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TRANSACTION ARCHITECTURE, RESOURCE COMPLEMENTARITY, AND STRATEGIC PERFORMANCE IN CROSS-COUNTRY FMCG CONSOLIDATION: A CASE OF FRIESLAND CAMPINA ULTRAJAYA

ARSITEKTUR TRANSAKSI, KOMPLEMENTARITAS SUMBER DAYA, DAN KINERJA STRATEGIS DALAM KONSOLIDASI FMCG LINTAS NEGARA: STUDI KASUS FRIESLANDCAMPINA ULTRAJAYA

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ABSTRACT
Cross-border consolidation in emerging FMCG markets presents strategic issues not fully explained by conventional acquisition perspectives. This article develops and simulates a model explaining how transaction architecture and resource complementarity influence strategic performance through integration capabilities, with governance adaptability as a reinforcing factor. The analytical context retains the case of FrieslandCampina Ultrajaya, which in the source text is positioned as a transaction based on a non-cash asset injection through a share issuance. Unlike the source article, which uses a qualitative case study, this study employs a quantitative design based on synthetic data of 150 observations and Partial Least Squares Structural Equation Modeling (PLS-SEM). The results indicate that transaction architecture and resource complementarity are positively related to integration capabilities; integration capabilities, in turn, are positively related to strategic performance. The indirect effect of both predictors through integration capabilities is also positive, while the interaction of integration capabilities and governance adaptability strengthens strategic performance. The main conceptual contribution is shifting the discussion from the transaction ownership form alone to the value creation mechanism through resource configuration and integration capacity.
Keywords: mergers and acquisitions; FMCG consolidation; transaction architecture; resource complementarity; integration capabilities; governance.

ABSTRAK
Konsolidasi lintas negara di pasar FMCG negara berkembang menghadirkan isu-isu strategis yang belum sepenuhnya dapat dijelaskan melalui perspektif akuisisi konvensional. Artikel ini mengembangkan dan mensimulasikan suatu model yang menjelaskan bagaimana arsitektur transaksi dan komplementaritas sumber daya mempengaruhi kinerja strategis melalui kapabilitas integrasi, dengan adaptabilitas tata kelola sebagai faktor penguat. Konteks analitis tetap mempertahankan kasus FrieslandCampina Ultrajaya, yang dalam teks sumber diposisikan sebagai transaksi berbasis penyetoran aset non-tunai melalui penerbitan saham. Berbeda dengan artikel sumber yang menggunakan studi kasus kualitatif, penelitian ini menggunakan desain kuantitatif berbasis data sintetis sebanyak 150 observasi dan Partial Least Squares Structural Equation Modeling (PLS-SEM). Hasil penelitian menunjukkan bahwa arsitektur transaksi dan komplementaritas sumber daya berhubungan positif dengan kapabilitas integrasi; selanjutnya, kapabilitas integrasi berhubungan positif dengan kinerja strategis. Pengaruh tidak langsung dari kedua prediktor melalui kapabilitas integrasi juga menunjukkan hubungan positif, sementara interaksi antara kapabilitas integrasi dan adaptabilitas tata kelola memperkuat kinerja strategis. Kontribusi konseptual utama penelitian ini adalah menggeser pembahasan dari sekadar bentuk kepemilikan transaksi menuju mekanisme penciptaan nilai melalui konfigurasi sumber daya dan kapabilitas integrasi.
Kata Kunci: merger dan akuisisi; konsolidasi FMCG; arsitektur transaksi; komplementaritas sumber daya; kapabilitas integrasi; tata kelola.

1. INTRODUCTION

The mergers and acquisitions (M&A) literature suggests that value creation is not determined by the transaction announcement or financing structure alone, but by a series of

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pre-transaction decisions, the quality of integration, and the organization's ability to reconfigure resources. Welch et al. (2020) demonstrate that the pre-transaction phase encompasses initiation, target selection, negotiation, valuation and financing, announcement, and closing, and call for a more granular examination of the decisions and dynamics of the process. This perspective is relevant for transactions in emerging markets, as transaction structure can be part of a value-creation strategy, not simply a financing mechanism.

The source text on which this article is based discusses the FrieslandCampina–Ultrajaya consolidation and introduces the concept of Inbreng-Driven Reverse Backdoor Consolidation (IDRBC). The text places non-cash asset injections, rights issues, changes in controlling shareholders, and product portfolio combinations as key elements of the case.

Theoretically, the Resource-Based View (RBV) states that valuable, rare, difficult-to-imitate, and organized resources can be the basis for competitive advantage (Barney, 1991). In business combinations, resource complementarities can generate synergies not available to firms separately (Harrison et al., 2001). However, complementary resources do not automatically generate value. Integration must be able to transform resource bundles into exploitable routines, processes, and capabilities. Recent literature suggests that the level of integration needs to be aligned with the synergy logic being pursued; the relationship between integration and performance may differ when the primary objective is cost synergies versus revenue synergies (Chaturvedi & Weigelt, 2024).

Thus, the research questions are formulated as follows: (1) do transaction architecture and resource complementarity enhance integration capabilities? (2) do integration capabilities enhance strategic performance? (3) do integration capabilities mediate the influence of transaction architecture and resource complementarity on strategic performance? and (4) does governance adaptability strengthen the relationship between integration capabilities and strategic performance?

The objective of this research is to develop a mechanistic model linking transaction design, resource base, integration, governance, and strategic performance in the context of cross-border FMCG consolidation. The article focuses on strategic management contributions, not on factual assessments of actual corporate decisions.

2. LITERATURE REVIEW

2.1 Transaction architecture

Transaction architecture is defined as the perceived suitability of the ownership structure, asset exchange mechanism, financing, and transaction decision sequence to the strategic objectives of the business combination. The M&A literature places transaction design and pre-transaction decisions as critical determinants because they shape the choice space for post-transaction integration (Welch et al., 2020). In the context of in-being-based consolidation, a non-cash structure can conceptually reduce initial liquidity requirements, but its strategic value is only realized if it allows access to resources and control that can be integrated.

H1: Transaction architecture has a positive effect on integration capabilities.

2.2 Complementarity of resources

Resource complementarity refers to the degree to which two organizations' assets, capabilities, distribution networks, market knowledge, brands, and operational processes complement each other. Harrison et al. (2001) assert that the combination of complementary resources creates opportunities for synergy, learning, and capability development. In FMCG, complementarities can arise between product categories, distribution coverage, production facilities, access to raw materials, and marketing capabilities. However, these benefits depend on the organization's ability to coordinate resources across boundaries.

H2: Resource complementarity has a positive effect on integration capabilities.

2.3 Integration capabilities and strategic performance

Integration capability is an organization's ability to combine processes, information, resources, and coordination mechanisms without destroying sources of advantage that need to be maintained separately. Studies on M&A indicate that acquisition performance is multidimensional and that integration is a critical pathway to synergy realization and long-term performance (Zollo & Meier, 2008). Recent research also suggests that the level of integration needs to be tailored to the source of synergy (Chaturvedi & Weigelt, 2024).

H3: Integration capability has a positive effect on strategic performance.

2.4 Integration capability mediation

Transaction architecture does not automatically create performance. Similarly, resource complementarities only become economically valuable when an organization has the ability to coordinate and reconfigure those resources. Therefore, integration capabilities are positioned as a mediating mechanism.

H4: Integration capability positively mediates the effect of transaction architecture on strategic performance.

H5: Integration capability positively mediates the effect of resource complementarity on strategic performance.

2.5 Adaptability of governance as a moderator

Changes in ownership structure in M&A can lead to changes in governance quality, shareholder protection, board independence, and oversight mechanisms. An open-access study on governance transfers in M&A shows that post-acquisition governance quality can improve when the acquirer's governance is stronger than the target's (Corporate Governance Transfers, 2024). In this article, governance adaptability is understood as the ability of the decision-making system to adjust authority, oversight, and accountability following a change in ownership structure.

H6: Governance adaptability strengthens the influence of integration capabilities on strategic performance.

2.6 Conceptual model

The research model positions transaction architecture (AT) and resource complementarity (KS) as exogenous predictors; integration capability (KI) as a mediator; governance adaptability (ATG) as a moderator; and strategic performance (KSg) as an endogenous variable. This model develops the IDRBC logic from the source text by positioning integration as a quantitatively testable mechanism.

3. METHOD

3.1 Research design and data status

This study was structured as a quantitative simulation for manuscript development. The dataset consists of 150 synthetic observations generated in a controlled manner based on a Likert distribution of 1–7 and correlations between constructs consistent with the theoretical model. No real respondents, real interviews, or internal company data were used. Therefore, statistical results should not be interpreted as actual empirical findings, and the manuscript requires replacing the synthetic dataset with field data before use as an empirical article.

PLS-SEM was chosen because the model involves latent constructs, predictive relationships, mediation, and moderation with a moderate sample size. The use of PLS-SEM in this manuscript is demonstrative: results are calculated from a synthetic dataset using indicator composites and bootstrapping.

3.2 Simulation and measurement population

The unit of analysis for the simulation was the perception of professionals assumed to understand M&A strategy, integration, FMCG, supply chain, or corporate governance. Five constructs were measured with four reflective indicators using a Likert scale of 1–7. Items were designed from conceptual definitions, not copied from proprietary instruments.

Table 1. Conceptual Definition

Indicator	Construct	Operational definition
AT1–AT4	Transaction architecture	Suitability of transaction structure; efficiency of liquidity requirements; clarity of control; alignment of transaction design with strategy.
KS1–KS4	Complementarity of resources	Portfolio complement; distribution; manufacturing/procurement; market knowledge and capabilities.
ATG1–ATG4	Adaptability of governance	Clarity of authority; quality of oversight; stakeholder protection; ability to adapt governance.
KI1–KI4	Integration capabilities	Process coordination; information integration; resource reallocation; cross-organizational learning.
KSg1–KSg4	Strategic performance	Efficiency; market power; growth; ability to maintain competitive advantage.

3.3 Analysis techniques

The analysis included descriptive statistics, internal reliability, convergent validity, structural relationship estimation, bootstrap mediation tests, and moderation tests. Reliability was evaluated using Cronbach's alpha and composite reliability (CR), while convergent validity was assessed using average variance extracted (AVE). Structural coefficients were standardized. Confidence intervals for indirect effects were obtained through 2,000 synthetic bootstrap resamplings.

To reduce the risk of common-method bias during the design phase, construct indicators were conceptually distinct, and dependent constructs were separated from predictor constructs. Because the data were entirely synthetic, these procedures only demonstrate the analysis design and do not provide evidence against bias in the real population.

4. RESULTS

Table 2. Descriptive statistics of constructs

Variables	Mean	SD	Min	Max
FACING	3.922	1.036	1.000	6.250
RC	3.967	0.840	2.250	6.250
TO	4.015	0.912	1.750	6.750
IC	3.902	0.900	1.500	6.500
SP	3.900	1.045	1.250	6.750

Source: Processed Data, 2026

The construct averages are in the moderate-high range, consistent with the simulation scenario that assumes respondents have a positive perception of the potential for strategic consolidation. Interobservational variation is sufficient to generate estimates of structural relationships.

Table 3. Reliability and convergent validity

Variables	Alpha	CR	AVE	Loading min	Loading max
FACING	0.887	0.922	0.748	0.850	0.878
RC	0.846	0.897	0.685	0.812	0.856
TO	0.863	0.908	0.711	0.798	0.863
IC	0.877	0.916	0.731	0.825	0.889
SP	0.904	0.933	0.778	0.862	0.896

Source: Processed Data, 2026

All alpha and CR values are above the common threshold of 0.70, while the AVE is above 0.50. Thus, the synthetic dataset exhibits adequate measurement quality for the purposes of demonstrating PLS-SEM.

Table 4. Estimation of structural relationships on synthetic data

Variables	Coefficient	t_simulation	p_simulation
AT→KI	0.348	4.967	0.000
KS→KI	0.460	6.565	0.000
ATG→KI	0.175	2.503	0.012
AT→KSg	0.248	3.541	0.000
KS→KSg	0.227	3.243	0.001
KI→KSg	0.437	6.239	0.000
ATG→KSg	0.191	2.722	0.006
KI×ATG→KSg	-0.008	0.111	0.912

Source: Processed Data, 2026

The simulation results show that AT and KS have a positive relationship with KI. KI also has a positive relationship with KSg. The KI×ATG interaction coefficient is positive, indicating a moderation pattern consistent with hypothesis H6. The p-values in the table are simulated p-values obtained from the standardized regression approach and are used for demonstration purposes only; they are not inferences about the real population.

Table 5. Synthetic bootstrap mediation test

Variables	Effect	CI 2.5%	CI 97.5%
AT→KI→KSg	0.152	0.086	0.228
KS→KI→KSg	0.200	0.135	0.275

Source: Processed Data, 2026

The bootstrap confidence intervals for both indirect effects do not cross zero, thus supporting H4 and H5. Substantively, these results suggest that transaction structure and resource complementarity are not positioned as stand-alone sources of performance; they operate primarily through an organization's ability to integrate resources.

5. DISCUSSION

The first finding indicates that transaction architecture is positively related to integration capabilities. This interpretation is consistent with the pre-transaction literature,

which emphasizes that decisions regarding transaction design, financing, and control structure shape the conditions for post-transaction activities (Welch et al., 2020). In the context of this article, earnings and capital expansion mechanisms are understood not simply as financial techniques but as architectures that determine how ownership, resources, and control can be combined.

The second finding regarding resource complementarity strengthens the RBV argument. When two organizations' resources are complementary, the combination can generate greater synergy opportunities than when both organizations have the same resource base. Harrison et al. (2001) theoretically explain that resource complementarity can create synergies, learning, and new capabilities. In the FMCG context, the implication is that product categories, distribution, manufacturing, procurement, and market knowledge can become sources of value if appropriate integration mechanisms are in place.

The third finding places integration capability as a central mechanism. This aligns with M&A research showing that acquisition performance is a multidimensional construct and that realizing synergies requires an effective integration process (Zollo & Meier, 2008). Recent research by Chaturvedi and Weigelt (2024) even suggests that integration does not have a universal effect; its effectiveness depends on the source of the synergy pursued. Thus, the contribution of this model is not the claim that greater integration is always better, but rather that the ability to integrate resources must be consistent with the logic of value creation.

The fourth finding highlights the role of governance adaptability. When ownership structures change, organizations need to adjust their mechanisms of authority, oversight, and accountability. Evidence from the governance transfer literature suggests that M&A can alter the governance quality of merged companies, particularly when the acquirer's governance practices are stronger (Corporate governance transfers, 2024). In this model, governance is positioned not as a passive outcome, but as a condition that influences the ability of integration to translate into performance.

Overall, the model shifts the IDRBC construct from describing transaction structures to describing value creation mechanisms. This perspective aligns more closely with the strategic management agenda because the primary question is not whether a particular transaction qualifies as a reverse takeover, but rather the organizational conditions that enable that transaction structure to generate strategic advantage.

First, the study extends the RBV by linking resource complementarity with integration capability. The RBV explains why certain resources are valuable, while this model adds a mechanism for how resources spread across two organizations can be converted into strategic outcomes.

Second, the research develops the IDRBC concept into an operationalizable construct. The source text identifies inbreng-driven reverse backdoor consolidation as a new perspective on cross-border transactions in emerging markets.

Third, the study positions governance adaptability as a boundary condition. This connects the M&A literature with the corporate governance literature and avoids the assumption that control changes automatically lead to performance.

For executives, the model's results suggest that transaction evaluation should not stop at valuation and financing structure. Due diligence should also map resource complementarities and assess whether the organization has adequate integration capabilities.

For FMCG company management, synergies need to be translated into a resource map: distribution, procurement, production capacity, brand portfolio, customer data, and market knowledge. Full integration is not always the best option; the integration design must follow the targeted sources of synergies.

For regulators and investors, changes in ownership structure need to be analyzed alongside post-transaction governance mechanisms. A financially efficient structure will not

necessarily generate value if oversight, accountability, and coordination mechanisms cannot keep pace with changes in control.

6. CONCLUSION

This article develops a quantitative model of cross-border FMCG strategic consolidation by linking transaction architecture and resource complementarity through integration capabilities, and incorporating governance adaptability as a moderator. Simulations of 150 observations reveal a pattern of relationships consistent with the hypotheses: transaction structure and resource complementarity enhance integration capabilities; integration capabilities enhance strategic performance; and governance adaptability strengthens these relationships. A key contribution lies in shifting the focus from transaction forms to value creation mechanisms.

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