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BUSINESS DEVELOPMENT STRATEGY OF PT BOGOR KOPI INDONESIA IN BOGOR REGENCY, WEST JAVA

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ABSTRACT

PT Bogor Kopi Indonesia is a company engaged in the field of coffee marketing and coaching for coffee farmers in the Bogor Regency area. Currently, the consumption rate of coffee and its derivative products is increasing, causing the demand for coffee agricultural products to also increase. This encourages the coffee industry for upscaling their strategy to capture these opportunities. The purpose of this research is to find out the exact strategy for PT Bogor Kopi Indonesia to develop their. This study uses the IFE and EFE matrices as identification tools related to the company's internal and external factors, the IE matrix indicate the position of the business strategy, and uses SWOT analysis to determine what strategy the company will run. The results obtained show that PT Bogor Kopi Indonesia is in a hold and maintain position with a weighted average IFE of 2.6 and EFE of 2.7. Based on the results of the study, the strategy used is market development in the form of digital marketing applications as a form of PT Bogor Kopi Indonesia's marketing channel. This application is also a form of company adaptation to the current digitalization era. Through this strategy, it is hoped that the market for the company's products will have a wider reach and be increasingly recognized by the public so that the branding of Bogor Kopi Indonesia will also be increasingly recognized by the public.

Keywords : Business Strategy, Coffee, IFE, EFE, SWOT



ABSTRAK

PT Bogor Kopi Indonesia merupakan perusahaan yang bergerak di bidang pemasaran dan pembinaan kopi bagi petani kopi di wilayah Kabupaten Bogor. Saat ini tingkat konsumsi kopi dan produk turunannya semakin meningkat, menyebabkan permintaan produk pertanian kopi juga meningkat. Hal ini mendorong industri kopi untuk meningkatkan strategi mereka untuk menangkap peluang tersebut. Tujuan dari penelitian ini adalah untuk mengetahui strategi yang tepat bagi PT Bogor Kopi Indonesia untuk mengembangkannya. Penelitian ini menggunakan matriks IFE dan EFE sebagai alat identifikasi terkait faktor internal dan eksternal perusahaan, matriks IE menunjukkan posisi strategi bisnis, dan menggunakan analisis SWOT untuk menentukan strategi apa yang akan dijalankan perusahaan. Hasil yang diperoleh menunjukkan bahwa PT Bogor Kopi Indonesia berada pada posisi hold and maintain dengan bobot rata-rata IFE 2,6 dan EFE 2,7. Berdasarkan hasil kajian, strategi yang digunakan adalah pengembangan pasar berupa aplikasi pemasaran digital sebagai bentuk saluran pemasaran PT Bogor Kopi Indonesia. Aplikasi ini juga sebagai bentuk adaptasi perusahaan terhadap era digitalisasi saat ini. Melalui strategi tersebut diharapkan pasar produk perusahaan memiliki jangkauan yang lebih luas dan semakin dikenal masyarakat sehingga branding Bogor Kopi Indonesia juga semakin dikenal oleh masyarakat.

Kata Kunci : Strategi Bisnis, Kopi, IFE, EFE, SWOT

INTRODUCTION

Coffee plant (*Coffea sp.*) is one of the national leading commodities (Rosiana et al 2018). Coffee is no longer something unfamiliar to people, especially in Indonesia. Many different types of coffee are cultivated and marketed in Indonesia. People's interest in coffee is also increasing over time. Coffee is one of Indonesia's leading plantation commodities that has an important role, especially as a source of foreign exchange, a provider of employment, and as a source of income for farmers or other economic actors. In 2014 Indonesia became the fourth largest coffee producer after Brazil, Vietnam and Colombia. Apart from being a manufacturer, in 2015, Indonesia ranked as the 5th largest exporter in terms of the number of coffee product exports with the Harmonized System (HS) code 0901 after Brazil, Vietnam, Colombia and Germany. West Java is one of the provinces in Indonesia that has plantation potential with good land fertility and overflow of other natural resource potentials. Coffee consumption in Indonesia has increased from the previous year. According to data from the International Coffee Organization (ICO), coffee consumption in Indonesia reached 5 million bags of 60 kg in the 2020/2021 period. This amount increased by 4.04% compared to the previous period of 4.81 million bags measuring 60 kg. Coffee consumption in Indonesia in 2020/2021 has also become the highest in the last decade. In addition, Indonesia is one of the countries with the highest coffee consumption in the world. Indonesia is fifth or below Japan whose coffee consumption reaches 7.39 million bags measuring 60 kg (Mahmudan 2020). The number of coffee shops always increases from year to year, especially in Bogor City (Hikmah and Priatna, 2020). One of the companies engaged in the coffee industry in Bogor, West Java is PT Bogor Kopi Indonesia. This company sells various coffee products from farmers in

various regions of Bogor. In addition, PT Bogor Kopi Indonesia is also a company that provides guidance to coffee farmers in Bogor regency. The types of coffee marketed by PT Bogor Kopi Indonesia are robusta and arabica coffee in the form of greenbean and *roastedbean*. The coffee marketed by this company is coffee beans produced directly by the company's partner farmers. Facing various situations in running their business, the increasing number of coffee consumers in various regions and even foreign countries has caused the demand for coffee for farmers to also increase. PT Bogor Kopi Indonesia needs to know what strategies will be implemented to ensure that the company can compete and keep up with existing developments, The strategy implemented by PT Bogor Kopi Indonesia is still not optimal in providing guidance to farmers and marketing coffee. Strategy management is the art and knowledge in formulating, implementing, and evaluating cross-functional decisions that allow an organization to achieve goals. In strategy management, there are several stages, namely the input stage, matching stage and decision stage. (David 2009). Companies must conduct and develop a culture of innovation to have a sustainable competitive advantage (Hana, 2013). Therefore, the purpose of this research is to find out the state of the company and decide what strategy will be used by the company in accordance with the actual condition of the company so that the strategy carried out is in accordance with the company's targets. This research focuses on business development strategies in the field of marketing at PT Bogor Kopi Indonesia as a coffee company located in Bogor, West Java.

RESEARCH METHODS

The research was conducted at PT Bogor Kopi Indonesia which is located in the Bogor area, West Java. The research conducted is a study that uses primary data and secondary data that is qualitative and quantitative. Primary Data, which is data collection carried out through direct observation and interviews with the company and parties involved in the development strategy of PT Bogor Kopi Indonesia. Primary data was obtained by filling out questionnaires directly and interviews with respondents who were directly involved with the company, namely the President Director, marketing manager, production manager, company staff and partner farmers. Secondary data is data taken from literature studies or disbursement of literature such as internal company reports, both monthly and annually, previous research, internet sites, and journals relevant to this research as a complement to primary data and support research. In conducting this study, the analytical tools used were the IFE (Internal Factor Evaluation) matrix of the *Factor Evaluation*) EFE (External matrix and the IE Matrix (*Internal-External*). As a tool to determine the strategy to be carried out by PT Bogor Kopi Indonesia, researchers use the SWOT (*Strength, Weakness, Opportunity, Threat*) analysis method. The stages in this study are divided into two, stage one, namely the input (Input stage) which is needed to develop a strategy. Then enter stage two, namely matching (Matching stage) (Abdiputra, 2019). EFE and IFE matrices are used to compile SWOT matrices. Then the SWOT matrix is used to adjust the development of 4 strategies, namely the S-O strategy (Strength - Opportunity), W-O (Weakness - Opportunity) strategy, S-T strategy (Strength - Threat) and W-T Strategy (Weakness - Threat). Then, an IE matrix analysis is used to position a company's strategic business unit

(SBU) into a 9-cell matrix that will determine the company's position. (Alamanda et al. 2019).

IFE (*Internal Factor Evaluation*)

Analysis of the internal environment can be carried out using the IFE (internal factor evaluation) matrix. This matrix is similar to the EFE (external factor evaluation) matrix used in external environment analysis. The difference is that the factors displayed are internal environmental factors in the form of weaknesses and strengths that the company has. Some of the stages carried out in making IFE matrices are (Sulasih, 2019).

- Identifying 10-20 internal key success factors. These factors are divided into two parts, namely the weaknesses and strengths possessed by the company.
- Giving weight with the numbers 0 to 1. The number 0 is interpreted as an unimportant factor, while the number 1 is interpreted as the most important factor.
- After giving weight, then next give a ranking with the following conditions: the number 1 for the main weakness, the number 2 for the main weakness, the number 3 for minor strengths, the number 4 for the main strength.
- After filling in weights and rankings, the next step is to multiply the two and put the result in the weighted weight score column.
- Finally sum the weighted score on each factor to determine the company's total weighted score.

EFE (*External Factor Evaluation*)

The EFE (External Factor Evaluation) matrix is one of the matrices that helps companies in analyzing external environmental factors. In the EFE matrix, external environmental factors are divided into 2 key factors, namely opportunities and threats. This matrix provides a place for strategists to summarize and also evaluate information about the company's external environment. Making this matrix can be explained in the following 5 stages (Sulasih, 2019):

- Collect external factors that have been identified by the results of the external audit, approximately 10 to 20 factors. These factors include opportunities as well as threats. Explain the specifics of these factors using quantitative data such as percentages, ratios or comparative figures.
- Give weight to each of these identified factors by giving it a value of 0 to 1. The number 0 is for non-important factors while the number 1 is for very important factors. Usually the odds will gain greater weight than the threat. But that could have been reversed if the company was indeed in a very threatened state.
- The next step after being given weight is to give a ranking. Rankings are assessed by numbers between 1 and 4. The ranking shows the company's ranking in responding to external factors. Rank 4 means a superior response, 3 means an above-average response, 2 responses are average, and finally 1 means a less response. If the weight is assessed from the industry side, the ranking is assessed from the company's side.
- Next by multiplying between the weight value and the ranking. The

multiplication result is in the weighted score column.

- Sum up the weighted scores of all factors be it threats or opportunities.

The result of this weighted score summation can be used as an assessment of the company's response to the external environment. The highest score is 4.0 and the lowest score is 1.0. A company that gets a high score means that it already has a good response to the external environment. Conversely, companies that get low scores mean that they are still lacking in responding to the external environment.

IE (Internal-External)

The Internal-External (IE) matrix is useful for positioning a company's *Strategic Business Unit* (SBU) into a matrix consisting of nine cells. Internal-External Matrix (IE) where the size and circle show the percentage of revenue contribution (sales) (Kartika et al. 2018). The IE matrix is developed from the Grand Strategy model the parameters used include the internal strengths of the company and the external forces encountered. The purpose of using this model is to obtain a more detailed corporate-level business strategy. The IE matrix consists of two dimensions, namely the total score of the IFE Matrix on the X axis and the total score and the EFE Matrix on the Y axis. After these conditions are known, the company can determine the right strategy.

SWOT (Strength, Weakness, Opportunities, Threat)

SWOT analysis (strengths, weaknesses, opportunities and threats) is a technique specifically designed to help identify marketing strategies that a company should carry out. SWOT analysis covers the internal and external environment of the company (Astiti, 2019). SWOT is used to compare the internal and external environment of a company which will eventually produce a solution for the company to overcome the problems faced by utilizing *strength and opportunities* and then minimizing *weaknesses and threats* (threats) facing the company. The final results obtained through a SWOT analysis are in the form of strategies that can be carried out by the company, namely the S-T, W-T, S-O and W-O strategies. The explanation of the four strategies is as follows:

- S-O strategy: this strategy uses the strengths possessed by the company to take advantage of existing opportunities.
- W-O strategy: in this strategy is used to overcome a company's weakness by taking advantage of existing opportunities.
- S-T strategy : this strategy is carried out by utilizing the company's strengths in the face of outside threats.
- W-T strategy: this strategy is a strategy to survive external threats while overcoming weaknesses.

RESULTS AND DISCUSSION

The research is carried out based on data related to the internal and external conditions of the company. Based on research conducted by filling out a questionnaire by PT Bogor Kopi Indonesia, namely by the president director, marketing manager, production manager and financial manager. Several points were obtained as a result of internal and external analysis of PT Bogor Kopi

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Indonesia. Here are the results obtained in the study in the form of IFE, EFE and IE matrix.

Table 1. Matriks IFE (*Internal Factor Evaluation*)

Internal Factors		Weight	Rating	Weights Score
No	Strength			
1	Having assisted farmers as direct access to obtain coffee beans	0,3	4	1,2
2	Coffee stock is always available	0,01	3,2	0,032
3	Wide market reach	0,02	3	0,06
4	Competitive coffee prices	0,05	3	0,15
5	Quality of coffee beans (Greenbean and Roasted bean are good)	0,06	3,5	0,21
6	Providing coffee beans in greenbean and roastedbean form	0,01	3	0,03
7	Coffee beans are taken directly from farmers with the selection of the best coffee quality as well	0,03	3	0,09
8	Have a coaching program for coffee farmers so as to produce maximum coffee beans	0,02	4	0,08
Total				
No	Weakness			
1	Access to coffee plantations	0,3	1,7	0,51
2	Promotional facilities that have not been maximized	0,1	1	0,1
3	Does not yet have the means for consumers to enjoy coffee directly (Café)	0,1	1,5	0,15
Total				
Total IFE		1,000		2,612

Data was obtained based on a questionnaire on the *Internal Factor* of PT Bogor Kopi Indonesia, namely the calculation of a weighted score with a total of 2,612 which means that the condition of the coffee business is in a fairly strong condition when viewed from the internal side of the company.

Table 2. Matriks EFE (*External Factor Evaluation*)

External Factors		Weight	Rating	Weights Score
No	Opportunities			
1	Rapid advances in technology	0,05	3	0,15
2	Increased coffee consumption	0,2	3,5	0,7
3	Government policy for coffee plantations	0,02	2,7	0,054
4	Economic and <i>lifestyle</i> changes	0,03	3	0,09
5	Opportunity to sell various coffee derivative products	0,2	2,8	0,56
6	Export and import sales	0,08	3,2	0,256
7	Customer loyalty	0,1	3	0,3

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Total				
No	Threats			
1	A growing number of competitors	0,2	2	0,4
2	The abundance of pests and diseases that damage coffee plants	0,08	2	0,16
3	Unstable weather leads to disruption of product availability consistency	0,02	1,5	0,03
4	The abundance of substitute products and substitution products	0,02	1,2	0,024
Total				
Total EFE		1,000		2,724

Based on the results of the identification of external factors of PT Bogor Kopi Indonesia, then these factors are given weight and rating according to the provisions. In the analysis, the results of the calculation of the company's *total External Factor Evaluation* (EFE) score of 2,724 are obtained, which means that the business position of PT Bogor Kopi Indonesia is in a sufficient position when viewed from the company's external conditions in responding to or responding to opportunities and avoiding threats that There are from competitors.

Based on the IFE and EFE analysis data of PT Bogor Kopi Indonesia, the IE (*Internal-External*) matrix was obtained as follows

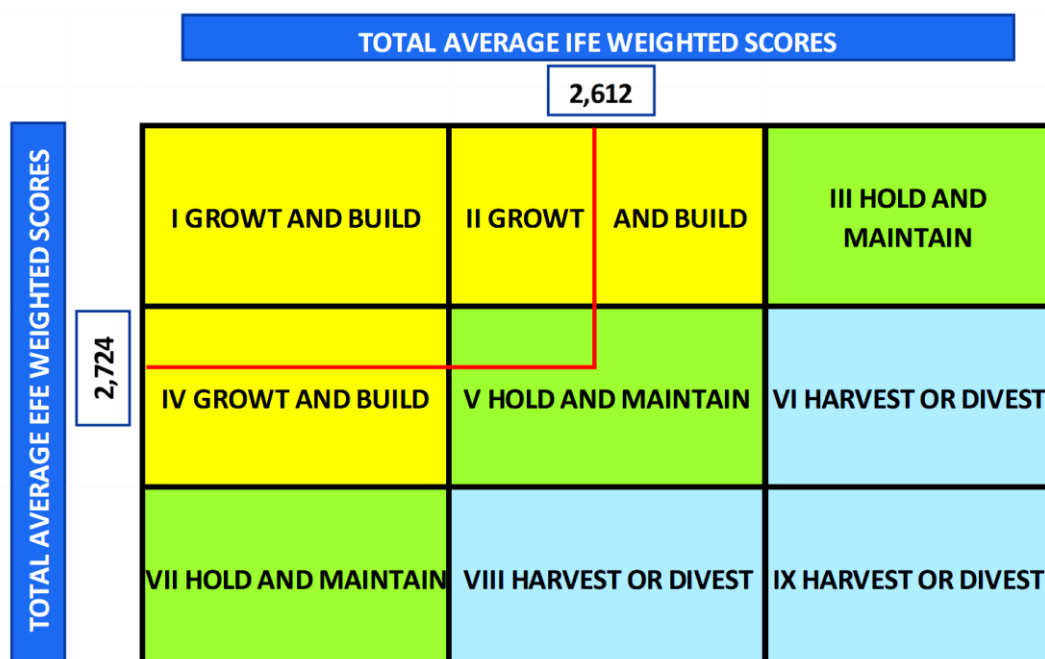


Figure 1. Analysis Matrix IE PT. Bogor Kopi Indonesia

The results of the weighted average matching of the IFE and EFE matrices of PT Bogor Kopi Indonesia resulted in the company's position being in position 5, namely stabilization. This position means that the company is in a *hold and maintain* position that includes cell III cell V or cell VII. Based on this position, the strategies that can be carried out by PT Bogor Kopi Indonesia to maintain and build

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its company are market penetration, product development and market development.

Based on these results, the strategy that will be used by PT Bogor Kopi Indonesia is a market development strategy. this strategy is a strategy derived from the W-O (*Weakness - Opportunities*) strategy in this strategy is used to overcome a company's weakness by taking advantage of existing opportunities. The weakness that will be overcome is related to the promotional tools that have not been maximized and the opportunities used, namely rapid progress in the field of technology. The strategy that will be carried out is market development by implementing *Digital Marketing*. With this strategy, it is hoped that PT Bogor Kopi Indonesia can further maximize the existing promotional facilities and the market reach will become wider. Digital marketing tools that will be used by the company are websites and social media. These tools are intended to provide information related to the company, introduce company products, market the company's products and connect with various other companies to open up more opportunities wide and able to reach consumers with a wider reach.

CONCLUSION

The conclusions obtained based on the results of research that has been carried out on PT Bogor Kopi Indonesia using analytical tools in the form of IFE matrix, EFE matrix, IE matrix and SWOT analysis obtained results that the company is in a fairly good position seen in the internal and external scope of the company. Once matched against the IE matrix, the company occupies a V cell position which means Stabilization or *hold and maintain*. Based on this position, the strategy used by PT Bogor Kopi Indonesia is a market development strategy based on the W-O strategy by taking advantage of opportunities regarding technological developments to overcome weaknesses in the form of promotional facilities that have not been maximized. The strategy carried out is to add marketing channels through the company's website and social media. The strategy aims to provide information, introduce products, market products and connect with various other companies to open wider opportunities and be able to reach consumers with a wider reach. Based on the results of this study, PT. Bogor Kopi Indonesia is recommended to be able to create a digital marketing application, namely through creating a company website that is optimized for its use as an effective marketing medium and also creating and optimizing social media marketing that can reach consumers from various segmentations.

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