ABSTRACT

In the developing of Supply Chain Management (SCM), there is also Digital Supply Chain Management, which is the SCM of non-physical or digital products. One of the digital products that popular nowadays is music. Global music revenue increases by 3.2%, with digital product sales overtake physical product sales with 45% of global revenues. Global digital revenues also increase by 10.2%. Streaming revenues increase by 45.2% and now account for 43% of digital sales and global physical product revenue decreased by 4.5%. In Indonesia, digital music is still developing. Some of participants in music industry in Indonesia are already participating in the development in digital music, including those from independent music. This research aims to measure the performance of digital SCM by using Supply Chain Operations Reference (SCOR)and Balances Scorecard (BSC). SCOR is a reference model of assessment considering five attributes to be measured and implemented as the perspective of economic assessment. While BSC is a strategic planning and management system to align business activities to the vision and strategy of the organization, improve internal and external communications, and monitor organization performance against strategic goals. There are many benefits that relevant with the case, which many of them are related to customer relationship. In summarized benefits, in digital SC the customers will gain easier access to product, closer relationship with artist, and less cost comparing to conventional SC. In Balanced Scorecard, there is also positive result in four perspectives. In financial perspective, the percentage of profit is increasing in recent year by 12.5%. In customer perspective, it is proven also that digital products are more satisfy the customer, the results indicates that 11% respondents is quite satisfied, 53.67% respondents is satisfied, and 33.33% respondents is very satisfied. In internal business process perspective, the distribution of products can be reduced to 1 until 3 weeks to reach nationwide comparing to conventional distribution. In learning and growth perspective, the number of artist managed, channel for distribution, and channel for selling is increased from 2014 to 2016.

Keywords: *Supply Chain Management, Digital Supply Chain Management, Independent Music, Recording Industry, Supply Chain Operations Reference (SCOR), Balanced Scorecard (BSC).*