CHRESSYA CLARA ANGGRENY. Strategy Analysis of Business Development of KPBS Pangalengan, Bandung, West Java. Supervised by ALLA ASMARA and YETI LIS PURNAMADEWI.

West Java is one of the third largest milk producing centers in Indonesia after East and Central Java. Indonesian dairy cattle population of ± 30% is found in West Java and 32% of national fresh milk production is produced by West Java. This is an opportunity for increasing domestic fresh milk production, which is largely produced by people's businesses. The purpose of this research are (1) Analyze internal and external conditions of KPBS Pangalengan, (2) Formulating alternatives for business development of KPBS Pangalengan, (3) Determine policy priorities for the development of KPBS Pangalengan business.

This research is located at Dairy Cooperative in South Bandung Pangalengan, Bandung district. The research processed within eight months from September 2017 until January 2018. This research used some approaches, such as depth interview with internal administrators and the influencer of external actors. The type of data that used in this study is the primary data in the form of a deep questionnaire and secondary data obtained from several sources. Sampling technique used in this study is purposive sampling with the consideration that the respondent is an expert in their field. Respondents in this study are divided into two groups, which are internal and external respondents. The internal respondent on this research sampling are Chairman of KPBS, Secretary of KPBS, and Chairman supervisor of KPBS. The external respondent on research sampling are lecturers of Faculty of Animal Science IPB and Production and Operation Manager of PT Frisian Flag. Data processing technique that used in this research is internal descriptive analysis with Porter's value chain method, PEST analysis (Political, Economic, Social, Technology) and SWOT and AHP analysis with Expert choice 2000 software.

Based on the results by using Porter's value chain, the internal factors that become the strength in the preparation of business development strategy in KPBS Pangalengan are: (1) KPBS brand image that has been formed, (2) KPBS has MP and MCP as a place to handle fresh milk, (3) KPBS milk has SNI standard, (4) KPBS has its own feed land, (5) The existence of milk processing unit as a place for processing fresh milk into pasteurized milk and milk-derived products, (6) The existence of a cattle feed factory unit for forage processing, (7) Storage of milk after production in storage, (8) Distribution of milk to several industries that have partnered with KPBS, (9) KPBS products are marketed through job orders to IPS, (10) KPBS sells RC to farmers, (11) Services of BPR units in Bandung Kidul. On the other hand, the weaknesses in the preparation of the KPBS business development strategy are: (1) Supply of fresh milk that has not met the market, (2) Limitations of forage feed as RC raw material, (3) Design of less attractive milk packaging, (4) the distance between KPBS and the wide distribution of members, (5) Declining interest in dairy farmers, (6) The use of technology that is still simple. External environmental factors that become opportunities in the preparation of KPBS Business Development strategies are: (1) Guarantee of milk supply markets, (2) High feed requirements, (3) Increased milk
production trends, (4) Open marketplace for KPBS products, (5) Technological developments, (6) Government policies related to milk partnership, while external factors that pose a threat in KPBS Business Development are: (1) Increase in feed prices, (2) Competitors do wider distribution, (3) Consumer preferences on quality milk, (4) Competitors have more milk flavors.

Based on the SWOT analysis, there are seven alternative strategies, namely: (1) Opening opportunities for parties who want to invest in MT2 and UPP, (2) Increasing the number of livestock in the enclosure of KPBS colonies, (3) Increasing the (4) Increasing innovation and quality of products produced by KPBS, (5) Building alliances with more Milk Processing Industries, (6) Making HR training and development as well as conducting integrated supervision, (7) Cooperating with shops franchise and open market market and e-commerce tools in expanding the marketing of KPBS products.

Keyword: AHP, dairy cooperative, KPBS, PEST analysis, Strategy of business development, SWOT, value chain.