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Competitive Strategy For a Niche Oilfield Service Company in Indonesia: a Case Study of Vikingr

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Abstract: Indonesia's upstream oil and gas industry is maturing, making well intervention and plug-and-abandonment central to sustaining production. Between 2025 and 2030 the country may see roughly 16,143 intervention and 2,340 plug-and-abandonment activities, with cumulative spend near US$616 million and US$398 million, while a one-million barrel-per-day production target and local-content thresholds of 55 to 75 percent reshape competition. This study asks how Vikingr, a Scandinavian niche specialist operating in Indonesia, can expand and sustain growth in this market. Using an instrumental single-case study with three semi-structured interviews of senior operator decision-makers and triangulated secondary data, the analysis applies the focus strategy, the resource-based view, supplier-selection theory and the Strategy Diamond, supported by environmental, industry, segmentation and synthesis frameworks. The most defensible position is operational problem-solving with specialized well-barrier and abandonment tools; technical capability alone is insufficient, as trust depends on documented performance, transparent communication, early engagement and assurance documentation. The proposed strategy is a phased Defend, Deepen and Diversify roadmap built on fit-for-purpose tools, an assurance pack and risk-adjusted value pricing. The contribution is contextual and managerial rather than theoretical.

Keywords: Niche Strategy, Well Intervention, Plug and Abandonment, Local Content (TKDN), Strategy Diamond

INTRODUCTION

Indonesia's oil and gas industry is entering a maturity phase. Major producing basins have moved past peak primary production and now require continuous well intervention to sustain output and long-term integrity (*Indonesian Petroleum Association*, 2026). As wells age, decline accelerates, water and gas breakthrough become routine and integrity issues such as sustained casing pressure emerge; intervention activities (production logging, water and gas shutoff, plug setting, scale removal and re-perforation) become necessary, while a growing population of wells must be permanently plugged and abandoned to international standards (Darmawan, 2021). Industry projections drawn from Rystad Energy suggest that between 2025 and 2030 Indonesia may see around 16,143 intervention activities and 2,340 plug-and-abandonment (P&A) activities, with cumulative spend of about US$616 million and US$398 million respectively (*Indonesian Petroleum Association*, 2025).

National energy resilience is a priority: the government targets 1,000,000 barrels of oil per day (BOPD) against actual production near 600,000 BOPD (*SKKMIGAS*, 2026). Closing the gap requires intervention, infill drilling and converting exploration wells, with intervention and integrity favoured because they are faster and more economical than drilling and can add production where surface facilities already exist. In parallel, the regulatory environment is moving toward greater local content: Permen ESDM No. 15/2013 sets minimum local-content (Tingkat Komponen Dalam Negeri, TKDN) thresholds of 55 to 75 percent by service category and contract value. For a foreign-owned, technology-led niche provider, TKDN is simultaneously a barrier—its tools are designed and manufactured abroad—and an opportunity, because firms that localize redress, assembly, training and selected manufacturing can convert compliance from a cost into a differentiating capability.

Vikingr is a Scandinavian well intervention and well integrity specialist offering high-performance barrier technologies across three product lines: Well Intervention (retrievable bridge plugs for isolation in large bores and through restrictions), Completions and Well Integrity (glass plugs rated to 10,000 psi, annular barrier valves and chemical-injection systems) and Plug and Abandonment (the HardStone chemical-thermal seal and the LiquidResin injectable epoxy). It entered Indonesia through VES, the subject of this study. Although its technologies are proven, growth is constrained by a market dominated by large integrated contractors (SLB, Baker Hughes, Halliburton and Weatherford) that have operated locally for over fifty years and offer bundled scopes spanning rig services, pumping, wireline, coiled tubing, completions and intervention as a single package; by procurement that has historically favoured price and proven suppliers over innovation (Habibah & Kusumastuti, 2020); and by TKDN pressure to localize.

The central problem is therefore: what strategy should Vikingr pursue to expand and sustain its growth in Indonesia's well intervention and P&A markets over 2025 to 2034? "Expand and sustain growth" is operationalized through five measurable success criteria: an Indonesia revenue range (Conservative, Base and Stretch) by Years 3 and 5; repeat or recurring-contract share, with an indicative target of at least 50 percent by Year 5; priority-account penetration, indicatively at least six of the top-ten operators under multi-year contract by Year 3; measurable TKDN improvement on principal product lines; and operational readiness, expressed as reduced tool-availability lead time.

Three research questions follow. RQ1: what is Vikingr's internal and external strategic position in Indonesia's oilfield-service industry, and what are its strengths, weaknesses, opportunities and threats? RQ2: what strategy is most likely to improve differentiation, capture growth and increase revenue over the next ten years, evaluated against the five criteria? RQ3: what implementation plan would allow the strategy to be executed by VES? The objectives are to analyze external industry forces and internal capabilities, to synthesize them through TOWS and the Strategy Diamond, and to translate the result into an actionable 5W+1H implementation plan.

The study rests on four bodies of theory. First, Porter's generic-strategy work argues that smaller firms cannot sustainably compete head-to-head with larger rivals and must instead occupy a clearly defined focus, or niche, position (Porter, 1980, 1985, 1990). Second, the resource-based view and the VRIO framework hold that sustained advantage arises from resources that are valuable, rare, costly to imitate and organizationally exploited—for niche service firms, specialized technology, engineering depth and the ability to deliver tailored solutions faster than broad-line contractors (Barney, 1991; Peteraf, 1993; Wernerfelt, 1984). Third, supplier-selection and business-to-business relationship theory shows that procurement is multi-criteria in principle but often price-weighted in practice (Chai et al., 2013; De Boer et al., 2001), that Indonesian upstream tenders rank price highest and technical factors comparatively low (Habibah & Kusumastuti, 2020), that suppliers should invest selectively only where their value is superior (Anderson & Narus, 1991), and that trust anchors long-term collaboration (Morgan & Hunt, 1994). Fourth, the Strategy Diamond provides the synthesis

device through five elements—arenas, vehicles, differentiators, staging and economic logic (Hambrick & Fredrickson, 2001). Supporting perspectives include service innovation (Den Hertog et al., 2010), business ecosystems and co-opetition (Adner, 2017; Iansiti & Levien, 2004), and the structural conditions of Indonesia's production-sharing upstream sector (PricewaterhouseCoopers Indonesia, 2023).

METHOD

The research is an exploratory, instrumental single-case study (Yin, 2018) of Vikingr's strategic positioning in Indonesia's well intervention and P&A markets. A case design suits exploratory and explanatory questions of "what should the firm do" and "how," a complex but bounded empirical setting, and data that are largely qualitative and relational. Its conclusions should be read as analytically generalizable hypotheses for managerial action rather than as statistically validated findings.

Primary data come from three semi-structured interviews with senior decision-makers closely connected to the market. Participants were chosen by purposive sampling (Patton, 2015) to span a few types of customers. Each in-person interview ran up to sixty minutes, was recorded with consent and supplemented by notes, and covered market dynamics and procurement behaviour, perceptions of Vikingr, competitive positioning relative to integrated providers, and regulatory constraints, especially TKDN. Organizational identifiers are pseudonymized.

Secondary data comprise SKK Migas material on production targets and regulatory direction, Rystad-derived figures, Vikingr publications, Society of Petroleum Engineers literature on integrity and abandonment, government regulation (notably Permen ESDM No. 15/2013) and indexed academic literature. Where credible quantitative figures exist they are cited; where they do not, the gap is marked.

Analysis followed six-phase thematic procedure (Braun & Clarke, 2006): familiarization; initial coding (for example, "fit-for-purpose technology," "trust through performance," "documentation discipline," "early engagement" and "TKDN as both barrier and opportunity"); grouping codes into themes aligned with the conceptual framework; reviewing themes against the data; defining and naming themes; and writing up with triangulation. Themes were then mapped onto the analytical frameworks—external themes onto PESTEL and Porter's Five Forces, internal themes onto VRIO, segment themes onto segmentation, targeting and positioning, service themes onto the 7P services marketing mix, and synthesis themes onto TOWS and the Strategy Diamond—so that every analytical claim traces back to evidence.

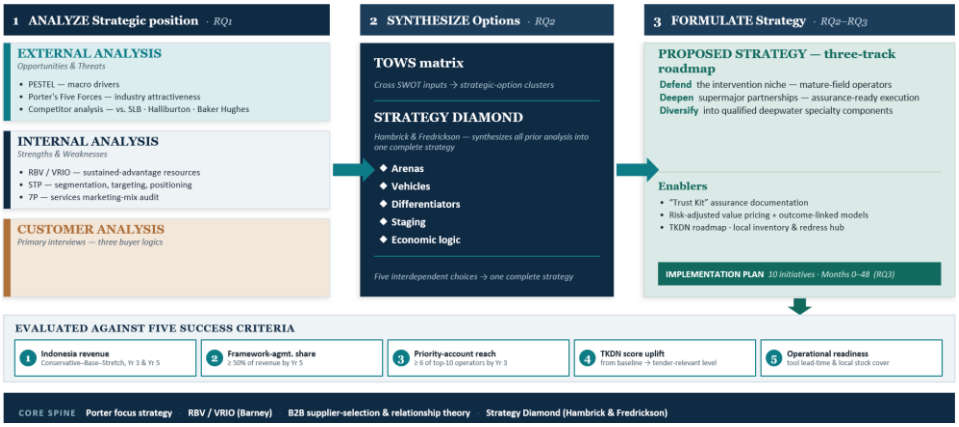

Figure 1. Conceptual Framework
Source: Author

Rigour was supported by triangulation across the three customers and across primary and secondary data (Denzin, 2017; Yin, 2018), informal sense-checking with internal stakeholders,

and cross-framework mapping of the same themes. Because the author has a professional connection to Vikingr, reflexive safeguards were applied: deliberate inclusion of at least one skeptical data point per customer (negative-case discipline), pre-commitment to falsifiable success criteria, conservative language and open disclosure of positionality. These bound rather than eliminate bias. The research followed standard ethical norms of informed consent, voluntary withdrawal, anonymization and secure data storage.

RESULTS AND DISCUSSION

External Analysis: PESTEL and Porter's Five Forces

A PESTEL scan reveals strong structural demand drivers combined with significant compliance barriers. Politically, the government supports upstream activity and the 1,000,000 BOPD goal but increasingly expects value beyond barrels through local employment and industry, codified in TKDN. Economically, oil-price volatility and the cost of capital shape budgets; the Rystad-derived figures imply average annual intervention spend on the order of US$103 million and P&A spend of about US$66 million, spread across many activities and suppliers, which favours capturing a focused share over chasing volume. Socially, operators face pressure to demonstrate safe operations and local jobs; as Customer 2 observed, safety and reliability are non-negotiable. Technologically, the field is shifting from mechanical toward chemical and thermal sealing for permanent abandonment (Alsubaih & Sepehrnoori, 2026) and toward high-pressure, high-temperature capability both areas where Vikingr is positioned. Environmentally, energy-transition pressure and concern over methane and groundwater elevate safe abandonment, favouring the HardStone and LiquidResin technologies. Legally, the TKDN regime, together with SKK Migas, NORSOK and API references, creates a layered environment that rewards firms with compliance infrastructure. Overall the macro-environment favours niche suppliers willing to invest in compliance.

Porter's Five Forces sharpen the picture. Rivalry is high and dominated by integrated contractors with deep relationships and bundled one-stop offerings, though within Vikingr's specific niche of well-barrier, retrievable-plug and specialized abandonment technology direct rivals are fewer. Buyer power is high: operators are sophisticated, procurement-driven and concentrated, and tenders are formal and biased toward proven, lower-cost solutions (Habibah & Kusumastuti, 2020). Input supplier power is moderated because Vikingr manufactures its own tools, although specialty-material cost and local-content pressure remain exposures. The threat of substitutes is high in routine applications (mechanical plugs and conventional cement) but low in technically demanding ones, where Vikingr competes. Entry barriers are significant in-country delivery readiness, TKDN, technical acceptance and the chicken-and-egg of track record partly overcome by Vikingr's existing global record. The market is thus attractive but intensely competitive: profitability must be earned through positioning, specialization and execution rather than assumed.

Competitor Analysis

Benchmarking Vikingr against the integrated incumbents is qualitative and indicative. As summarized in Table 1, incumbents lead decisively on years in country, footprint, service breadth, master service agreements, TKDN maturity and bundled-scope pricing flexibility, while Vikingr leads on specialized well-barrier and abandonment technology depth and on engineering depth for specialized barriers. As Customer 1 noted, for very specific well-barrier or isolation challenges a niche company can actually be stronger, but for bundled work the larger company may be more practical. The niche position is therefore conditionally superior within a defined subset of applications consistent with Porter (1985) focus thesis and with Anderson & Narus (1991) selective-relationship logic rather than superior overall. The incumbents' ability to bundle scope, cross-subsidize niche components and leverage TKDN is a real strategic lever that the recommended strategy must address through the engineering–procurement bridge.

Table 1. Indicative Competitive Benchmarking: Integrated Incumbents Versus Niche Specialist

Dimension	Integrated incumbents (SLB, Baker Hughes, Halliburton, Weatherford)	Niche specialist (Vikingr)
Years operating in Indonesia	More than 50	Fewer than 5
Local headcount and footprint	Very high	Low, building
Service breadth	Full integrated	Narrow, specialized
Specialized barrier and P&A technology depth	Moderate to high	High
Master service agreements	Extensive	Limited
TKDN scoring maturity	High (legacy)	Building
Pricing flexibility on bundled scope	High	Limited
Engineering depth on specialized barriers	Moderate	High
Customer perception (qualitative)	Path of least resistance for bundled scope	Specialized, focused, technically deep

Source: Author analysis based on cross-customer perception and (Vikingr, 2026)

Customer Analysis

Each customer is read as evidence, interpretation and implication, with skeptical material retained to bound bias. Customer 1 articulates an operational buyer logic: the engagement starts from the well objective, not the supplier; niche suppliers win when the requirement is specific and technical; trust is built from performance, not presentation; and documentation matters because, internally, managers need those documents to defend the decision. Concerns cluster on availability and local support, and a limiting case is explicit—when both tools can do the job and the large firm is cheaper or easier contractually, the niche is hard to justify. This is the largest near-term, somewhat transactional segment, where value is created by tool fit, fast response and documented case histories and destroyed by long lead times and weak local support.

Customer 2 frames partnership in governance terms: a partner must be transparent, reliable and consistent; internal sponsorship requires assurance material; and for high-value applications the cost of failure can far exceed the supplier price, so decisions turn on risk-adjusted value. The limiting case sets a high bar—some niche technical packages are not mature enough for global review, and a supplier must avoid competing as a smaller version of a large service company. This smaller but high-credibility, repeat-revenue segment values assurance-ready documentation, repeatability and partnership behaviour.

Customer 3 frames evaluation in long-cycle terms: a good field-intervention tool does not automatically become a deepwater completion solution, qualification reports and failure cases are required, and early engagement is essential because once the completion basis of design is frozen it may be too late to introduce a niche technology. This segment offers the smallest near-term volume but the highest long-term opportunity; value is created by formal qualification, early engagement and co-opetition as a channel, and destroyed by late approach or by assuming intervention success transfers to completions.

Across the three, seven cross-cutting themes recur: technical specialization is the strongest defensible advantage; trust is built through field performance, not brochures; price matters and failure cost is invisible in tenders unless the supplier makes it visible; documentation is a strategic capability that lets internal champions defend a decision; early engagement beats late tender response; posture must differ by customer type; and the principal risks lie in delivery readiness, local stock, late engagement and qualification gaps, while incumbents' bundling, contracts, TKDN and risk-absorption remain real constraints. Table 2 maps the differentiated value drivers.

Table 2. Value drivers by customer segment

Value driver	C1	C2	C3
Fit-for-purpose technology	Critical	Critical	Critical
Speed of response	Critical	Important	Project gates matter
Documentation depth	Important	Critical	Critical
Local stock and support	Critical	Important	Important
HSE and assurance	Important	Critical	Critical
Qualification evidence	Important	Critical	Critical
Early engagement	Helpful	Important	Critical
TKDN compliance	Important	Important	Important
Risk-adjusted commercial offer	Important	Critical	Important
Partnership behaviour	Helpful	Critical	Critical

Source: Author analysis of interview evidence

Internal Analysis: VRIO, STP and 7P

The VRIO assessment in Table 3 indicates that Vikingr holds potentially sustained competitive advantage in its specialized tool portfolio—the high-expansion, high-pressure retrievable bridge plug, the HardStone thermite plug and the LiquidResin injectable sealant—and in the engineering that supports them. It sits at parity or disadvantage on local-presence scale, TKDN maturity and existing contracts. Because the disadvantage gaps are closable through investment while the advantages are slow and costly for competitors to imitate, the strategy should double down on the latter while systematically closing the former. This is the logic of a defensible niche.

Table 3. VRIO analysis of Vikingr's principal resources

Resource / capability	V	R	I	O	Implication
Retrievable bridge plug (high-expansion, HPHT)	Yes	Yes	Yes	Yes	Potential sustained advantage
HardStone chemical-thermal P&A seal	Yes	Yes	Yes	Yes	Potential sustained advantage
LiquidResin injectable epoxy sealant	Yes	Yes	Moderate	Yes	Temporary to potential sustained
Annular barrier valves, glass plugs	Yes	Moderate	Moderate	Yes	Temporary advantage
Engineering and field-application depth	Yes	Yes	Yes	Partly	Temporary, becoming sustained as VES builds depth
Global track record / case histories	Yes	Yes	Yes	Partly	Temporary advantage
Indonesian local presence (VES)	Yes	No	No	Yes (small)	Parity, disadvantage at scale
TKDN compliance maturity	Yes	No	No	No	Current disadvantage
Master service agreements / contracts	Yes	No	No	No	Disadvantage (incumbents lead)
Brand recognition with operators	Yes	No	No	Partly	Temporary disadvantage

Source: Author analysis. V = valuable, R = rare, I = costly to imitate, O = organized to exploit

Segmenting the market by operator type and application complexity yields three priority segments: mature-field intervention with specialized problems, the largest and immediately actionable, where the Well Intervention and selected Completions products fit best; supermajor mature-field campaigns, smaller but high in credibility, where the combined portfolio plus disciplined documentation fits; and deepwater brownfield support, smaller now but with a multi-year horizon, where the niche must be repackaged in project-qualified language. Permanent abandonment of legacy wells is treated as a horizontal capability touching all three, led by HardStone and LiquidResin. The resulting positioning statement is that Vikingr is the specialized technical partner of choice for high-integrity well-barrier, intervention and abandonment challenges in Indonesia where standard solutions are insufficient, technically

suboptimal, or unable to deliver risk-adjusted value intentionally narrow and defensible, consistent with Porter (1985) focus strategy and Anderson & Narus (1991) selective relationships.

A 7P services-marketing audit shows Vikingr strong on Product (a proprietary portfolio with engineering depth) and People (an experienced global force and a growing local team) the dimensions hardest to build with the principal opportunities in Price (risk-adjusted value and outcome-linked models with explicit total-cost-of-ownership analytics), Place (an Indonesian inventory hub and local redress capability), Promotion (Indonesia-specific case histories and Society of Petroleum Engineers papers) and Physical Evidence (a standardized assurance pack, the "Trust Kit," of case histories, qualification evidence, HSE records, operating envelopes and compliance documents). These four are precisely where the customers identified gaps and where competitive position can improve most rapidly.

Synthesis: TOWS and the Strategy Diamond

TOWS converts the SWOT inputs into option clusters: strength-opportunity options exploit engineering depth and specialized tools against rising intervention and abandonment demand; strength-threat options use specialization and company values to resist incumbent bundling and price pressure; weakness-opportunity options address limited local presence and case histories through localization and Indonesia-specific evidence; and weakness-threat options manage delivery readiness, qualification gaps and TKDN. Evaluated against arena fit, vehicle fit, differentiation strength, staging viability and economic logic (Table 4), the analysis supports a three-track Defend, Deepen and Diversify strategy and rejects both bundled integrated-service competition, where the firm has no advantage against incumbents, and pure low-cost competition, which would erode the brand.

Table 4. Evaluation of strategic options

Strategic option	Arena	Vehicle	Diff.	Staging	Econ.	Verdict
Defend intervention niche (mature-field)	High	High	High	Now	Strong	Adopt: Track 1
Deepen supermajor partnership	High	Med.	V. high	12–24 mo	Strong	Adopt: Track 2
Diversify into deepwater niche components	Med.	Med.	High	24–48 mo	Strong	Adopt: Track 3
Enter bundled integrated competition	Low	Low	Low	Low	Weak	Reject
Pure low-cost competition	Low	Low	Low	Low	Weak	Reject

Source: Author analysis. Diff. = differentiation strength; Econ. = economic logic

Expressed through the Strategy Diamond, the recommendation has five coherent elements. The arenas are mature-field intervention and integrity (largest volume, immediate fit), supermajor campaigns (strategic multi-well programs delivered with assurance-ready documentation) and selected deepwater brownfield support (project-qualified niche components plus brownfield intervention); Vikingr will not pursue bundled integrated contracts or compete on price. The vehicles are the wholly-owned VES subsidiary (direct relationships, local accountability and a TKDN-investment platform), selective local partnerships for redress and selected manufacturing, co-opetition with integrated contractors where bundled scope is the only route to a customer, and academic and industry collaboration through technical papers, workshops and universities. The differentiators are advanced fit-for-purpose tools, assurance-ready documentation packaged as the Trust Kit, customer-specific value engineering that translates features into business outcomes, and early engagement before tender specifications lock, following Cova & Salle (2005) project-marketing logic. The staging runs Defend (Months 0–12: protect and grow the intervention business, build Indonesia-specific case histories, establish the Trust Kit and local inventory), Deepen (Months 6–24:

convert one-off jobs into multi-year campaigns and complete the first TKDN-localization phase) and Diversify (Months 18–48: build qualified deepwater packages, beginning with the most differentiated technologies); the tracks overlap deliberately so that Defend funds Deepen and Deepen builds the credibility Diversify requires. The economic logic rests on risk-adjusted value pricing for high-consequence applications echoing Customer 1's point that the cheapest option can become expensive if it fails and the total-cost-of-ownership view (De Boer et al., 2001) outcome-linked commercial models that tie part of fees to measurable results, and scale through campaign conversion that lowers per-job sales cost and improves utilization.

The most important vulnerability of a niche strategy in Indonesia is the engineering procurement gap: the engineering side may see the value of a niche solution while procurement awards the contract on price. Six mechanisms address it: total-cost-of-ownership packs submitted alongside the price page; pre-qualification and technology-acceptance routes that admit specialized tools without head-to-head price competition; framework and call-off master service agreements that pre-endorse specialized suppliers for multiple years; internal-champion enablement through the Trust Kit, which Customer 1 described as the documentation needed to defend the decision internally; outcome-linked models for high-stakes campaigns; and joint total-cost-of-ownership workshops with procurement. None eliminates the incumbents' advantage, but together they reduce the penalty paid by a technology-led specialist in a price-weighted tender environment.

Business Solution and Implementation Plan

The strategy is operationalized through ten initiatives on a 5W+1H basis over Months 0 to 48, each assigned to specific VES roles with links to global product lines (Table 5): an Indonesia-specific case-history portfolio; the Trust Kit; a top-ten account-based engagement program; a Jakarta inventory hub and local redress capability; the TKDN roadmap; a risk-adjusted value-pricing model; project-qualified deepwater packages; a co-opetition partnership architecture; a KPI and governance framework spanning customer, financial, internal and learning perspectives; and a talent strategy. Prioritized against strategic impact and short-term feasibility, the three first-six-month priorities are the Trust Kit (high impact, high feasibility, unlocking credibility quickly), the top-ten account engagement program (early engagement being the dominant cross-customer theme) and the TKDN audit and pilot (a frequent tender stopper that is feasible without major capital), with talent build-up as a continuous enabler. Capital-intensive items such as the inventory hub and deepwater qualification are staged and made contingent on early traction, keeping the plan budget-conscious; if the Defend track does not produce expected revenue within twelve to eighteen months, the Deepen and Diversify tracks should be slowed rather than accelerated to preserve cash and credibility.

Table 5. Condensed implementation plan

Initiative	When (months)	Lead	Rationale / how
1. Indonesia case-history portfolio	0–12	VES technical + global product lines	Trust is built through documented performance; standardized template and SPE pipeline
2. "Trust Kit" assurance pack	0–6	VES engineering + QHSE	Enables internal sponsorship; English master plus Indonesian summary
3. Top-10 account-based engagement	0–18	Country Manager + account leads	Early engagement converts tactical work to strategic; pre-tender workshops
4. Local inventory hub and redress	6–18	Operations + supply chain	Addresses stock and support concerns; staged, capex-gated
5. TKDN roadmap (audit + pilots)	0–24	Country Manager + TKDN lead	TKDN is barrier and opportunity; audit, partner shortlist, certification
6. Risk-adjusted value pricing	6–24	Commercial + finance	Counters line-item price bias; TCO analytics, outcome metrics

7. Project-qualified deepwater package	12–36	Global product lines + VES	Deepwater needs qualification evidence; long-lead engagement
8. Co-opetition partnership architecture	6–24	Country Manager + global sales	Bundled scope sometimes the only route; protect brand and IP
9. KPI and governance framework	0–6	Country Manager	Steer the strategy; quarterly review with MD Asia
10. Talent strategy	0–24	HR + Country Manager	People are central to credibility; recruit, train, rotate with HQ

Source: Author. Condensed from the thesis 5W+1H implementation table

Indicative Opportunity Sizing

An indicative, scenario-based sizing explicitly a framework for tracking rather than a forecast proceeds in steps. Drawing on the Rystad-derived figures, annual addressable spend is approximately US$103 million for intervention and US$66 million for P&A, about US$169 million in total across all suppliers. The niche-addressable share (specialized barrier, high-expansion plug, glass-plug, HardStone- and LiquidResin-type applications) is assumed at 10 to 20 percent, that is roughly US$17 million to US$34 million per year. Three capture scenarios follow: Conservative, 5 to 10 percent of niche-addressable spend by Year 3, or about US$0.85 million to US$3.4 million per year; Base, 10 to 15 percent by Year 3 (about US$1.7 million to US$5.1 million) rising to 15 to 25 percent by Year 5 (about US$2.6 million to US$8.5 million); and Stretch, 20 to 30 percent by Year 5 (about US$3.4 million to US$10.2 million), contingent on full Trust Kit deployment, framework agreements with at least six of the top-ten operators, and at least one supermajor multi-well campaign. The model is sensitive to niche-addressable share, win rate, gross margin and tool availability; a 25 percent under-performance on any one reduces revenue by roughly 25 percent, and two compounding under-performances can roughly halve the outcome (Table 6). Even under the Conservative scenario the strategy is potentially attractive relative to VES's operating cost, provided the cost base tracks revenue traction; under the Base and Stretch scenarios it can justify the localization, redress and qualification investments. The sizing requires validation against Vikingr's internal financial baseline and does not model competitor counter-moves or price shocks.

Table 6. Opportunity-sizing assumptions

Assumption	Value	Basis	Confidence
Total annual market spend	US$169m / year	Rystad-derived	Medium-high
Niche-addressable share	10–20%	Author estimate (scope split)	Low-medium
Year-3 capture	5–15%	Scenario assumption	Low
Year-5 capture	15–30%	Scenario assumption	Low

Source: Author analysis based on Rystad-derived figures cited in the Introduction

CONCLUSION

The three research questions can now be answered. On Vikingr's strategic position (RQ1), the external environment combines strong demand about 16,143 intervention and 2,340 P&A activities and roughly US$616 million and US$398 million of spend over 2025 to 2030, reinforced by the 1,000,000 BOPD target against actual production near 600,000 BOPD with real constraints: integrated incumbents, price-sensitive procurement and a tightening TKDN regime. Internally, Vikingr holds potentially sustained advantage in specialized technology and engineering depth but parity or disadvantage in local presence, TKDN and contract coverage; its strongest position is operational problem-solving, and trust is built through documented field performance, transparent communication of limitations, early engagement and flawless execution.

On the recommended strategy (RQ2), a three-track Defend, Deepen and Diversify strategy expressed through the Strategy Diamond focuses on defensible arenas, builds position through the VES subsidiary supported by local partnerships and selective co-opetition, wins on

fit-for-purpose tools backed by the Trust Kit and customer-specific value engineering, stages moves so early credibility funds later expansion, and monetizes differentiation through risk-adjusted value pricing and outcome-linked models consciously refusing to imitate the integrated contractors. On execution (RQ3), the strategy is operationalized through ten time-bounded initiatives over Months 0 to 48, assigned to VES roles and governed by a four-perspective KPI framework and a quarterly risk register, prioritized so that a small subsidiary can show traction without over-committing capital.

The strategy is proposed, not proven: it has been tested for internal coherence and against the qualitative material gathered for this study, but not yet through implementation. The most material risks are the incumbents' ability to bundle scope and absorb commercial risk, the engineering–procurement gap inside customer organizations, and the speed and form of TKDN change. The most plausible single failure mode is behaving like an integrated contractor bidding on bundled scope, competing on price and diluting specialization while the most plausible success mode is translating the global niche advantage into Indonesia-specific evidence and Indonesia-specific commercial terms, supported by disciplined prioritization rather than attempting all initiatives at once.

Managerially, the VES Country Manager should protect the niche, build the Trust Kit, stand up local inventory, run top-ten account engagement and start the TKDN audit; MD Asia should formalize the three tracks and allocate budget across Defend (largest), Deepen and Diversify; the product-line leadership should support deepwater qualification; and the chief executive should treat Indonesia as a decade-long strategic market measured on strategic as well as revenue indicators. For operators, the implication is to engage niche, technology-led suppliers earlier for high-stakes intervention and abandonment work and to expect rigorous documentation and qualification evidence. For regulators, the TKDN regime is most effective when it incentivizes capability-building rather than localization for its own sake.

The study has limitations. The three-interview sample, while spanning the major operator archetypes, is analytically rather than statistically generalizable; certain quantitative items were unavailable and are marked as such; the regulatory and competitive environment continues to evolve; and no dedicated procurement interview was conducted, so procurement behaviour is inferred from senior technical decision-makers, secondary literature and the author's professional context. Future research could survey a larger operator sample to quantify the relative weight of supplier-selection criteria, study Vikingr's actual implementation against the recommended plan, compare niche-firm strategies across other oilfield-service categories, and examine how the TKDN methodology for highly engineered tools could be designed to encourage capability-building. Implemented with focus, patience and disciplined prioritization, the strategy is likely to improve Vikingr's probability of converting its global niche advantage into sustainable Indonesian revenue while contributing to national energy resilience and local capability development.

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