQ offers Special Hajj Programs, Umrah Programs, and ESQ Halal Holiday packages, while domestically it offers Plesiran and ESQ Study Tour. Second, ESQ Tour & Travel’s efforts in promoting halal tourism are carried out through its own marketing strategies. Third, the study also identifies supporting and inhibiting factors in ESQ Tours’ implementation of halal tourism. Furthermore, Maisari and Nur Fajrillah discuss the preliminary phase, architecture vision, and business architecture (Febrianto, Nur Fajrillah, & Febriyani, 2024). Business strategy architecture is a key component that supports subsequent architectural layers. It defines baseline and target architectures that will be used as guidelines for developing an integrated information system for the HR management function. Business strategy architecture plays a very important role in handling issues and risks within companies, making it easier for them to make the right decisions.

This study aims to develop a comprehensive business strategy architecture for ESQ Tours aligned with the company’s vision as a preferred and trusted halal tour operator in Southeast Asia. Specifically, it seeks to analyze internal and external factors influencing ESQ Tours’ business performance; formulate alternative business strategies to support business growth; and design a strategic architecture for 2026–2030 that integrates spiritual experience-based differentiation, operational efficiency, and sustainable business model transformation.

The benefits of this research are twofold. Theoretically, it contributes to the academic literature on strategic management, particularly in the Umrah and Hajj industry, by applying a

multi-layered strategic framework that includes foresight analysis, PESTLE, Porter's Five Forces, VRIO, ABM, SWOT, TOWS, and A'WOT methods. It enriches understanding of how specialized travel agencies can gain competitive advantage through value-based differentiation and internal modernization. Practically, the findings are expected to provide actionable insights for ESQ Tours' management in formulating and implementing effective business strategies, optimizing utilization of the pilgrim waiting-period ecosystem, and enhancing service quality to meet evolving customer expectations. Additionally, the proposed business strategy architecture can serve as a reference for other Umrah and Hajj travel agencies facing similar competitive challenges, offering a replicable model for sustainable growth in the halal tourism industry..

METHODS

The method used in this study is qualitative with a descriptive approach. The qualitative research method is a postpositivistic method because with the philosophy of postpositivism as the foundation, the method is said to be an artistic method because the research process is less patterned, and the method is said to be an interpretive method because the results of the research are included in the interpretation of data found in the field. Qualitative research methods are also research that is carried out naturally so they are called naturalistic research methods; It is also called a qualitative method because research is carried out by collecting data and analyzing it qualitatively. Therefore, qualitative research is research that is used for research with natural objects with the philosophy of postpositivism as the foundation and researchers who are the key instruments, combined data collection techniques/triangulation, qualitative analysis, and research results do not emphasize generalization but rather on meaning. Qualitative research emphasizes meaning over generalization, with the researcher acting as the key instrument in analyzing textual and visual data, including interview results, field notes, and official documents (Chand, 2025). A case study model is applied to explore the interconnected system of ESQ Tours, allowing for comprehensive analysis through observations, interviews, documentation, and relevant reports ESQ Tours.

Data Collection Techniques

This research involves the use of direct observation methods, the distribution of questionnaires, and conducting in-depth interviews to all selected respondents. In addition, this research also involves the analysis of the company's annual reports, an in-depth literature review, and the collection of information through websites and articles issued by government agencies.

Data Processing and Analysis Techniques

The data analysis techniques in this study include several stages to ensure a comprehensive and in-depth understanding of the business strategy architecture strategy at ESQ Tours. First, *foresight analysis* is carried out to identify the direction of trend development in the industry, external analysis uses PESTLE to identify macroeconomic factors and Porter's Five Forces to understand the competitive dynamics of the industry micro. Furthermore, internal analysis uses VRIO to evaluate the company's resource excellence and Activity Based Management (ABM) to assess the efficiency of operational processes. The data obtained from this analysis is then used in the matching stage with SWOT to identify strengths, weaknesses, opportunities, and threats. For decision-making, the A'WOT (AHP-SWOT) method is used which integrates the Analytic Hierarchy Process (AHP) with SWOT to give weight to each factor and determine strategy priorities. The final results are poured into the business strategy architecture which includes the implementation of strategies to achieve the company's vision

and mission, ensuring that the implemented strategies are effective and in line with ESQ Tours' objectives.

RESULTS AND DISCUSSION

Development of Alternative Business Strategies to Increase Business Growth of ESQ Tours

EFE (External Factor Evaluation Matrix) is a strategic analysis tool used by EFE Matrix Analysis

Matrix to evaluate the extent to which ESQ Tours can respond effectively to opportunities and threats from the external environment. This matrix is an important part of the analysis of the external environment in the strategic planning process. Through the analysis of the EFE matrix, nine opportunities and seven threats can be identified that are external strategic factors for ESQ Tours.

Based on the analysis of the EFE Matrix, an in-depth interpretation of the weighted score shows the most significant external factors influencing ESQ Tours' strategic position. The largest weighted score was 0.480 which came from opportunities in the political and regulatory sectors, namely "KSA's Vision 2030: Increasing pilgrimage targets & modernizing infrastructure." The effects of this factor are very positive, as they fundamentally expand the market and create an environment that supports quality services. ESQ Tours' response to this opportunity was rated very well (rating 4), as its business model focused on premium quality aligned with Saudi Arabia's policy direction, putting ESQ in a very favorable position to capture market growth.

Another significant opportunity with the second highest weighted score (0.440) came from the social sector, namely "increased congregational expectations for quality and spiritual experience." The effect is a shift in the focus of the market from low prices to added value, which directly benefits ESQ. ESQ's response to this is also rated superior (rating 4) due to the ability to differentiate through the "meaning" of ESQ 165 which is at the core of its value proposition.

On the other hand, the threat with the largest weighted score is 0.300, which comes from the industrial sector (substitution threat), namely the "Independent Umrah (DIY) trend that reduces dependence on travel agencies." The effect of this threat is the erosion of the potential market for traditional travel packages. However, ESQ Tours is considered to have responded well (rating 3) by offering unique added value in the form of mentoring and deep spiritual meaning that independent travelers cannot get, thus successfully mitigating most of the impact of this threat.

Meanwhile, factors with the smallest weighted scores such as the odds of "Health technology developments (HealthTech)" (score 0.040) and the threat of "Potential geopolitical instability" (score of 0.050) indicate a smaller strategic impact on ESQ Tours' current position. This is due to a combination of lower weights (interest rates) and the company's response that is still average or reactive, so its contribution to the overall score is not as large as the main factors already mentioned. This analysis confirms that ESQ's strategic success depends heavily on its ability to continuously maximize opportunities in the social and political sectors, while effectively differentiating to confront the threat of substitution from self-driving trends.

IFE Matrix Analysis

The IFE (Internal Factor Evaluation Matrix) is a strategic analysis tool used to evaluate the internal strengths and weaknesses of an organization systematically and quantitatively. This matrix helps companies in identifying its internal position based on the factors that have the most influence on the success of ESQ Tours.

Table 1. IFE matrix analysis

No.	Key Internal Factors	Weight	Rating	Weighted Score
Strengths				
1	Unique Meaning Method Based on ESQ 165 (SCA).	0,140	4	0,560
2	Brand Name and Strong ESQ Reputation (SCA).	0,130	4	0,520
3	<i>Captive Market</i> from ESQ Alumni (TCA).	0,080	3	0,240
4	Strategic decision-making based on activity analysis.	0,060	4	0,240
5	Measurable Activity-Based Budget Management.	0,060	3	0,180
6	Basic Operational and Network Capabilities (Competitive Parity).	0,060	3	0,180
7	Continuous Improvement and Adaptation Efforts (ERP Implementation Plan).	0,050	3	0,150
Total Strength				2,070
Weaknesses				
8	The Utilization of the Pilgrim Ecosystem in the Hajj Waiting Period Has Not Been Maximized (UCA).	0,120	1	0,120
9	Optimization of Qualitative Aspect Performance Measurement (especially for TL).	0,080	2	0,160
10	Effectiveness of some marketing activities (exhibitions, <i>private</i> visits).	0,050	2	0,100
11	Human Resources Competency Dependent on Individuals (not yet fully systematic).	0,090	2	0,180
12	Limitations of Integrated Information Systems (ERP Needs).	0,080	2	0,160
Total Weaknesses				0,720
Total				2,790

Source: Research Data Processing (2025)

Based on the analysis of the IFE Matrix, an in-depth interpretation of the weighted scores reveals the pillars of strength and areas of weakness that are most decisive for ESQ Tours. The internal strengths with the largest weighted scores come from two main sources of sustained competitive advantage (SCA). The first is the “ESQ 165-based unique meaning method” with a score of 0.560, and the second is “strong ESQ brand name and reputation” with a score of 0.520. These two factors fall within the realm of intangible assets as well as core products and services. Their impact is crucial: they create very strong and hard-to-replicate differentiation, build emotional loyalty, and provide justification for a premium pricing position. ESQ Tours’ response to these two strengths is rated superior (rating 4), indicating that the company is highly organized in maintaining and leveraging its key competitive advantages.

On the other hand, the weakness with the largest weighted score (0.120) is “underutilization of the pilgrim ecosystem in the Hajj waiting period”. This factor lies in the domains of business development and customer relationship management. Despite having a unique asset in the form of loyal pilgrims during a 5–7-year waiting period—an unused competitive advantage—ESQ’s performance in capitalizing on this potential is considered

very weak (rating 1). The effect of this weakness is the loss of substantial revenue potential and missed opportunities to systematically deepen pilgrim loyalty during this crucial period.

Factors with the smallest weighted scores, such as the weakness in the “effectiveness of several marketing activities (exhibitions)” with a score of 0.100 in the marketing sector, indicate the presence of cost inefficiencies, but their impact is not as critical as the main weakness. ESQ is considered weak in this aspect (rating 2) because it continues to allocate resources to low-ROI activities. This analysis confirms that ESQ’s internal position is strongly supported by brand strengths and methods that are difficult to replicate, yet it faces significant organizational challenges in maximizing hidden assets (the pilgrim waiting ecosystem) and optimizing various operational and marketing processes.

IE Matrix Analysis

Based on the results of the analysis of internal and external factors obtained through the IFE Matrix (score 2.790) and the EFE Matrix (score 2.860), ESQ Tours is strategically positioned in Quadrant V (Cell V) of the IE Matrix. This position indicates that the company has moderate internal strength and a relatively good ability to respond to opportunities and threats from the external environment. Within the corporate strategy framework, this position is theoretically recommended to adopt a “hold and maintain” strategy. This strategy is a stabilization approach that avoids the risks of aggressive expansion or retrenchment and instead focuses on optimizing the company’s existing position.

In the context of ESQ Tours, the “hold and maintain” strategy can be translated into two highly relevant main approaches: market penetration and product development. The market penetration strategy indicates the need to intensify engagement in already-captured markets, especially captive segments such as ESQ alumni and loyal middle-to-upper-class customers. This approach can be implemented by increasing the effectiveness of digital marketing channels, using more aggressive and measurable social media strategies, and adopting community-based marketing that strengthens the emotional and spiritual bond between the ESQ brand and consumers. In this framework, personalized services and the expansion of alumni-based referral networks can serve as leverage points to maintain and grow existing market share.

Meanwhile, the product development strategy is directed at diversifying services based on pilgrims’ needs and responding to emerging trends, particularly during the long waiting period for regular Hajj. In this context, ESQ Tours can design engagement lifecycle-based products such as the “pilgrim ecosystem of the waiting period”—a series of spiritual, educational, and communal services that accompany pilgrims during the pre-departure phase. Beyond increasing customer loyalty, this strategy enables the company to build recurring engagement that carries both commercial and social value. Other potential products include free and easy Umrah services, religious trips targeting younger generations (youth spiritual tourism), and integration with ESQ 165 value-based educational services.

In addition to these two main strategies, the position in Cell V also opens room for strengthening internal structures that support efficiency and competitiveness, such as accelerating the implementation of ERP systems to streamline business processes and strengthening product development and digital marketing teams. These steps will further reinforce ESQ Tours’ position in facing the dynamics of the highly competitive Hajj and Umrah industry amid pressures from digitalization trends, price competition, and shifting post-pandemic consumer behavior. Overall, this strategic position signals that ESQ Tours has a sufficiently solid base to grow in a controlled and sustainable manner, provided the company continues to refine internal processes, adapt to external dynamics, and maintain the quality of service differentiation that constitutes its main strength.

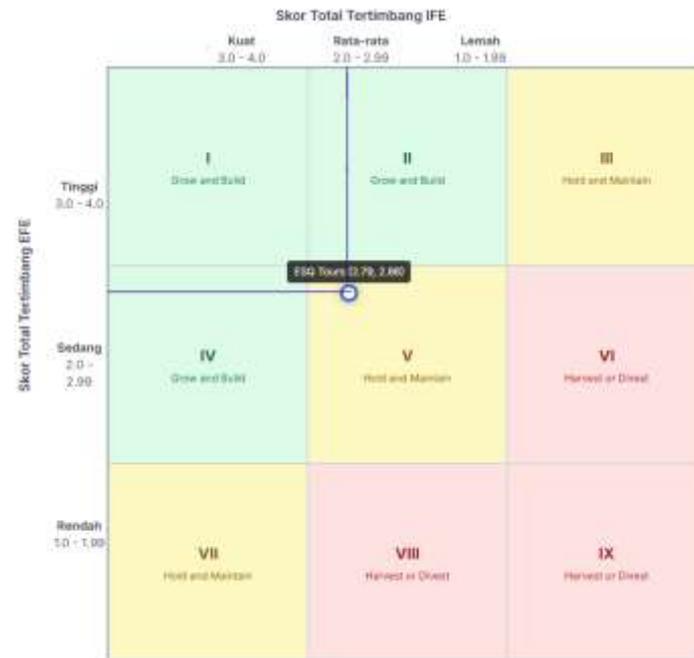


Figure 1. IE ESQ Tours Matrix Analysis
Source: Research Data Processing (2025)

In order to develop a strategy architecture, ESQ Tours should consider the strengths, weaknesses, opportunities, and threats identified in the EFE and IFE matrix analysis. The company must take advantage of its internal strengths, such as ESQ's Strong Brand Name and Reputation, ESQ 165-Based Unique Meaning Method, and the existence of a captive market of ESQ alumni, while overcoming weaknesses, such as the utilization of the pilgrim ecosystem in the waiting period for Hajj that has not been maximized and the optimization of performance measurement for qualitative aspects (such as Tour Leaders). By leveraging external opportunities, such as projected market growth driven by KSA's Vision 2030 and pilgrims' increasing expectations for immersive spiritual experiences, as well as addressing threats, such as the very high level of industry competition and the trend of Self-Directed Umrah (DIY) as an alternative service, ESQ Tours can develop a comprehensive and sustainable strategy for long-term growth and success.

SWOT Matrix Analysis

Success in strategic planning relies heavily on the level of accuracy in conducting situational assessments thoroughly and effectively. One of the simplest yet still relevant approaches is SWOT analysis, which has long been used in a variety of strategy formulation contexts. Although these techniques are qualitative and tend to be subjective, when applied carefully and carefully, SWOT can provide a solid and reliable framework as a starting point in developing a competitive and sustainable business strategy (Pesonen et al., 2000). Through this approach, various strategic factors arising from the internal and external environment can be identified and evaluated systematically, allowing for the formulation of strategies that are more contextual and responsive to market dynamics and challenges faced by organizations. The strategic factors that were successfully assessed in accordance with the external and internal environment situation and conditions were as follows:

Strengths

1. Unique Meaning Method Based on ESQ 165 (Source of sustainable competitive advantage/SCA).

2. Strong ESQ Brand Name and Reputation (Source of continuous competitive advantage/SCA).
3. Captive Market from ESQ Alumni (Source of temporary competitive advantage/TCA).
4. Analytics-Based Strategic Decision Making for Product Development.
5. Activity-Based Budget Management That Is Quite Measurable.
6. Operational Capabilities and Solid Basic Partnership Network (Competitive Parity).
7. There are Continuous Improvement Efforts and Technology Adaptation Plans (ERP Implementation).

Weaknesses

1. The Utilization of the Pilgrim Ecosystem in the Hajj Waiting Period Has Not Been Maximized (Source of Unused Competitive Advantage).
2. Optimization of Performance Measurement for Qualitative Aspects (especially for Tour Leaders/TL).
3. Effectiveness of Some Marketing Activities (such as Exhibitions) that are rated low in ROI.
4. Human resource competencies that still depend on key individuals and have not been fully systemized.
5. Limitations of Integrated Information Systems (Need for ERP systems).

Opportunities

1. KSA's Vision 2030: Increasing the target of pilgrim capacity and modernizing infrastructure.
2. Projected significant economic growth of the Hajj & Umrah sector in Saudi Arabia and Indonesia.
3. Increasing expectations of pilgrims for the quality of service and an immersive spiritual experience.
4. Increased interest in Hajj & Umrah from the younger generation (Millennials & Gen Z).
5. Adoption of integrated digital platforms (e.g. Nusuk) by the Kingdom of Saudi Arabia.
6. Development of health technology (HealthTech) & telemedicine for pilgrim services.
7. Growing awareness and initiatives of "Green Hajj/Umrah" as well as sustainable tourism.
8. A national legal framework (PIHU & UUPK LAW) that provides industry standards and protections.
9. The high requirement of PIHK permits is a barrier to entry for new competitors in the special hajj segment.

Threats

1. Potential regional geopolitical instability that could affect the smooth travel.
2. Currency exchange rate fluctuations (USD/IDR) & inflation that affect costs.
3. Digital business model that facilitates the entry of new PPIU (Umrah) with low operational costs.
4. Customers have a lot of choices and become more selective (high buyer bargaining power).
5. High dependence on key suppliers (airlines) and price fluctuations (hotels).
6. The trend of Self-Reliance (DIY) Umrah that reduces dependence on travel agencies (the threat of substitution).
7. The level of competition is very high between existing Umrah and Hajj travel.

The main objective of the preparation of this alternative business strategy is to bridge the current actual conditions of ESQ Tours towards more ideal and highly competitive business conditions. To formulate an adaptive and directed strategy, the TOWS Matrix approach as developed by Weihrich (1982) is used. This matrix helps in designing various alternative strategies based on a logical combination of internal factors (strengths and weaknesses) and external factors (opportunities and threats) faced by ESQ Tours. There are four types of combination strategies offered within the TOWS framework:

1. The SO (Strength–Opportunity) strategy or maximal-maximal strategy is an ideal strategic choice when ESQ Tours is able to leverage its internal strengths to optimize various external opportunities.
2. The WO (Weakness–Opportunity) strategy or minimal–maximum strategy is applied by minimizing internal weaknesses or strengthening areas that are still lacking, so that they can still benefit from market opportunities.
3. The ST (Strength–Threat) strategy or maximum–minimum strategy is carried out by relying on the company's internal strengths to overcome or reduce the impact of external threats.
4. The WT (Weakness–Threat) strategy or minimal–minimal strategy is defensive and is used in the worst-case scenario, i.e. when internal weaknesses need to be mitigated in order to avoid or survive high external pressures and risks.

SO Strategy (Strengths – Opportunities)

SO (Strength-Opportunity) strategy with an experience-based differentiation approach. This strategy relies on the company's key strengths such as ESQ 165-Based Unique Meaning Method and Strong Brand Reputation to respond to lucrative market opportunities,

1. Spiritual Experience-Based Differentiation [Market Development]

Utilizing ESQ 165's Unique Meaning Method and strong brand reputation to deliver a value proposition that competitors are not easy to replicate. This is in line with Experience Economy Theory by Pine & Gilmore (Tehuayo, 2021).

2. Premium and Loyal Market Segmentation [Market Penetration]

Focus on the captive market of alumni through exclusive referral and positioning programs, increase loyalty and expand the reach of the mid-upper market. This approach refers to the theory of customer segmentation and loyalty (Maranto et al., 2024; Putri & Suriyanto, 2022).

3. Correlation of Customer Needs [Market Penetration]

This strategy answers pilgrims' expectations of an immersive spiritual experience and an increase in the purchasing power of the middle class that is relevant to ESQ Tours' positioning.

WO (Weakness-Opportunity) Strategy

The WO (Weakness-Opportunity) strategy focuses on addressing the internal weaknesses that exist in ESQ Tours.

1. Monetization of the Pilgrim Waiting Ecosystem [Product Development]

Developing the congregation ecosystem in the waiting period into a digital-spiritual-based engagement platform, as a solution to the lack of optimal W1.

2. Digital Transformation Acceleration (ERP) [Diversification]

Integrating fragmented information systems with digital platforms such as ERP and Nusuk. This transformation strengthens the efficiency and accuracy of internal data (Kashani et al., 2021; Klann & Münch, 2022).

3. Efficiency of Marketing Activities [Market Penetration]

Simplify budget-intensive offline activities, such as exhibitions, and switch to data-driven marketing digital channels to support promotion effectiveness.

ST (Strength-Threat) Strategy

ST (Strength-Threat) strategy in the highly competitive Hajj and Umrah industry, ESQ Tours faces a number of challenges such as increasingly fierce competition and a variety of service provider choices.

1. Strengthening Unique Value Proposition [Market Development]

Prioritizing ESQ-based meaning as a service feature that cannot be substituted by independent services (DIY Umrah). This strategy supports a sustainable competitive advantage (Winter et al., 2023).

2. Exclusive Loyalty Program [Market Penetration]

Maintain the captive market with exclusive points-based and benefit programs to reduce the risk of churn due to price competition and multiple choices.

3. Strategic Partnerships with Key Suppliers [Product Development]

Build long-term alliances with major airlines and hotels to mitigate the risk of high bargaining power from suppliers.

WT (Weakness-Threat) Strategy

The WT (Weakness-Threat) strategy or Mini-Mini is a strategy that focuses on strengthening structural efficiency as a form of defensive strategy that aims to minimize vulnerabilities due to internal weaknesses and existing external threats.

1. Improved Back-Office Efficiency [Diversification (operating model)]

Reduce HR inefficiencies and high-cost activities by restructuring processes using business process reengineering principles and ERP implementation.

2. Systematization of Performance Measurement [Product Development (backend improvement)]

Build a structured KPI system for qualitative aspects, especially evaluation of the performance of Tour Leaders and field staff.

3. Strengthening SOPs and Service Standardization [Market Penetration]

Establish standard operating procedures (SOPs) to ensure consistency in service quality amid external pressures such as new competitors and digitalization demands (Moon et al., 2024).

Business Strategy Architecture Design to Increase ESQ Tours' Business Growth

Analytical Hierarchy Process (AHP)

Based on the results of the strategic priority analysis (AHP) carried out, the influence of each group of SWOT factors used in this study was obtained. These factors—strengths, weaknesses, opportunities, and threats—were measured in their influence on the formulation of ESQ Tours' business strategy architecture. The first analysis carried out was to compare qualitatively between groups of SWOT factors. The results of the comparison showed that the group of factors that were considered the most important were Strength with a weight of 0.290, followed by Opportunity with a weight of 0.270. Next is the Threat factor with a weight of 0.230, and the last is a factor with a Weakness weight of 0.210.

Based on the weighting results and ratings presented, there is a very typical strategic focus direction for ESQ Tours. The company's internal strength of Priority 1 (Weight = 0.290) clearly indicates that ESQ Tours is not a generic player in the industry. The cornerstone of the company's strategy can only be centered on the utilization of its core assets which are proven to be Sustained Competitive Advantage (SCA), namely "Unique Meaning Method Based on ESQ 165" and "Strong ESQ Brand Name & Reputation". This means that every step forward must start with the question: "How can we harness this unique power?"

This becomes even more relevant when looking at Opportunities that occupy Priority 2 (Weight = 0.270). The external environment not only offers market growth in general, but specifically creates opportunities that perfectly match ESQ's strengths, namely "the increasing expectations of pilgrims for quality & spiritual experience". This perfect alignment between the company's core strengths and the biggest opportunities in the market validates that the SO Strategy (Maxi-Maxi) is the most ideal and logical main avenue for aggressive growth.

Furthermore, Threats that occupy Priority 3 (Weight = 0.230), especially the threat of "very high competition" and "DIY Umrah trend", are basically the forces that drive the commoditization of services. Therefore, the use of Strength (Priority 1) to counter this threat through the ST Strategy (Maxi-Mini) becomes the most logical defensive move to protect the market share that has been achieved.

Finally, although the Weakness in aggregate is at Priority 4 (Weight = 0.210), our previous analysis found one very crucial weakness, namely "Utilization of the Pilgrim Ecosystem in the Waiting Period for Hajj That Has Not Been Maximized". This weakness is actually an Unused Competitive Advantage. Therefore, although the weakness improvement agenda is generally at the final priority, the WO Strategy that focuses on improving critical weaknesses should be considered a very important parallel priority, as its success will unlock significant new sources of growth. As such, this order of priorities leads ESQ Tours on a clear strategic narrative: leading the market through aggressive growth based on spiritual differentiation (SO), while actively maintaining a position of common uniqueness (ST), and underpinned by an internal transformation that is fundamental to unlocking hidden potential (WO) as well as maintaining long-term operational health (WT). WT's strategy is not just a survival strategy, but an instrument for stabilizing operational systems to anticipate competitive shocks and maintain company agility.

Considering the priority of the subfactors in each SWOT factor, ESQ Tours can develop a more focused and effective strategy. Companies can leverage their main strengths. The full results of the SWOT sub-factor analysis can be seen below.

Table 2. Weight of SWOT sub-factor analysis

Factors (SWOT)	SWOT Sub Factor	Weight
Strength0.290	Unique Meaning Method Based on ESQ 165.	0,070
	ESQ's Strong Brand Name and Reputation.	0,065
	<i>Captive Market</i> from ESQ Alumni.	0,040
	Analysis-Based Strategic Decision-Making.	0,030
	Measurable Activity-Based Budget Management.	0,030
	Basic Operational and Network Capabilities.	0,030
	Continuous Improvement Efforts and Technology Adaptation Plan.	0,025
Weakness0.210	The Utilization of the Pilgrim Ecosystem in the Hajj Waiting Period Has Not Been Maximized.	0,060
	Human Resources Competency Dependent on Individuals (not yet fully systematic).	0,045
	Optimization of Qualitative Aspect Performance Measurement (especially for TL).	0,040
	Limitations of Integrated Information Systems (ERP Needs).	0,040
	Effectiveness of Some Marketing Activities (Exhibitions).	0,025
Opportunities0.270	KSA's Vision 2030: Increase the target of pilgrims and modernize infrastructure.	0,060
	Increased expectations of pilgrims for quality and spiritual experience.	0,055
	Projected significant economic growth in the Hajj & Umrah sector.	0,040
	Adoption of an integrated digital platform (e.g.: Nusuk) by KSA.	0,035
	Increased interest in worship from the younger generation (Millennials & Gen Z).	0,025
	National legal framework (PIHU & UUPK Law) that provides industry standards.	0,020
	The high requirement of PIHK permits is a barrier to entry.	0,015
Health technology developments (HealthTech) & telemedicine.	0,010	

Threats0.230	Growing awareness and initiative of "Green Hajj/Umrah".	0,010
	Very high level of competition between travel.	0,050
	The trend of Self-Reliant Umrah (DIY) reduces dependence on travel agencies.	0,050
	Customers have a lot of choices and are more selective.	0,040
	High dependence on key suppliers (airlines & hotels).	0,035
	The digital model facilitates the entry of new PPIU (Umrah).	0,025
	Currency exchange rate fluctuations (USD/IDR) & inflation.	0,018
	Potential regional geopolitical instability.	0,012

Source: Research Data Processing (2025)

Based on the results of A'WOT's analysis, several alternative strategies were obtained to increase ESQ Tours' business growth. The results of ESQ Tours' alternative business strategy priorities can be seen in Table 3.

Table 3. ESQ Tours' alternative business strategy priorities

Alternative Strategies	Total Weight	Ratings
SO1: A Differentiation Strategy Based on Spiritual Experience. (S1, S2, O1, O3)	0.158	1
SO2: Market Penetration Strategy in the Premium & Loyal Segment. (S2, S3, O2)	0.092	6
SO3: Technology Integration Strategy with KSA's Digital Ecosystem. (S7, O5)	0.038	11
WO1: Strategy for the Development and Monetization of the Pilgrim Waiting Ecosystem. (W1, O1, O2)	0.102	4
WO2: Internal Digital Transformation (ERP) Acceleration Strategy. (W5, O5)	0.047	9
WO3: Budget Reallocation Strategy Based on Activity Effectiveness. (W3, O4)	0.033	12
WO4: Performance Management System Development Strategy. (W2, O3)	0.060	8
ST1: Strategies for Strengthening Unique Value Propositions. (S1, S2, T1, T2)	0.149	2
ST2: Customer Loyalty Enhancement Strategy. (S3, T1, T5)	0.073	7
ST3: Strategic Partnership Strategy with Key Suppliers. (S6, T3)	0.044	10
WT1: Internal Efficiency Improvement Strategy and Process Systematization. (W3, W4, W5, T1)	0.100	5
WT2: Service Quality Standardization Strategy. (W2, T1, T2, T5)	0.104	3

Source: Research Data Processing (2025)

Based on the strategic analysis and weighting carried out on various alternative strategies for ESQ Tours, it can be concluded that the company's strategic policy explicitly focuses on a differentiation approach as its main source of competitive advantage. This approach is not only a response to increasingly competitive market dynamics but also a conceptual foundation that integrates spiritual values into the service proposition. In this context, a theoretical understanding of spiritual experience-based differentiation strategies is crucial, especially in the Hajj and Umrah travel industry, which is experiencing rapid digitalization and significant changes in customer expectations.

The highest-ranked strategy is the Spiritual Experience-Based Differentiation Strategy (SO1), with a weighted aggregate score of 0.158. This strategy emphasizes leveraging internal

elements that have proven to be sources of competitive advantage that are difficult to replicate, such as the unique meaning method based on ESQ 165 and the established strength of the brand's reputation. This aligns with rising consumer expectations for quality and spiritual depth in worship experiences (Alfarrel & Tricahyono, 2024; Hertina & Hidayat, 2019). This form of differentiation is also rooted in Porter's generic strategy theory, which stresses the importance of unique, non-substitutable value propositions to attract specific market segments (Adama et al., 2024). This strategy is particularly relevant as the industry enters a phase of hypercompetition and service commoditization.

In second place is the Strategy for Strengthening the Unique Value Proposition (ST1), with a weight of 0.149. This strategy functions as a strategic defense mechanism against external pressures, such as the growing trend of DIY Umrah and intensifying competition among travel agencies. It concretely reflects the use of internal strengths to build strategic resilience against external threats. By prioritizing spiritual meaning and authentic brand positioning, ESQ Tours positions itself outside the industry's comparative curve. This perspective is consistent with the Resource-Based View (RBV), which states that organizations must build superiority based on resources that are unique, scarce, difficult to imitate, and well organized in order to sustain competitiveness (Adama et al., 2024).

Third is the Service Quality Standardization Strategy (WT2), with a score of 0.104. This strategy arises from a combination of internal weaknesses and pressured market threats. Amid market demands for high-quality and consistent services, the existence of Standard Operating Procedures (SOPs) and measurement systems based on Key Performance Indicators (KPIs) becomes a non-negotiable prerequisite. Quality standardization is not only about maintaining consistency but also about building operational accountability that supports the company's long-term reputation. These findings underscore the urgency of implementing an integrated quality management system, particularly in religious travel services that are highly sensitive to customer perceptions and trust.

The fourth and fifth positions are occupied by the WO1 and WT1 strategies, respectively, with score weights of 0.102 and 0.100 (Rafe, Khosravipour, & Yaghoubi, 2022). The WO1 strategy focuses on optimizing the pilgrim ecosystem during the waiting period, which has not yet been optimally developed. This strategy has the potential to unlock new revenue streams through an integrated community approach and digital platforms, offering monetization paths based on spiritual interaction and engagement. It reflects the company's long-term orientation to build experience-based retention, which is particularly important in trust-based and relationship-driven businesses (Kafoe, 2024). In contrast, the WT1 Strategy emphasizes efficiency and internal systematization through digitalization and process optimization. In the face of dynamic market pressures and the need for operational agility, digital transformation is seen not only as an efficiency tool but also as a core element of organizational resilience strategy (Ayeoribe & Ayeoribe, 2025). The implementation of ERP systems, business process redesign, and operational efficiency will significantly determine the company's resilience to external disruptions.

Meanwhile, strategies with lower weights such as SO3 (Technology Integration with Digital KSA) and WO2 (ERP Acceleration), although not top priorities, still play strategic roles as enablers of the main strategies. Both support integration between operations and process digitalization, which in a service-based industry strengthens management systems and customer interactions. In addition, ST3 (Strategic Partnerships with Key Suppliers) shows that partnerships with key entities such as airlines and hotels remain complementary strategies that provide leverage in cost efficiency and service continuity (Clark, 2022).

Overall, the strategy rankings clearly illustrate that ESQ Tours is moving along a transformation path that focuses on value creation through differentiation of spiritual experiences, strengthening meaning-based value propositions, and solid service quality control. This approach results from a synthesis of market-based strategy and resource-based strategy frameworks, in which the company not only reacts to the market but also leverages internal strengths as catalysts for building long-term sustainability. In an industry landscape that continues to evolve, these strategies not only address current needs but also strategically position the company for sustainable future growth.

ESQ Tours Business Strategy Architecture

The business strategy architecture is designed as a roadmap or business blueprint aimed at effectively enhancing business growth factors and serving as a model to guide ESQ Tours in implementing systematic, integrated, and measurable strategic programs. This approach prioritizes translating the results of strategic analyses (SWOT, AHP, and TOWS) into implementable actions that can strengthen sustainable competitive advantage and drive sustainable growth, in line with the company's long-term vision as a pioneer in worship journeys grounded in spiritual meaning.

CONCLUSION

Based on an in-depth analysis of ESQ Tours' business strategy architecture, it was found that the Umrah and Hajj industry is undergoing a paradigm shift due to technological advances, Saudi Arabia's Vision 2030 regulations, and changing pilgrim expectations, which simultaneously presents a threat of commoditization as well as opportunities for high-quality organizers. External (EFE: 2.860) and internal (IFE: 2.790) evaluations identified that ESQ Tours' main strength lies in the ESQ 165 Method and its strong brand reputation as a source of sustainable competitive advantage, while its main weakness is the suboptimal utilization of the pilgrim ecosystem during the Hajj waiting period, placing the company in a hold and maintain position. Through the TOWS Matrix and the A'WOT approach, three priority strategies were formulated: spiritual experience-based differentiation, strengthening unique value propositions, and standardization of service quality, which together form the foundation of value-based growth. This overall analysis produced a comprehensive 2026–2030 business strategy architecture built on two main pillars—strengthening offensive differentiation and modernizing internal foundations—with the most transformative element being the activation of the waiting congregation ecosystem, which has the potential to shift the company's business model from transactional to relational and sustainable.

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