Coffee Agro-Industry Development Strategy in Bondowoso District

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Abstract: The development of agro-industry from planting to marketing to consumers has several sectoral improvements, including increasing added value, producing useful and quality products, and improving the human resources of coffee agro-industry actors with the aim of improving the regional economy and improving the welfare of its people. This study aims to analyze the characteristics of the coffee commodity in Bondowoso Regency, which will then determine the most appropriate and optimal strategy in developing the coffee agro-industry in Bondowoso Regency. This type of research is qualitative research. Data sources used were primary and secondary sources. The data collection technique used was purposive sampling. The analysis method used in this research is descriptive qualitative analysis and SWOT analysis (Strength, Weakness, Opportunities, Threats). The results of the research on the characteristics of coffee commodities in Bondowoso Regency use 2 types of coffee, arabica and robusta which have the nickname Bondowoso Republic of Coffee (BRK) and the results of the SWOT analysis that have been formulated, it is found that the most appropriate and optimal strategy in the development of coffee agro-industry in Bondowoso Regency from post-harvest to marketed to consumers is the SO (Strength-Oppurtunities) Strategy where this strategy maximizes the company's strengths from the opportunities created by the surrounding environment. Then the strategy obtained is: Conducting socialization and education for coffee agro-industry players, increasing sales promotion of Bondowoso original coffee, innovating coffee products, optimizing the role of the government in promoting Bondowoso original coffee.

Keywords: Agroindustry Development, Coffee, SWOT, Bondowoso Regency

I. INTRODUCTION

At present, the development of Indonesia as a large country and can compete with other countries still puts the agricultural sector to strengthen the economy and national food security. To make the agricultural sector strengthen the country's economy and food security, an increase in agro-industry is needed. Agroindustry is a series of industrial activities consisting of production, processing, transportation, storage, funding, marketing and distribution processes based on agricultural products (Kurniati, 2015). Hicks (1995) in Tarigan and Ariningsih (2007) suggested that the characteristics of agroindustry activities are: (a) increase added value, (b) produce useful and marketable products, (c) increase shelf life, (d) generate income benefits for producers.

Increasing agro-industry in regions throughout Indonesia needs to be intensified so that equity occurs to support the country's economic growth. Until now, the optimization of agro-industry in Indonesia continues to be intensified, the government synergizes between industry and agriculture in order to achieve optimal agro-industry. The scope of this agroindustry optimization includes increasing production, improving quality, added value, and competitiveness of agricultural products as raw materials from industry as well as the development and development of agribusiness and agroindustry. Under the conditions of the Covid-19 pandemic in 2020, the total value of agro-industry exports reached 29.27 billion USD or 35.36% of non-oil
and gas processing industry exports of 82.76 billion USD, while the value of imports in that period reached 9.87 billion USD or 13% of non-oil and gas processing industry imports of 75.97 billion USD. And the contribution of agro-industry to non-oil and gas industry GRDP was the largest, namely 52.13% in the third quarter of 2020 (Ministry of Industry, 2021).

In Indonesia, there are two types of coffee that are most in demand and cultivated by farmers, namely Arabica and Robusta. However, the type of Arabica coffee is the most in demand and consumed for coffee lovers around the world, and for planting it must be at an altitude of 1000-6000 meters above sea level or MDPL while Robusta coffee is produced around 35% of world production and can be planted lower than Arabica, namely at an altitude of 0-800 meters above sea level and withstand the weather of 24-300 C.

For the East Java region, there are several agricultural commodities or products that support regional growth, namely in the plantation sector with a total increase in export facilitation requests of 9,358 times in 2020 with an increase from the previous year which was recorded only 6,325 times, with a percentage increase of 47.95% according to data from the Ministry of Agriculture of the Republic of Indonesia. For coffee commodities alone, East Java has sent more than 36 countries, such as Armenia, Malaysia, Spain, Switzerland, Qatar and other countries.

In Bondowoso Regency, most of the area is highland, where most of the people are farmers and is an appropriate area to increase regional development using agro-industry. Coffee is one of the leading potentials of Bondowoso Regency, which is proven since the Dutch colonial era, Bondowoso Regency is a coffee producer that has been recognized worldwide through several areas such as kalisat, jampit, blawan and pancur which are located in Ijen District and are plantation areas under PTPN XII. For the coffee commodity, Bondowoso Regency has 2 variants/types of coffee, namely arabica and robusta, the processing itself is divided into 2 again, namely in green bean products and processed into powder (added value). The existence of added value from agricultural products (coffee powder) is a measure in the development of a region, the agro-industrial development of Bondowoso Regency cannot be separated from competition with other surrounding areas such as Jember, Situbondo, Lumajang and Banyuwangi.

The added value has resulted in the existence of a processing industry whose process is quite complicated, from planting to harvesting then processed into green bean or coffee powder (added value) to be marketed and Bondowoso Regency has been known by its jargon, BRK (Bondowoso Republik Kopi) until now it has produced more than 60 trademarks. During the annual Nusantara Coffee Festival, the Bondowoso district government always promotes coffee growing in harmony with nature, and the declaration of Bondowoso Republik Kopi or BRK is a campaign by the local government to develop indigenous coffee and improve the economy of the people of Bondowoso district and emphasize that Bondowoso district is one of the world's best coffee producing regions and exporters, as well as being the pride of Indonesia on the international market stage.

It is hoped that with the above steps Bondowoso Regency coffee farmers can export their own coffee, which will be a good benefit for the regional economy and community welfare. In the beginning it went well but after a long time the focus on the coffee cluster declined and in fact although there are farmers who export their own coffee, there are still many farmers who are not in that phase, because the most important factor in exporting their own coffee products is the process (Agroindustry) developed by farmers in processing coffee from planting to post-harvest to selling to consumers so that it has a high quality so that it can be exported to the international market. Some farmers still harvest and sell coffee freely without distinguishing rainbow picking (green, yellow, red coffee) and red picking and limited post-harvest processes, which is caused by the low human resources and economy of coffee farmers in Bondowoso Regency.

II. LITERATURE REVIEW

Agro-industry is a means of increasing added value, creating employment, expanding the market for agricultural products and supporting efforts to increase farmers' income and welfare (Basamalah, 2004). The characteristics of agro-industry are resources based industry, the direction of its development strategy must be based on the regional approach to resource potential while still resting on the concept of comparative advantage (Syam and Ma'arif, 2004). Therefore, a policy touch for the development of regional agricultural
development is still very much needed to improve the welfare of the farming community (Witjaksono et al., 2005). Agro-industry is basically the processing of agricultural products associated with industry and existing technology. The products produced by agro-industry are finished products that are ready for daily use as well as semi-finished products developed from various agricultural products. Within the scope of the agro-industrial sector, there are various kinds of sectoral improvements which include increasing production, improving quality, added value, and competitiveness of agricultural products as industrial raw materials, increasing the competence of human resources (HR), and developing agribusiness and agro-industry. Hicks (1995) in Tarigan and Ariningsih (2007) suggested that the characteristics of agro-industrial activities are: (a) increasing added value, (b) producing useful and marketable products, (c) increasing shelf life, (d) generating income gains for producers.

Coffee is one of the leading commodities in Indonesia. Several types of coffee that have the potential to be cultivated are robusta and arabica coffee. Optimization of coffee processing agro-industry products can be done with product innovation and diversification. Product diversification can increase the variety of processed products so as to increase the added value of a product (Srihidayati et al, 2018). Another study states that the variety of processed coffee products and entrepreneurial behavior of coffee farmers have an important role in the development of arabica coffee processing businesses in Gayo Village (Fattarani et al, 2017), (Zainura et al, 2016). Some factors that need to be considered in the development of processed coffee products are the variety of processed coffee products, improving skills in ensuring product quality, and developing markets or marketing and capital (Rezki & Hapsari, 2019), (Zakaria et al, 2017).

According to Austin (1992) in Suprapto (2010), agro-industry of agricultural products is able to make a very real contribution to the development of most developing countries. Agro-industry is the door to the agricultural sector. Agro-industry performs the transformation of raw materials from agriculture including the transformation of subsistence products into final products for consumers. This means that a country cannot fully utilize its agronomic resources without agro-industrial development. On the one hand, the demand for processing services will increase in line with the increase in agricultural production. On the other hand, agro-industry is not only reactive but also creates backward demand, i.e. increased demand for the quantity and variety of agricultural production. The consequences of this backward demand are: (a) farmers are encouraged to adopt new technologies to increase productivity, (b) as a result, agricultural production and farmers' incomes increase, and (c) infrastructure development (roads, electricity, etc.) expands.

III. METHODOLOGY

3.1 Type of Research

The type of research used in this study is qualitative research. This type of research was chosen because it supports how the potential and constraints faced by the coffee agro-industry in Bondowoso Regency from post-harvest (upstream) to consumers (downstream). The research site targeted for this study was located in Bondowoso Regency, East Java. The rationale for selecting this research area is that Bondowoso Regency has a quality coffee commodity agro-industry that is managed from post-harvest to consumers.

3.3 Type and Source of Data

The data sources of this research use primary data and secondary data. Primary data is data obtained by researchers directly by going to the field, where the data obtained comes from the results of direct interviews and distributing questionnaires with sources and related parties. Secondary data in this study were obtained from the Central Bureau of Statistics of Bondowoso Regency and the Bondowoso Regency Agriculture Office.

3.4 Population and Sample

The sample used by researchers is using purposive sampling technique, which is data collection not based on the basis of random, strata, or region but for a specific purpose. And the sample taken by the researcher was 22 people, which included 11 farmers and 11 coffee seller cafes in the Bondowoso area.

3.5 Data Analysis Methods

The method used in this research is descriptive qualitative analysis method and SWOT analysis which aims to determine the characteristics of coffee commodities, the development of coffee agroindustry, and what factors support the quality of coffee agroindustry in Bondowoso Regency. As well as in this study aims to determine the right strategy in the Development of Coffee Agroindustry in Bondowoso Regency, East Java
using SWOT analysis. According to I Made Winartha (2006: 155), qualitative descriptive analysis is to analyze, describe, and summarize various conditions, situations from various data collected in the form of interviews or observations regarding the problem under study that occurred in the field. SWOT analysis is a systematic identification of various factors to formulate a company's strategy. This analysis is based on logic that can maximize strengths and opportunities, but at the same time can also minimize weaknesses and threats. Strategic decision making is always related to the development of the company's mission, goals, strategies, and policies. The performance or quality of the company is determined by internal and external factors, both factors must be considered in the SWOT analysis. SWOT analysis compares external factors of opportunities and threats with internal factors of strengths and Weaknesses.

Figure 1 SWOT Quadrant Matrix Graph (Source: Rangkuti, 2014)

IV. RESULTS AND DISCUSSION

4.1 Characteristics of Coffee Commodities in Bondowoso District

Plantations in Bondowoso Regency are of undoubted quality as they utilize the soil quality of the large mountains in Bondowoso Regency such as Mount Ijen, Mount Raung, and Mount Argopuro, using 2 types of coffee, namely arabica and robusta coffee, which have improved in quality to date from the agro-industrial process developed by local coffee farmers. In 2016, Bondowoso Regency was officially known as Bondowoso Republic of Coffee (BRK) through an archipelago coffee festival inaugurated by the regent Amin Said Husni due to the high quality of coffee produced in Bondowoso Regency and marketed to various regions and even abroad. In 2017, the government assisted the coffee community by building a coffee village located on Jalan Pelita, Tamansari, Bondowoso Regency, where there are more than 30 coffee stalls or cafes aimed at introducing Bondowoso's original coffee.

a. Agro-industry of Coffee Farmers

Coffee farmers in Bondowoso Regency have developed a lot to date, although constrained by sophisticated technology but over time farmers can adapt to existing technology. This is evidenced by the many methods used by coffee farmers in processing their harvest, starting with the selection and separation between the types of beans harvested, namely between green and red (best quality), followed by the processing of coffee beans using several techniques including, natural techniques, semi wash, full wash, honey, wine, among all these techniques the difference is only in the length of time the farmer manages the resulting coffee beans. For example, there is a wine process that uses three times the fermentation process and then washed until floating and then put in tobacco plastic for one week which is then dried in the sun for 2-3 hours and then deposited in tobacco plastic again which will then be dried until dry and ready to be marketed and of course at a high price. But there are also some farmers who sell it directly without processing, so it is marketed to consumers in the form of beans or seeds, most of which are exported to various countries. In 2022, coffee sales in Bondowoso Regency alone were at Rp.15,000 per kilogram for regular processed coffee. In the bean type sales range from 70-80 thousand rupiah/kg.

b. Coffee-Selling Café Agro-Industry

Until now, the sale of coffee commodity products is not only through access from farmers to coffee collectors or farmers directly to consumers, but the marketing of coffee commodities has developed to be sold in several cafés that focus on selling authentic coffee. The cafés that sell authentic coffee in Bondowoso Regency have existed for a long time but were not supported by an even distribution from either the community or the government. Over time, there began to be a spread of cafés in Bondowoso Regency,
especially those that sell and process original coffee products in the form of coffee beans (raw), powder, and ready to brew from the mountains of Bondowoso Regency.

In 2017, the government took advantage of Bondowoso's own geographical conditions, the majority of which have highlands, by organizing or building a coffee village on one of the streets in Bondowoso Regency, namely Pelita Street, Tamansari. At that time, Jalan Pelita Coffee Village became a center for the introduction and education of products and preparations made from Bondowoso mountain coffee beans. The results of this education have had a high impact to date, namely, many consumers understand the taste and characteristics of coffee beans processed from robusta and arabica types. In building these cafés, it is quite difficult to survive selling original processed coffee products, especially from the years before coffee education was intensified in Bondowoso Regency, to be precise in the 2000s, where people were only familiar with packaged coffee. So many owners of these cafés make innovations so that this business continues to survive for years, for example processing original processed coffee added with ginger or other innovations.

In 2022, consumers of Bondowoso mountain coffee products have reached almost all regions in Indonesia and have even been exported abroad, because Bondowoso Regency is one of the owners of the best quality coffee in the world which makes Bondowoso Regency have a jargon for its coffee products, namely BRK (Bondowoso Republic of Coffee) which was intensified in 2016. The café community also holds festivals every year, such as the Nusantara Coffee Festival, which has had a rapid impact on Bondowoso's coffee.

4.2 Results of SWOT Analysis of Coffee Agro-Industry in Bondowoso Regency

The results of the analysis of internal factors including Strengths and Weaknesses and external factors such as Opportunities and Threats in the development of coffee agro-industry in Bondowoso Regency. Researchers managed to obtain results from several research objects which can be seen in table 1 below:

<table>
<thead>
<tr>
<th>Internal Factors</th>
<th>No.</th>
<th>External Factors</th>
<th>No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>I. Strength</td>
<td></td>
<td>III. Opportunity</td>
<td></td>
</tr>
<tr>
<td>1 Robusta and Arabica coffee are the best coffee in Indonesia</td>
<td>1 Coaching on coffee commodity information</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Contests and events about coffee are often held</td>
<td>2 Coffee is gaining traction with the general public</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Marketing of Bondowoso's original coffee has been evenly distributed</td>
<td>3 Development of varied and creative processed coffee products</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 The technology used in processing coffee is modern</td>
<td>4 Support from local government</td>
<td></td>
<td></td>
</tr>
<tr>
<td>II. Weakness</td>
<td></td>
<td>IV. Threat</td>
<td></td>
</tr>
<tr>
<td>1 Poor road access from the coffee plantation to the management site</td>
<td>1 With the existence of rapidly developing technology, coffee farmers are still unable to keep up with existing technological developments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 Coffee processing facilities are still limited</td>
<td>2 Consumers are more interested in packaged coffee than real coffee</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 Products produced by farmers still lack creativity</td>
<td>3 No improvisation from coffee farmers in developing crops</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 Human resources are still lacking and limited</td>
<td>4 Transportation of crops from upstream to downstream is still limited</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Table 1: Identification of Agro-industry SWOT Analysis
After conducting the survey, the researcher can determine the IFAS Matrix shown in Table 2 below:

<table>
<thead>
<tr>
<th>No</th>
<th>Internal Factors</th>
<th>SCORERATING</th>
<th>RATING</th>
<th>X</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>Strength Factors</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Robusta and Arabica coffee are the best coffee in Indonesia</td>
<td>0.17</td>
<td>3</td>
<td>0.51</td>
</tr>
<tr>
<td></td>
<td>Contests and events</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Robusta and Arabica coffee are the best coffee in Indonesia</td>
<td>0.14</td>
<td>3</td>
<td>0.43</td>
</tr>
<tr>
<td></td>
<td>Contests and events</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Marketing of Bondowoso's original coffee has been evenly distributed</td>
<td>0.12</td>
<td>3</td>
<td>0.37</td>
</tr>
<tr>
<td></td>
<td>The technology used is modern in processing coffee</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>The technology used is modern in processing coffee</td>
<td>0.15</td>
<td>3</td>
<td>0.46</td>
</tr>
<tr>
<td></td>
<td><strong>Total Kekuatan (S)</strong></td>
<td>0.59</td>
<td></td>
<td>1.77</td>
</tr>
<tr>
<td></td>
<td><strong>Weakness Factors</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Poor road access from the coffee plantation to the management site</td>
<td>0.10</td>
<td>2</td>
<td>0.20</td>
</tr>
<tr>
<td></td>
<td>Coffee processing facilities are still limited</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Poor road access from the coffee plantation to the management site</td>
<td>0.10</td>
<td>2</td>
<td>0.20</td>
</tr>
<tr>
<td></td>
<td>Coffee processing facilities are still limited</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Products produced by farmers still lack creativity</td>
<td>0.11</td>
<td>2</td>
<td>0.21</td>
</tr>
<tr>
<td></td>
<td>Products produced by farmers still lack creativity</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Human resources are still lacking and limited</td>
<td>0.10</td>
<td>2</td>
<td>0.21</td>
</tr>
<tr>
<td></td>
<td>Human resources are still lacking and limited</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Total Weaknesses (W)</strong></td>
<td>0.41</td>
<td></td>
<td>0.82</td>
</tr>
<tr>
<td></td>
<td><strong>Total Strengths and Weaknesses (S+W)</strong></td>
<td>1.00</td>
<td></td>
<td>2.59</td>
</tr>
<tr>
<td></td>
<td><strong>Difference between Strengths and Weaknesses = S - W</strong></td>
<td></td>
<td></td>
<td>0.95</td>
</tr>
</tbody>
</table>

Table 2. IFAS Matrix (Internal Factors Analysis Strategy) Coffee Agroindustry

So from the IFAS analysis based on the strategic factors for developing coffee agro-industry in Bondowoso from post-harvest, it has a value of 1.77 in the strength aspect, which states that in the questionnaires that have been distributed and filled in, the highest rating in the strength aspect is the first factor, namely robusta and arabica coffee is the best coffee in Indonesia. with a total value of 76 and has a rating of 3, which means that the internal factors based on the strength aspects that strongly support the coffee agroindustry are the 2 types of robusta and arabica coffee that can be produced, processed and marketed by coffee agroindustry actors in Bondowoso whose sales have expanded from domestic to foreign countries.

Meanwhile, the weakness aspect of the Bondowoso Regency coffee agroindustry is at a value of 0.82 with the highest rating on the weakness aspect being the 3rd factor, namely that the products produced by coffee agroindustry actors are still less creative with a total value of 48 and have a rating of 2, which means that processed coffee products starting from the post-harvest process to being marketed are still limited and lack innovation with this, the coffee agro-industry players in Bondowoso are still hampered and still far away in terms of improvisation in the processing process to market better coffee, with coffee that is processed in more detail and well-supported equipment, these coffee agro-industry players will be more prosperous in the future.
Furthermore, the EFAS (External Factors Analysis Strategy) analysis is a form of analysis of external factors (opportunities and threats) owned by a company or organization. After conducting the survey, the researcher can determine the EFAS Matrix shown in table 3 below:

<table>
<thead>
<tr>
<th>No</th>
<th>Internal Factors</th>
<th>SCORERATING</th>
<th>SCORE RATING</th>
<th>X</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strength Factors</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Robusta and Arabica coffee are the best coffee in Indonesia</td>
<td>0,15</td>
<td>3</td>
<td>0,45</td>
</tr>
<tr>
<td>2</td>
<td>Contests and events about coffee are often held</td>
<td>0,17</td>
<td>3</td>
<td>0,50</td>
</tr>
<tr>
<td>3</td>
<td>Marketing of Bondowoso's original coffee has been evenly distributed</td>
<td>0,16</td>
<td>3</td>
<td>0,47</td>
</tr>
<tr>
<td>4</td>
<td>The technology used is modern in processing coffee</td>
<td>0,13</td>
<td>3</td>
<td>0,38</td>
</tr>
<tr>
<td><strong>Total Kekuatan (S)</strong></td>
<td></td>
<td></td>
<td></td>
<td>0,60</td>
</tr>
<tr>
<td><strong>Weakness Factors</strong></td>
<td></td>
<td></td>
<td></td>
<td>1,81</td>
</tr>
<tr>
<td>1</td>
<td>Poor road access from the coffee plantation to the management site</td>
<td>0,11</td>
<td>2</td>
<td>0,21</td>
</tr>
<tr>
<td>2</td>
<td>Coffee processing facilities are still limited</td>
<td>0,10</td>
<td>2</td>
<td>0,20</td>
</tr>
<tr>
<td>3</td>
<td>Products produced by farmers still lack creativity</td>
<td>0,08</td>
<td>2</td>
<td>0,17</td>
</tr>
<tr>
<td>4</td>
<td>Human resources are still lacking and limited</td>
<td>0,11</td>
<td>2</td>
<td>0,21</td>
</tr>
<tr>
<td><strong>Total Weaknesses (W)</strong></td>
<td></td>
<td></td>
<td></td>
<td>0,40</td>
</tr>
<tr>
<td><strong>Total Strengths and Weaknesses (S+W)</strong></td>
<td></td>
<td></td>
<td></td>
<td>1,00</td>
</tr>
<tr>
<td><strong>Difference between Strengths and Weaknesses = S - W</strong></td>
<td></td>
<td></td>
<td></td>
<td>1,02</td>
</tr>
</tbody>
</table>

Table 3. EFAS Matrix (Analysis of Strategic External Factors) Coffee Agroindustry

EFAS analysis based on strategic factors for the development of coffee agro-industry in Bondowoso by coffee farmers has a value of 1.81 on opportunities (opportunities) which states that in the questionnaires that have been distributed and filled in, the highest rating on the opportunity aspect is the 2nd factor, namely coffee is starting to be in demand by the wider community. With a total value of 76 and has a rating of 3, which means that external factors based on the aspect of opportunities that strongly support the agro-industry of coffee farmers are original coffee that has been in demand by the Bondowoso community, after entering 2012 and above the government supported coffee in Bondowoso Regency which until now is known as Bondowoso Republik Kopi (BRK), after this was realized Bondowoso's original coffee slowly began to be known by the wider community, which started with the Bondowoso people themselves and then expanded outside the region until now and has become a great opportunity for coffee farmers.

As for the threat aspect, Bondowoso Regency is at a value of 0.79 with the highest rating on the threat aspect is the first factor, namely the existence of rapidly developing technology, farmers are still unable to keep up with existing technological developments with a total value of 48 and has a rating of 2, which means that with the existence of rapidly developing technology coffee farmers in Bondowoso Regency have difficulty processing coffee effectively and prefer the old way. Based on the calculation of the IFAS-EFAS analysis results, namely the creation of IFAS-EFAS quadrants, where each quadrant has a different strategy to
determine the best strategy. Determination of the quadrant position of the coffee agro-industry development strategy in Bondowoso Regency can be formulated as follows: Determination of the X axis (internal factors) is the difference between total strengths minus total weaknesses = S - W = 1.77 - 0.82 = 0.95 while on the Y axis (external factors) is the difference between total opportunities minus total threats = O - T = 1.81 - 0.79 = 1.02. Based on these results, it is obtained that the coffee agroindustry development strategy in Bondowoso Regency is at the coordinates (0.95; 1.02) and is in quadrant I.

![Figure 1. Quadrant of SWOT Analysis Results](image)

which means focusing on the SO (Strength - Opportunities) strategy which starts from post-harvest and then managed to be marketed to consumers. For the strategy used, namely using an aggressive/progressive strategy where this strategy utilizes the company's strengths to get opportunities created by the surrounding environment.

The most feasible and best strategy recommendations by researchers in the development of coffee agro-industry in Bondowoso Regency are:

1. **Conducting socialization and education for coffee agro-industry actors**

   - **The implementation of socialization for farmers is very important in the development of the quality of coffee produced.**
     
   With this socialization, coffee agro-industry actors understand more about how to plant and process robusta and arabica coffee until it is marketed to the public, which has an impact on the higher the understanding of agro-industry actors about coffee planting and processing, the better the results obtained and marketed. Especially now that technology is very influential on the quality of coffee produced up to the processing stage, for now coffee agro-industry players in Bondowoso Regency are still constrained by human resources who do not understand existing technology and lack of coffee processing support tools, as well as the lack of improvisation carried out by coffee agro-industry players so that the quality of the harvest until it is marketed to the public is just like that there is no improvement and sold at standard coffee prices which are still below the market price of coffee that is processed in a long way such as for example in honey or wine techniques that require up to 3-4 times the fermentation process, as well as innovations in marketing processed coffee products.

2. **Increase coffee sales promotion**

   - **Sales promotion of a product is important in expanding the market share of the product itself.** This strategy can be done in several ways, such as print media and electronic media, which in today's modern era is the best way that can be used.
     
   In publishing on print and electronic media, it must contain information about coffee products that are sold as well as possible, starting from the origin of the coffee beans that are grown to be managed very well until they arrive at the coffee seller's café which is then given the names of the processed coffee with unique names to attract consumers who read the advertisement. This information can more precisely be shared through social media such as WhatsApp, Instagram, Twitter, Facebook and other such platforms. Also through print media such as newspapers and magazines, the content can be in the form of achievements of Bondowoso's original coffee products that have participated in events about coffee products such as the Nusantara Coffee Festival so that consumers are more aware and interested in the quality of Bondowoso Regency's original coffee not only in the domestic market but even its sales will have the potential to reach the international market.
3. Innovating coffee products
   One of the problems in the development of coffee agro-industry in Indonesia is the lack of ability to
   innovate and diversify processed coffee products according to Sudjarmoko (2013). Therefore, in an
   effort to develop the coffee agro-industry in Bondowoso Regency, it is necessary to develop
   processed coffee that is not fixated on one preparation but can be diversified into many preparations
   such as ground coffee, ready-to-brew coffee, combining arabica and robusta coffee types, mixing
   original coffee with food flavors such as nuts, chocolate, lemon, apple and other flavors.

4. Optimizing the government's role in promoting Bondowoso's authentic coffee
   In order to develop products and promotions effectively and widely in the context of market
   expansion, the role of the government is needed here. To develop a business by utilizing supporting
   equipment optimally, the government's response must be more responsive to improving product
   quality in Bondowoso Regency itself, where the area is a highland, the government can take
   advantage of this to support the coffee agroindustry in Bondowoso Regency, which makes it a great
   opportunity in improving the economy of the Bondowoso Regency area, from post-harvest to coffee
   products sold in the market, the quality is maintained if there is a government role such as
   infrastructure improvement, equipment assistance to holding major events at coffee farmers to coffee
   selling cafes so that the wider community understands more about Bondowoso's original coffee.

V. CONCLUSIONS
Based on the results of the analysis in the previous chapter, this study resulted in the following conclusions.

1. Based on the results of the research, the characteristics of coffee commodities in Bondowoso
   Regency use the two best types of coffee, namely arabica and robusta, which are grown in three large
   mountains, namely argopuro, ijen, and raung. Where the original coffee of Bondowoso Regency has
   been recognized by domestic and foreign coffee consumers with its jargon, namely BRK (Bondowoso
   Republic of Coffee) through the archipelago coffee festival which is held annually.

2. Based on the results of the SWOT analysis research, the right strategy is obtained in developing the
   coffee agroindustry in Bondowoso Regency, namely in quadrant I which uses the SO (Strength-
   Opportunities) strategy where several strategies are created, namely: (1) Conduct socialization and
   education for coffee agro-industry players. (2) Increase sales promotion of Bondowoso original
   coffee. (3) Innovate coffee products. (4) Optimizing the role of the government in promoting
   Bondowoso original coffee.

After seeing the conclusions from the results of the analysis above, the researcher can provide several
suggestions that can be used and developed by related parties and the Bondowoso Regency government:

1. Provide socialization to the human resources of coffee farmers and café coffee sellers in Bondowoso
   Regency so that both parties can better understand how to manage their respective agro-industries. So
   that the quality of each variable also increases, starting from product innovation to the development
   of the quality of coffee produced so that the coffee is authentic to Bondowoso Regency, which can be
   done through events and coffee communities.

2. The Bondowoso Regency Government must work harder and cooperate with related parties, by
   helping to improve infrastructure, lending equipment, as well as coaching and socialization that
   supports the Bondowoso Regency coffee agroindustry which is supported by the Bondowoso
   Regency area, the majority of which is highlands and hills so that it can improve the welfare of
   human resources and the products produced which will ultimately have an impact on increasing the
   economy of Bondowoso Regency.

3. The community or consumers must be more supportive of the original coffee from Bondowoso
   Regency, where consumers are very influential on the sales and development of Bondowoso Regency
   original coffee by buying and consuming Bondowoso Regency original coffee, participating in coffee
   events, and providing input that can improve the quality of Bondowoso Regency original coffee.
REFERENCES


