

ABSTRACT

Winning tomorrow today, that has been the goal of most companies for a long time in regards to competition. In this extreme competitive world of globalization, a distinctive competency and capability in order to generate values and differentiation are the must have tickets to survive. To accomplish that, it is necessary for a company to understand how business operates and evolves what kind of factors that may impact the business, operational, and its organization.

This thesis wants to capture how PT. Saranagriya Lestari Keramik, with strategic partnership improved significantly and gain profitability through product and business model innovation as a new distinctive competitive advantage that takes more time to imitate, and able to serve a whole new unarticulated market.

Research methodology used is a combination of field research and desk research. Interview with executives in the company as primary data, internet search, books, and interview with ASAKI as Indonesia ceramic tile association as secondary data had been taken.

As the result of this study, the writer concludes that PT. SLK has been successfully develop its new business model innovation and it has a positif effect to firm performance during the period of 2006 – 2008.

Key words: strategic partnership, change, product and business model innovation.