## ABSTRACK

PT. Agung Toyota is a company in the automotive industry managing Toyota vehicle sales across various regions in Indonesia. The company actively employs technology to enhance efficiency and effectiveness, including the use of the Automotive Management System (AMS), designed to manage all aspects of sales, purchasing, and vehicle distribution administration. However, there remain concerns regarding workflow processes and questions about how technology and related innovations can drive digital transformation in the automotive industry.

This study aims to identify the primary and most dominant challenges in the digital transformation process at PT Agung Toyota, with a focus on the utilization of the Automotive Management System (AMS) application. A quantitative approach was employed by distributing questionnaires to 342 respondents across various divisions with access to the AMS. The data were analyzed using exploratory factor analysis to reveal the factors that hinder the digitalization process.

The findings indicate that the company faces three major and dominant challenges in implementing digital transformation. First, resistance to change leads employees to continue using manual systems. The shift to a digital system is perceived as challenging due to the required adjustments to established work patterns. Second, the novelty of the AMS technology has yet to offer innovative features that significantly enhance work efficiency. Third, performance management in terms of unclear instructions from supervisors regarding the use of AMS. These findings highlight the importance of organizational culture change, technological innovation, and comprehensive training planning in ensuring the success of digital transformation. This study contributes to the strategic management of PT Agung Toyota and other automotive companies undergoing digital transformation.

Keywords: Automotive industry, strategy management, digital transformation, digital transformation challenges.