

## **ABSTRACT**

Digital transformation has become a cornerstone of strategic development across industries, driving fundamental changes in how organizations operate, create value, and engage with consumers. Its global significance is reflected in recent data highlighting its economic impact and investment growth. According to the International Data Corporation (IDC), global spending on digital transformation technologies is expected to reach \$3.4 trillion by 2026, with a compound annual growth rate (CAGR) of 16.3% from 2021 to 2026. This financial commitment underscores the role of digital transformation in enhancing competitiveness, meeting evolving consumer demands, and maintaining relevance in an increasingly digital world.

Rapid advancements in technologies like artificial intelligence (AI), Internet of Things (IoT), big data analytics, and cloud computing are prompting organizations to re-evaluate traditional business models, transition to digital platforms, and refine service delivery to maintain efficiency and consumer focus. As these technologies reshape industries, companies are compelled to innovate and adopt agile frameworks that respond to real-time data and shifting market needs. Digital transformation has thus evolved from a technological upgrade to a strategic imperative for companies seeking competitive advantage and long-term resilience in a globally interconnected economy (Fitzgerald et al., 2014; Vial, 2019).

This study formulates a digital transformation strategy for PT XYZ, a family-focused book publishing and direct sales company, using the SWOT method and Strategy Interaction Model Grey-AHP approach. Addressing challenges like declining physical book sales and shifting consumer behavior toward digital formats, the research examines external opportunities such as digital trends and internal dynamics, including team collaboration and skill gaps. By integrating SWOT with Grey-AHP, strategic priorities are ranked to tackle external threats and internal weaknesses. Key findings indicate PT XYZ must align human resources and product offerings with digital demands while leveraging existing capabilities. The proposed strategies aim to boost adaptability and competitiveness in the dynamic publishing landscape, contributing to digital transformation strategy formulation through hybrid analytical models.