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Analysis of Coffee Business Development Strategy in the Sumber Kembang Farmer Group Using the SWOT Method to Achieve Global Competitiveness

Oryza Ardhiarisca*, ¹, Nur Faizin², Rediyanto Putra³, Dia Bitari Mei Yuana⁴, Datik Lestari⁵

Abstract

Coffee cultivation plays a pivotal role in global agricultural trade, offering cultural, economic, and social value that transcends borders. In Indonesia, particularly in Jember Regency, coffee stands out as a leading agricultural product, supporting local economies and contributing significantly to global coffee exports. Within this context, the Sumber Kembang Farmer Group cultivates and processes coffee, offering a diverse range of products, including coffee logs and ground coffee, derived from both Robusta and Arabica varieties and processed through various methods. This research aims to identify optimal strategies for developing the group's coffee business. A case study approach was employed, with data collected through interviews, observations, and a literature review. The analysis used several strategic tools, including the Internal Factor Evaluation (IFE) Matrix, External Factor Evaluation (EFE) Matrix, Internal-External (IE) Matrix, SWOT (Strengths, Weaknesses, Opportunities, Threats) Matrix, and Quantitative Strategic Planning Matrix (QSPM). The findings reveal that the coffee enterprise of the Sumber Kembang Farmer Group is positioned in quadrant IV of the IE matrix, indicating a Growth and Build strategy. This positioning underscores the need for an extensive and integrative approach encompassing six strategic components. Prioritizing the improvement of product marketing quality is identified as a critical step toward achieving business development goals.

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1. Introduction

Coffee is a globally significant commodity, deeply ingrained in the cultures and economies of producing and consuming nations alike. As one of the most traded agricultural goods worldwide, it plays a pivotal role in supporting rural livelihoods and contributing to national economies. In particular, Indonesia stands as the fourth-largest coffee producer globally, underscoring its importance within the global coffee supply chain (Gusti, 2024). This achievement is rooted in the efforts of numerous coffee farmers spread across the archipelago, with East Java emerging as a key production hub. East Java is the second-largest coffee-producing province in Indonesia, with an average annual output of approximately 150,000 tons (Toffin Indonesia, 2024). Within East Java, Jember Regency holds a prominent position as a leading coffee producer, offering both Arabica and Robusta varieties.

The coffee industry in Jember Regency has experienced consistent growth, reflecting its increasing contribution to the regional and national economy. Between 2006 and 2016, coffee production in Jember ranged from 1,800 tons to 4,173 tons, with a dramatic surge to 10,863 tons in 2016 (Badan Pusat Statistik, 2018). By 2023, this figure reached an impressive 12,361 tons (Kurnia, 2024). This robust growth is indicative of Jember's potential to become a significant player in the global coffee market. Several districts within Jember, such as Arjasa, Bangsalsari, Jelbuk, Ledokombo, and Silo, are recognized for their contributions to coffee production (Purwandhini et al., 2023). Notably, the coffee produced in Jember is not only highly sought after domestically but also holds substantial export value, attesting to its superior quality (Safitri, 2023).

Among the prominent coffee producers in Jember is the Sumber Kembang Farmer Group, located on the slopes of Mount Argopuro. Established in 2012, this group specializes in cultivating both Arabica and Robusta coffee, offering a diverse range of processed products. These include various roast bean and ground coffee variants, such as Natural Arabica Roast bean, Fullwash Arabica Roast bean, Honey Arabica Roast bean, and Wine Arabica ground coffee. Despite demonstrating commendable coffee processing capabilities, the Sumber Kembang Farmer Group faces significant challenges that hinder its competitiveness in both domestic and international markets. One major issue is the fluctuation in income caused by volatile coffee prices and intense market competition. While local cafes represent a primary market for the group's products, they face stiff competition from international coffee chains that often source high-quality coffee from

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various countries. This situation underscores the pressing need for the Sumber Kembang Farmer Group to enhance its production quality and marketing strategies to compete effectively on a global scale. The provision of training and modern post-harvest processing equipment could serve as a vital stimulus for achieving these objectives.

Furthermore, the group's marketing efforts remain suboptimal, particularly in the context of the digital era. Despite the growing importance of online platforms in expanding market reach, the Sumber Kembang Farmer Group continues to rely on conventional marketing methods. The absence of a dedicated website limits their ability to showcase their products, provide transparent pricing, and facilitate online transactions. Developing a comprehensive online presence could significantly enhance their visibility and competitiveness. On the production side, the group faces several operational constraints. First, the lack of essential equipment, such as a grader and a coffee dryer, hampers efficiency and quality. Graders are crucial for determining coffee quality based on size, but the group currently relies on manual sorting, which is both time-consuming and less precise. Similarly, the absence of a coffee dryer poses challenges during rainy seasons, as manual sun-drying is weather-dependent, land-intensive, and time-consuming. Investing in a coffee dryer would not only mitigate these challenges but also improve the consistency of their output.

Additionally, the group's existing equipment exhibits suboptimal performance. For instance, their huller, which should process 100 kilograms of coffee per hour, operates at only half this capacity. This inefficiency affects the overall productivity and limits the group's ability to scale its operations. Addressing these production bottlenecks is critical for ensuring the group's long-term viability and competitiveness. This research aims to develop a strategic framework to address these limitations and unlock the potential of the Sumber Kembang Farmer Group. By optimizing their operations and leveraging effective marketing strategies, the group can enhance its commercial viability and establish a foothold in international markets. Ultimately, this study seeks to contribute to the broader development of Indonesia's coffee sector by improving production quality and quantity, thereby strengthening the country's position in the global coffee industry.

2. Literature review

2.1. Strategy

Strategy can be defined as setting targets and directions of action as well as allocating the resources needed to achieve goals (Manullang et al., 2023). In determining strategy, there are several preliminary steps in order to achieve organizational goals. First, an analysis of the company's internal and external factors is carried out. Internal factors include the strengths and weaknesses of an organization. Meanwhile, external factors are

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opportunities and threats from outside the organization that can influence the business continuity of an organization (Ardhiarisca et al., 2023).

In identifying and analysing competitive forces in an organization, these can be studied using Porter's five forces. There are five main forces in business: competitive rivalry, supplier power, customer power, threat of substitute products, and threat of new entrants (Hunger & Wheelen, 2003). The fifth thing is an external factor that needs to be analysed in developing a business. In research by Hermanto & Wahyuni (2020), Iqbal (2021), Utami & Batubara (2022), Utami & Fauzia (2014), Basda et al. (2022) and (Zakaria et al., 2017), state that there is business competition which is a threat to the coffee business. Therefore, with this threat, it is very important for farmer groups to produce coffee of the best quality and with the best service but at prices that can compete in the market. Through this identification, it can be used as a basis for implementing strategies to achieve competitive advantage.

2.2. Previous research

Research related to coffee farming business development strategies has been carried out by several previous studies, such as Sihite (2023), Hermanto & Wahyuni (2020), Iqbal (2021), Utami & Batubara (2022), Utami & Fauzia (2014), Basda et al. (2022) and Zakaria et al., (2017). Of the studies, five pertain to strategies for improving Arabica coffee farming in coffee-producing villages in Indonesia; one concentrates on strategies for advancing robusta coffee farming in coffee-producing sub-districts in Indonesia, and another investigates strategies for developing ground coffee enterprises within home industries. These sources provide a fundamental reference for executing this investigation. This research synthesises the previously mentioned studies, concentrating on the development of a business strategy for the Sumber Kembang farmer group, which cultivates robusta and Arabica coffee in various forms, including green beans and ground coffee, processed through diverse methods.

The previous studies employed the IFE matrix, EFE matrix, IE matrix, and SWOT analysis methodologies. However, the studies do not provide further insights into the formulation of higher-priority initiatives as addressed in this study. The priority strategy is the most important strategy to be implemented immediately from several strategies that have been carried out in the SWOT analysis.

Consequently, this study conducted additional research to identify the prioritised method utilising the QSPM matrix. The study examined the advancement of the coffee enterprise within the Sumber Kembang farmer group, which produces coffee beans, ground coffee, and engages in product diversification. This study extends beyond the SWOT analysis. The outcomes of the SWOT analysis inform the strategic priorities for advancing the farmer group company through QSPM.

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3. Method

The Sumber Kembang Farmer Group served as the research site. The case study method was selected for this research due to the fact that it allows the researcher to directly interact with a specific object over a specific period of time by conducting a comprehensive and detailed data collecting from a variety of reliable sources of information. The objective of case study research was to offer a comprehensive account of the background, characteristics, and typical characteristics of the case or status of the case individual. This information was then used to construct a generalisation based on the typical characteristics (Nazir, 2005).

Primary data were obtained from interviews, while secondary data were obtained from literature investigations. The results of this study were compared to the results of previous studies found in scientific articles and publications related to coffee business development strategies in order to conduct literature studies. Interviews were conducted with the head and members of the Sumber Kembang farmer group, as well as experts in scientific disciplines related to agricultural economics. Interviews were conducted by using open-ended enquiries. Questions were posed to informants regarding the Sumber Kembang farmer group's assets, weaknesses, and the opportunities and threats they encountered in the process of expanding their business.

The Sumber Kembang farmer group is an empowered farmer group, namely a farmer group that can produce and market its products to distributors and consumers directly. The products produced by the Sumber Kembang source farmer group require an effective and efficient strategy to obtain maximum and sustainable profits. To find out these strategies, a strategy design method is needed. This method consists of 4 interrelated matrices, namely the SWOT, IFE and EFE, IE and QSPM matrices. The internal and external factors were weighted using the IFE and EFE matrices once they were identified. Additionally, these data were employed to investigate the position of the Sumber Kembang Farmer Group by employing the IE matrix. Subsequently, interviews were conducted with informants to determine strategies that could be developed using SWOT analysis in light of the internal and external factors that the Sumber Kembang Farmer Group is currently facing. The final stage of this activity involves the identification of strategic priorities by contrasting the strategy that has been developed using the QSPM matrix with the relationship between internal and external factors.

In summary, the data analysis was conducted in a series of stages. The initial stage involved the examination of internal and external factors that contribute to the growth of the coffee business within the Sumber Kembang Farmer Group. The subsequent phase involved the assessment of these variables through the utilisation of the IFE Matrix (Internal Factor Evaluation) and the EFE Matrix (External Factor Evaluation). According

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to this assessment, the IE (Internal External) Matrix illustrated the status of the Sumber Kembang farmer group's coffee business. The subsequent phase involved the identification of potential solutions through the application of SWOT analysis (Strengths, Weaknesses, Opportunities, Threats). The strategic priorities were ultimately determined through the utilisation of the QSPM Matrix (Quantitative Strategy Plannix Matrix) (Ardhiarisca et al., 2023).

4. Findings and discussion

4.1. Identify Internal and External Factor

4.1.1. Strengths

a. Skilled human resources (S1)

Skilled human resources will increase business productivity (Effendi, 2021). The competencies of farmers are acquired through experience and training conducted by various experienced professionals from the Plantation Service, Environmental Service, Indonesian Coffee and Cocoa Research Centre, and universities. The Sumber Kembang farmer group possesses proficient human resources. Interviews with leaders of farmer groups reveal that 80% of their members possess the ability to cultivate and process coffee in both upstream and downstream sectors. The Farmer Group has cultivated two varieties of coffee: Arabica and Robusta. There are several methods of coffee processing, including full wash, natural, honey, *lanang*, and wine. The manufactured items are varied, including log coffee beans, green beans, ground coffee, and presently they also manufacture liquid fertiliser and cascara tea derived from coffee skin waste.

b. Suitability of natural resource conditions (S2)

In developing coffee, it is very important to review environmental aspects (Silalahi & Rosyadi, 2024). The position of the Sumber Kembang Farmer Group's coffee plantation in the Argopuro Mountains really supports coffee cultivation at an altitude of 3,088 meters above sea level (Pamela, 2023). Apart from that, planting coffee on the slopes of Mount Argopuro has various advantages, namely having fertile soil, weather and climate that are suitable for the conditions for growing coffee plants.

c. Quality coffee produced (S3)

The physical quality of coffee is determined by its size, water content, and caffeine concentration (Sirappa et al., 2024). The coffee beans cultivated by the Sumber Kembang Farmer Group are of superior grade. This is evidenced by the practice of harvesting coffee exclusively when the cherries are ripe, resulting in uniformity in bean size. Additionally, following the drying process, the Coffee Farmer group assessed the moisture content. Coffee that has achieved the appropriate water content will thereafter undergo additional

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processing. This, of course, ensures that the coffee produced by the Sumber Kembang Farmer Group is of great quality. Research conducted by Sumadi et al. (2019) indicates that 32 coffee consumers express high satisfaction with the coffee products from the Sumber Kembang farmer group, evidenced by a customer satisfaction index (CSI) value of 86%.

d. Business licensing (S4)

A business permit is required for all Micro, Small, and Medium Enterprises (MSME). This is to ensure that business actors feel secure and at ease when conducting business (Susanto et al., 2023). A business licence can also enhance the credibility of a business in the eyes of consumers, thereby fostering consumer confidence in the use of a product (Dinas Penanaman Modal dan Pelayanan Terpadu Satu Pintu, 2022). At present, the Sumber Kembang Farmer Group is halal and possesses a business permit (P-IRT). This is undoubtedly a benefit for the products that are manufactured, as it grants consumers the ability to select them.

e. Number of product variants (S5)

In tight business competition, high levels of innovation are highly expected in developing businesses. The existence of innovation has a positive and significant influence on the development of the performance of an MSME (Herman & Nohong, 2022). The Sumber Kembang Farmer Group continues to innovate. The product initially produced was only coffee beans. However, the group continues to grow by producing ground coffee. And recently the Sumber Kembang farmer group has produced products from coffee skin waste, namely cascara tea and liquid fertilizer. Apart from innovating to produce product differentiation, the Sumber Kembang farmer group has succeeded in demonstrating its sustainable efforts, preserving and protecting the environment in carrying out business processes.

4.1.2. Weakness

a. Infrastructure facilities are incomplete and need upgrading (W1)

Infrastructure that is complete and in accordance with specifications can be the spearhead of the progress of a business (Putri et al., 2023). The Sumber Kembang Farmer Group already has a number of business support equipment including pulper machines, sorting machines, roasting machines. However, the existing pulper machine is not performing well, so it needs to be upgraded to increase business productivity. Apart from that, some of the equipment that the Sumber Kembang coffee farmer group does not yet have is a sealer machine for packaging that meets the required specifications and there is no drying machine that can be used to dry coffee in the rainy season. This is of course a significant obstacle in increasing the productivity of the coffee business.

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b. Marketing has not been implemented well (W2)

Marketing is one of the foundations of the business process in achieving a goal, namely achieving business profits. Good marketing can make consumers choose a product. This can certainly increase revenue and develop business (Musyawarah & Idayanti, 2022). However, the Sumber Kembang Farmer Group has not been optimal in marketing its products. Initially marketing was carried out traditionally, now marketing is carried out digitally via websites. However, partners have not managed digital marketing well. This is due to a lack of partner understanding regarding information technology.

c. Lack of capital (W3)

Capital is the main component in a business (Herawati, 2024). Sumber Kembang Farmers Group has limited capital capabilities. The factor causing this capital limitation is due to the uncertain profits obtained from sales. This can be proven by the existence of several pieces of equipment that are actually urgent to purchase but have not yet been purchased.

4.1.3. Opportunities

a. Government participation (O1)

The government has a vital role in improving micro, small and medium enterprises (MSMEs). The government functions as a facilitator, regulator and catalyst (Tumija, 2022). In this case, the regional government through the Food Crops, Horticulture and Plantation Service and the Environment Service has played its role in helping the Sumber Kembang Farmers Group. This is stated in Jember Regent Regulation No. 8 of 2021 Chapter 20 concerning the main tasks and functions of the plantation sector, one of which is providing guidance and implementing increased production quality in the plantation sector and providing post-harvest guidance, processing and marketing in the plantation sector (Peraturan Bupati Kabupaten Jember, 2021). This increases the knowledge and skills of the Sumber Kembang Farmer Group in the field of coffee cultivation and processing. Apart from that, the Ministry of Education provides grants to lecturers in Indonesia for service or research programs which can certainly help in developing the business of the Sumber Kembang Farmer Group.

b. High demand (O2)

Demand for coffee in Indonesia, both from within and outside the country, continues to increase. When compared, the increase in the growth rate of coffee consumption (8%) is higher than the growth rate of production (2%) (Harum, 2022). This is certainly an opportunity for the Sumber Kembang Farmer Group to be able to produce quality products in large quantities.

c. Development of information and processing technology (O3)

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Information technology is currently increasingly developing, where information technology contributes to the efficiency and development of a business (Sagita et al., 2021). Therefore, the existence of information and processing technology can be an opportunity that the Sumber Kembang Farmer Group can seize in developing its business.

4.1.4. Threats

a. Similar business competition (T1)

Competition in similar businesses, namely coffee, has mushroomed everywhere. The number of coffee businesses in 2016 was estimated at around 1,000 businesses and increased threefold in 2019 to 2,950 businesses and in 2023 will increase to reach 10,000 businesses (Sayekti, 2023). This is a threat felt by the Sumber Kembang Farmer Group. Therefore, innovation and good business management are needed in business development.

b. There is weather uncertainty (T2)

In developing coffee, it is very important to review environmental aspects (Silalahi & Rosyadi, 2024). Weather is one of the obstacles in the coffee cultivation process. If the process of flowering coffee plants occurs continuously, this will have an impact on the quantity and quality of the coffee produced.

Number	Strengths	Weight	Rating	Skor
1	S1	0,116	4	0,464
2	S2	0,08	4	0,32
3	S3	0,116	4	0,464
4	S4	0,143	4	0,572
5	S5	0,188	3	0,564
	Total	0,643		2,384
Number	Weakness	Weight	Rating	Skor
1	W1	0,116	2	0,232
2	W2	0,161	2	0,322
3	W3	0,08	1	0,08
	Total	0,357		0,634
	Total Skor	1		3,018

Table 1. Matrix IFE

The weight calculation is carried out using pairwise comparison with the total of all weights being 1. Determining the rating is by giving a value of 1 if the factor is a major weakness, a value of 2 if the factor is a minor weakness, a value of 3 if the factor is a minor strength and a value of 4 if it is a main force. Next, to get a score, you need to multiply the weight and rating. And to get the total score, it is obtained by adding up all the scores.

Table 2. Matrix EFE



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Number	Opportunities	Weight	Rating	Skor
1	O1	0,3	4	1,2
2	O2	0,15	4	0,6
3	O3	0,175	4	0,7
	Total			2,5
No	Threats	Weight	Rating	Skor
1	T1	0,25	1	0,25
2	T2	0,125	1	0,125
	Total			0,375
·	Total Skor	1		2,875

The weight calculation is carried out using pairwise comparison with the total of all weights being 1. Determining the rating is by giving a value of 1 if the factor is a major threat, a value of 2 if the factor is a minor threat, a value of 3 if the factor is a small opportunity and a value of 4 if it is a major opportunity. Next, to get a score, you need to multiply the weight and rating. And to get the total score, it is obtained by adding up all the scores.

Based on the results of the IFE and IFE analysis above, the position of the Sumber Kembang farmer group Coffee business was then mapped on the IE matrix. The IE Matrix shows that the Sumber Kembang Farmer Group is in quadrant IV, namely "Growth and Built" (Hunger & Wheelen, 2003).

Total weighted IFE Value

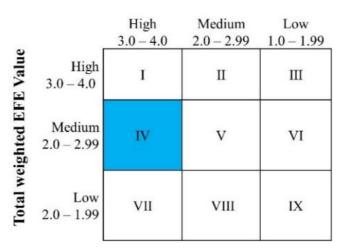


Figure 1. IE Matrix for the Development of Sumber Kembang Farmer Group's Business

Based on the conditions of the Sumber Kembang farmer group as presented in Figure 1, an intensive and integrative strategy was developed in (Hunger & Wheelen, 2003). The following is a strategy formulation that is prepared based on the strengths and weaknesses of the Sumber Kembang farmer group's business as well as current opportunities and threats.

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4.2. Formulation of Alternative Strategies

Table 3. SWOT Matrix for Coffee Business Development in the Sumber Kembang farmer group

п	Strongths (S)					
	a. Skilled human resources (S1) b. Suitability of natural resource conditions (S2) c. Quality coffee produced (S3) d. Business licensing (S4) e. Many product variants (S5)	are incomplete and need upgrading (W1) b. Marketing has not been implemented well (W2) c. Lack of capital (W3)				
Opportunities (O)	Strategy-SO	Strategy-WO				
 a. Government participation (O1) b. High demand (O2) c. Development of information and processing technology (O3) 	 Increase the quantity of coffee production (S1, S2, S3, S4, S5, O1, O2, O3). Improve product marketing quality (S3, S4, S5, O2, O3) 	1. Utilize government participation to obtain skills and facilities (W1, W2, W3, O1)				
Threats (T)	Strategy-ST	Strategy-WT				
a. Similar business competition (T1) b. There is weather uncertainty (T2)	 Improve the quality of coffee production (S1, S2, S3, S4, S5, T1) Improving cultivation and processing technology through research and implementation of appropriate technology (S1, S2, S3, S4, S5, T2) 	Provide education regarding marketing strategies (W2, T1)				

There are six strategies that can be drawn to develop the Sumber Kembang Farmers Group business to increase its global competitiveness.

a. Increase the quantity of coffee production

This first strategy is an SO strategy which uses all the strengths of the Sumber Kembang farmer group and takes advantage of existing opportunities. The quantity of coffee production can be increased by taking advantage of soil fertility, a supportive climate, skilled human resources and the existence of supporting opportunities, namely the participation of the government, high demand and improvements in processing

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technology. The results of research by Utami & Fauzia (2014) state that utilizing available land and skilled human resources can increase coffee production.

b. Improve the quality of product marketing

The strengths of the Sumber Kembang farmer group are the quality of the coffee produced, business licensing, and the large number of product variants combined with the existing opportunities, namely the high demand and development of information and processing technology. Marketing strategies that use technological information will be able to reach a wider market and increase the competitiveness of MSMEs (Saputra et al., 2023).

c. Improve the quality of coffee production

The strategy is obtained by connecting the advantages of Sumber Kembang farmer groups with existing threats. The threat of business competition must of course be followed up by improving the quality of coffee production. This is of course accompanied by the strengths possessed by the Sumber Kembang farmer group, namely skilled human resources, environmental suitability, quality coffee produced, business licensing and many product variants. The research results of Utami & Fauzia (2014) state that the quality of coffee production is one of the strategies that can be chosen to develop an Arabica coffee farming business.

d. Improve cultivation and processing technology through research and implementation of appropriate technology

This strategy is obtained by juxtaposing existing advantages and threats. The existence of climate uncertainty is a threat that cannot be avoided. When the coffee plants are still flowering, there is continuous rain, which of course has an impact on the flowers falling and reducing coffee production. Therefore, it is very important to carry out research to produce good quality seeds or engineer technology that can keep coffee production and quality stable and good. Adri et al. (2019) stated that using quality seeds will have an impact on increasing yields by 15-25%.

e. Utilize government participation to obtain skills and facilities

The government's participation in assistance by the plantation service can certainly improve the skills of farmers (Eman & Loho, 2017). Apart from that, the government's role by the Ministry of Education is to help farmer groups or MSMEs to develop further, both in terms of assistance and procurement of facilities and infrastructure.

f. Provide education regarding marketing strategies

Marketing that can be successful is marketing that is structured based on external and external conditions of the business. Education should be used to determine the right marketing strategy so that farmer groups can develop the right strategy. Education is very

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important in order to increase farmer groups' understanding of the importance of marketing (Sulfiandi, 2023).

4.3. Strategy Priorities

Table 4. QSPM Matrix

Strategic Weigh Factor	Weight	S01		SO2		WO1		ST1		ST2		WT1	
	weight	AS	TAS	AS	TAS	AS	TAS	AS	TAS	AS	TAS	AS	TAS
Stregnth													
S1	0,116	4	0,464	4	0,46	4	0,464	4	0,464	3	0,348	2	0,232
S2	0,08	4	0,32	3	0,24	3	0,24	3	0,24	3	0,24	2	0,16
S3	0,116	4	0,464	4	0,46	3	0,348	4	0,464	4	0,464	2	0,232
S4	0,143	3	0,429	4	0,57	3	0,429	3	0,429	2	0,286	4	0,572
S5	0,188	3	0,564	3	0,56	2	0,376	3	0,564	2	0,376	3	0,564
Weakness													
W1	0,116	4	0,464	3	0,35	4	0,464	4	0,464	2	0,232	2	0,232
W2	0,161	3	0,483	4	0,64	3	0,483	4	0,644	2	0,322	4	0,644
W3	0,08	4	0,32	4	0,32	4	0,32	4	0,32	4	0,32	3	0,24
Opportunities													
O1	0,3	4	1,2	4	1,2	4	1,2	4	1,2	4	1,2	4	1,2
O2	0,15	4	0,6	4	0,6	3	0,45	4	0,6	4	0,6	4	0,6
O3	0,175	3	0,525	4	0,7	3	0,525	3	0,525	4	0,7	4	0,7
Weakness													
T1	0,25	3	0,75	4	1	3	0,75	4	1	3	0,75	4	1
T2	0,125	1	0,125	1	0,13	1	0,125	1	0,125	4	0,5	1	0,125
Total			6,708		7,24		6,174		7,039		6,338		6,50

The results of the study related to the QSPM matrix are shown in Table 4. The table shows that the lowest Total Attractiveness Score (TAS) value is owned by WO1, namely the utilization of government participation to obtain skills and facilities, the WO1 value is 6.174. While the highest value of the QSPM matrix is 7.24. The highest value explains the priority of the strategy that must be carried out by the coffee farmer group. The value of 7.24 is in SO2, namely improving the quality of product marketing. One way to improve the quality of product marketing is to use digital marketing. By marketing using digital marketing, the reach of consumers will be wider and provide opportunities to increase market demand. This has an impact on increasing the global competitiveness of Sumber Kembang Farmer Groups.

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5. Conclusion

This research concludes that the Sumber Kembang Farmer Group's coffee business is positioned in Quadrant IV based on the analysis of internal and external factors, with scores of 3.018 and 2.875, respectively. This strategic positioning suggests that an integration and intensive strategy is the most suitable approach for business development. From the six alternative strategies formulated, the priority strategy identified is improving the quality of business marketing.

Implementing this marketing-focused development strategy is expected to significantly enhance the productivity and profitability of the Sumber Kembang Farmer Group. By prioritizing marketing improvements, the group can address critical challenges such as limited market reach and competition from international brands. Enhanced marketing efforts, particularly through digital platforms, can broaden the visibility of their products, attract new customer segments, and strengthen their foothold in both domestic and international markets.

Beyond immediate business benefits, improving marketing quality has the potential to drive broader impacts. It can create a ripple effect, increasing demand for high-quality coffee, fostering sustainable production practices, and promoting the Sumber Kembang Farmer Group as a benchmark for local coffee producers. This, in turn, can elevate the global competitiveness of the group, positioning it as a key player in Indonesia's coffee sector and contributing to the country's reputation as a leading coffee producer.

Eventually, the successful implementation of the proposed strategies underscores the importance of aligning internal capabilities with external opportunities. By addressing both production inefficiencies and marketing gaps, the Sumber Kembang Farmer Group can transition from a local coffee producer to a globally recognized entity, setting a precedent for other farmer groups to follow. This transformation not only benefits the group but also strengthens the overall resilience and competitiveness of Indonesia's coffee industry on the global stage.

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