SUMMARY

JULIANTO FRANSISKO. Business Strategy of Native Chicken Meat on CV. Lan Moy Farm. Supervised by HADI K. PURWADARIA and AMZUL RIFIN.

Native chicken is a term that initially created in Indonesia for pet chickens that are not handled by means of mass cultivation and do not come from a race that is usually produced for commercial. Development of native chicken as a food product in the supply of poultry meat today has good prospects. The advantage of native chicken meat is its distinctive flavor, therefore native chicken has its own market share. The amount of the native chicken market share reflected in the growing numbers of restaurant that using native chicken meat. Although the demand of native chicken is always increasing, but the growth of native chicken is running slow even it has downwards trend, especially in the area of West Java.

Currently, the supply of native chicken is less than consumption needs. It is necessary to increase the production of native chicken businesses. One of the native chicken companies in Bogor, West Java is CV. Lan Moy Farm. This company has been doing business for 14 years. The company currently has a constraint in developing its business to meet the demand of native chicken meat. In managing its business the company is still using the traditional maintenance systems. CV Lan Moy Farm, needs to formulate strategies that are useful in developing its business and facing the business problems today. The purposes of this study are to 1) analyze the internal and external environmental factors that affect the production of native chicken at CV Lan Moy Farm, 2) formulate alternative strategies that can increase the production of native chickens at CV Lan Moy Farm, and 3) determine the priority of alternative strategies used to increase the production of CV Lan Moy Farm.

This study was conducted with a qualitative descriptive in the form of case studies at CV Lan Moy Farm. The use of case study research approach was intended to describe the problem with more detailed information. This research analyzed the value chain at CV Lan Moy Farm. The data used in this study consisted of primary data and secondary data, either qualitative or quantitative. Primary data were obtained by interviewing respondents. Secondary data were obtained from company documents, such as annual reports. Processing techniques and data analysis consisted of descriptive analysis and environmental analysis of the company. Analysis tool that was used to formulate the strategy was the SWOT-AHP analysis.

The results of research on value chain analysis showed that there were two channels of activity patterns of supply native chicken meat to consumers. The channel were 1) breeders, distributors, native chicken slaughterhouse, supermarket / restaurant, and consumer 2) breeders, distributors, traditional market. Existing value chain pattern illustrate and that the current whole activities of native chicken meat sales in the company was through the hands of distributors. Distributors distributed the entire production to native chicken slaughterhouse and traditional markets.

Furthermore, analysis the company internal environment found that the strengths of the company were having experienced human resources on traditional farming, profits increased by an average 10% per year, owning extension of farm
land, and already had regular customers. While the weaknesses of the company were lacking the skills of human resources, high mortality rate, high cost of production of native chicken. Analysis of the external environment of the company indicated that the opportunities consisted of the existence of government support for native chicken meat farm, demand for native chicken in Jabodetabek continues to increase, and a significant increase in people's income. Threats that could affect the company were the presence of competitors, the presence of native chicken meat substitute products / cheaper meat, day old chicks limited supply, and infection of virus or illness.

The results of the analysis of the external and internal environment then performed the formulation of strategy. Strategy formulation results obtained from the analysis was that the strategy of increasing the volume of domestic production of native chickens (SO), strategic increase human resource capacity building (WO), produced DOC independently (ST), direct marketing strategy (ST), and strategic of biosecurity improvements (WT). Further analysis to determine the priority of each strategies by using SWOT-AHP analysis resulted in sequence as the following: producing DOC strategies independently, improving biosecurity of the environment, increasing the volume of native chicken production, improving human resource, and direct marketing strategy.

Keywords: Native Chicken, strategy formulation, value chain, SWOT-AHP