SUMMARY

VHARESSA AKNESIA. Business Development Strategy for Specialty Coffee at PT Sinar Mayang Lestari. Supervised by ARIEF DARYANTO and KIRBRANDOKO.

National Coffee Association (NCA) showed that consumption of specialty coffee was 30% from coffee consumption in the US (Gaille 2013). World consumption patterns now shifted from coffee drinkers into coffee lovers. Coffee consumption is predicted will grow in line with the growth of the middle class. Penetration of specialty coffee shop in the last seven years also have a role in the increased consumption of coffee (Hidayat 2014).

Indonesia has variety types of Arabica special coffee that is not owned by other countries. One of specialty coffee that needs to be developed is Arabica Java Preanger originated from West Java. PT Sinar Mayang Lestari is one of the company which currently produces and develops Arabica Java Preanger coffee. PT Sinar Mayang Lestari was established on November 12th, 2012 and introduced the Arabica Java Preanger coffee to local and international markets.

This study has two objectives as follows : (1) to analyze the competitive advantage held by PT Sinar Mayang Lestari; and (2) to formulate alternative strategies for PT Sinar Mayang Lestari so they can expand this business in the future. Value chain analysis showed that the company still have a strong dependence with the actors from outside company. Varieties used and the number of immature plantations lead the low of productivity. Weather also has impact to the level of coffee plant production. The company had difficulty in terms of quality uniformity due to the location of some farmers and agency partners are quite far from the mill.

Resource-based view with VRIO framework used to identify the advantages that currently had by the company. It shows that PT Sinar Mayang Lestari has temporary competitive advantage of technological resources and reputation. These advantages need to be developed to become a sustainable competitive advantage. In terms of value transfer, added value generated by derivative form of coffee beans into a cup of coffee has the greatest number among all of the stages. This is can be a consideration for the company to develop their business in the future.

External and internal strategic factors were added to SWOT matrix and produce six alternative strategies for the company. The chosen strategy selection using AHP determines the weight priority for the strategy. Strategy in the top of priority is to increase the production of coffee types natural and honey then followed with build coffee center in plantation site for sharing knowledge and innovations media to farmers. Other strategies are to improve the competence of human resources in the field of plantation, post-harvest, and promotion, gradually building management systems, integration in the future by building a coffee roasting business and powder and to maximize the ability of the land and human resources through research and development.

Keywords : competitive advantage, specialty coffee, SWOT-AHP, value chain, VRIO.