# BUSINESS POTENTIAL OF POST-HARVEST PROCESSING OF ROBUSTA COFFEE IN JANGKAT VILLAGE, MERANGIN DISTRICT

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## Abstract

Jangkat coffee or Merangin Robusta coffee is a variety of Robusta coffee that is one of the leading commodities from the highlands of Merangin district, Jambi province. Jangkat robusta coffee has high potential because it already has its own geographical indication area and has a very good taste score if proper post-harvest processing is carried out. There is huge potential to develop business by investing in post-harvest production of Robusta coffee greenbeans due to the large availability of raw materials there and also very few other companies engaged in the post-harvest coffee production processing industry in the area. Companies that want to invest in this area are expected to create value and profit by adhering to coffee certification and traceability standards and selling to business-to-business customers and this can be done by providing education to coffee farmers.

Keywords: Coffee Education, Post-Harvest, Business Potential

## Introduction

Coffee is a commodity that has been traded globally for hundreds of years and has played an important role in world society. The culture of drinking coffee has been started by the people of Ethiopia and Yemen since thousands of years ago and has now spread to various countries such as Italy, India, Europe, Indonesia, the United States and other countries. So that in order to meet the needs of coffee consumption, coffee is currently produced by several countries spread throughout the world.

Brazil, Colombia, Vietnam, and Indonesia are countries that contribute as much as 75% of the total world coffee production in 2020. Based on the region, coffee production is dominated by South America with the countries of Brazil and Colombia contributing the largest production. more than 40% of the total world coffee production since 1963. the Asia and Oceania region, producing countries that have a major contribution to total world coffee production include India, Indonesia, Vietnam, Papua New Guinea, and Thailand. This area has experienced a fairly high production development due to the growth of the domestic coffee industry in several regions of the country (Wahyudi & Pujiyanto, 2016).

Indonesia's domestic consumption from 2017 to 2021 continues to increase with an average growth of 1.7%. Coffee consumption increased from 4,750,000 bags to 5,000,000 bags (ICO 2022). According to the Indonesia ministry of trade in 2016, the

growth of the middle class which causes changes in the lifestyle of the Indonesian people has become an impetus for the performance of the domestic coffee processing industry so that it has increased significantly. This is also inseparable from the third wave of the coffee industry, which really appreciates coffee like art, as has happened in the wine industry. Coffee consumers in this era are more concerned with the origins of coffee, the farmers who grow it, how it is served, and the characteristics of coffee that are even more concerned. The image of the country and place of origin of production as well as trust in coffee quality greatly affects the interest of Indonesian coffee consumers in this third wave era, so that the reputation of greenbean producers and roasters must be improved (Prakosa, 2019).

The sub-districts of Jangkat, East Jangkat and Lembah Masurai, Merangin Regency, Muaro Jambi Province, are one of the Robusta coffee producing areas in Indonesia. Merangin Robusta coffee is the main commodity of Merangin Regency besides rubber and oil palm. Robusta coffee in this area has obtained Geographical Indications certification by the Directorate General of Intellectual Property of the Ministry of Law and Human Rights of the Republic of Indonesia so that it will be protected as long as the reputation, quality, and characteristics of a product are maintained. Merangin Sumatran Robusta Coffee is located around the foot of the mountains at an altitude of 800 – 1400 meters above sea level. The area of coffee plantations in this area reaches 11,066 hectares. Merangin coffee plants have been introduced in this area since 1980 (Supratman, 2019).

Robusta coffee produced in the area of Jangkat and its surroundings is mostly of low quality and only a few farmer groups can produce good quality. Almost all robusta coffee processing in the Jangkat sub-district is carried out in the traditional way, starting from the selection of coffee beans to making coffee. The low quality of Robusta coffee is caused by external and internal factors. External factors, such as erratic weather and climate and the presence of pests and diseases, internal factors, namely the quality of human resources that are still lacking, lack of skills and knowledge in managing coffee, lack of farmer capital to buy adequate and proper machines (al Ihkam, 2022).

to enhance the quality of robusta coffee in the surrounding area and make it more valuable and profitable. Therefore, a more comprehensive analysis and strategic recommendations that can aid in the formation of this business are required.

The significant increase in coffee consumption that Indonesia has seen over the past ten years simply cannot be met by the country's rising levels of coffee production. 3.6 million bags was the amount of coffee that was consumed in Indonesia in 2019, as reported by the International Coffee Organization in 2021. In the meantime, there will be 5 million sacks in the year 2020. In the past decade, consumption increased by 3.7%, making it the second fastest growing market among countries that produce coffee. In the meantime, the annual consumption of 1.1 kg per person is still quite modest. However, according to BPS in 2021, there were a number of fluctuations in coffee production from 2018 to 2020. The total amount of coffee that was produced in 2018 was 756.05

thousand tons, however that number fell to 752.51 thousand tons in 2019, representing a loss of 0.47 percent. The annual production of coffee reached 762,38 thousand tons in 2020, representing a 1.31 percent rise.

Increased coffee consumption makes the volume of demand for domestic production increase but not with the volume of production demand for exports which actually decreases (Ranum, Peña-Rosas, & Garcia-Casal, 2014). This suggests that Indonesia's coffee production is not yet oriented toward exporting at this time. This is as a result of a number of different things.

First, Robusta makes up the majority of Indonesia's coffee production, although Arabica accounts for the majority of the demand for coffee around the world (70%) and robusta only makes up 30%. Arabica coffee production makes for the remaining 25% of Indonesia's total coffee output between the years 2010 and 2019, while Robusta coffee production accounts for an average of 74.43% of the country's overall output. This demonstrates that there is a crucial necessity to boost production of Arabica coffee, one of the ways in which this can be accomplished being the expansion of coffee plantations. But Arabica coffee plants can only grow and bear fruit optimally above 1,000 meters above sea level (AMSL), while Robusta coffee only requires an altitude of 400-800 AMSL. So that the expansion of Arabica coffee plants is limited due to the availability of land with an altitude above 1000 amsl because it is generally in the form of forest (Wahyudi & Pujiyanto, 2016).

The second problem is the quality of the coffee produced. Coffee exported by Indonesia, both robusta and arabica, is standardized to keep up with global market developments by using the SNI coffee defect system number 01-2907-2008 with the highest quality scale to the lowest 1-6. This standardization was carried out to comply with the International Coffee Organization ICO resolution no, 407 concerning coffee quality improvement which has been implemented since 2002. Arabica coffee exported is of grade 1. Robusta coffee is still dominated by grade 4 as much as 60%, grade 5 and grade 6 as much as 30% and grades 1 and 2. This shows that there are problems with the quality of the coffee beans produced (Sahat, Nuryartono, & Hutagaol, 2016)

The low quality of Indonesian coffee is caused by poor harvest and post-harvest processes at the smallholder level (Prajogo, Lutfi, Liana, & Adi, 2020). The harvesting process is still mixing red coffee cherries that are ripe and ready to harvest with green berries that are not yet ready to harvest. So that the resulting coffee beans are not uniform and have many defects. This has the potential to reduce the weight of the coffee beans after drying and also reduce the quality of the coffee. Farmers also still do a lot of incubating coffee in sacks and also don't understand how to do the right post-harvest so that it will make the coffee damaged and moldy.

The superiority of coffee products in the marketing of coffee commodities lies in their quality and distinctiveness, particularly in terms of aroma and flavor. The coffee product will receive the highest rating from customers if it lives up to their expectations. As a result, customers will choose to purchase coffee goods that, in their opinion, offer the most value and satisfaction (Neilson & Wright, 2017).

The Robusta and Arabica coffee markets in Indonesia are distinct. North America and Western Europe are the main markets for Indonesian robusta coffee. Due to the exceptional quality of Indonesian Arabica coffee, it is often promoted as a specialty coffee on the global market. The primary markets for speciality coffee are the United States, Japan, and western Europe. The market for Arabica coffee is generally steadier than the market for Robusta coffee. This is because Vietnamese robusta can replace Indonesian robusta on the global market. Generally, Indonesian Coffee goes through at least three or four hands before being processed by the exporter or processing factory. Most Indonesian farmers conduct transactions directly with collectors or middlemen. The involvement of these collectors causes the market chain to be long and is detrimental to farmers. The role of collectors is in addition to buying produce from farmers and selling them to wholesalers, directly to factories or exporters. is also providing loans to farmers.

Jangkat Robusta Coffee was awarded 1st place as Indonesia's best robusta coffee in 2018 by the Specialty Coffee Association Of Indonesia. Of course this is a big opportunity because the taste of coffee can increase the value of coffee. The taste of coffee is measured through the cupping score, the higher the cupping score, the better the taste of the coffee so that it tends to increase the value of the coffee and will increase the price. Overall fruity, floral, sweet, spice, ad sour acid are Cuppers' and buyers' most favorite coffee flavors and aromas (Traore, Wilson, & Fields, 2018). In 2019 Robusta coffee from Jambi managed to achieve the highest cupping score with a score of 82.42 for this type of Robusta coffee at the 8TH SCAI Micro Lots Indonesia Specialty Coffee Auction 2019. From the results of the assessment the Term Coffee smelled of caramel and tropical fruits, followed by dried ginger and sweet potato.

### Method

The qualitative research method will be used in this study to collect data collecting in order to design the business strategy and provide an answer to the objectives of the research question that was provided earlier. The qualitative approach is a way to collect all non-numerical facts or data that have not been quantified. It is possible for this approach to be the output of any research strategy. The qualitative data are based on meanings that are communicated through words, and the data themselves may be obtained in a non-standardized format, in which case they require categorization into categories and analysis that is carried out by the application of conceptualization. The management tools that use in this research method is PESTLE analysis and Porter's Five Force Industry Analysis

Data collection was carried out in October-November 2022. The author collected primary and secondary data. For primary data collection by Direct Interview, Indirect Interview via whatsapp, email and Focus Group Discussion Secondary data that was used in this research was collected through literature review, reading articles, news, books, and other related sources.

### **Results and Discussion**

The sub-districts of Jangkat, East Jangkat, and Lembah Masurai located within the Merangin Regency are the most important centers for the production of robusta coffee in the Jambi province. The Sumatran Merangin Robusta coffee plantations can cover an area of up to 11,066 hectares and are situated at an altitude of between 800 and 1,400 AMSL (BPS 2020). One of the primary means of subsistence for locals in this region is the cultivation of robusta coffee. Robusta coffee was chosen because it is resistant to pests and diseases, easy to care for, and the demand for this variety of coffee is higher than for other varieties of coffee, but it is still lower than the demand for arabica coffee.

Most of the coffee produced by the communities of Jangkat and its surroundings is of low quality due to improper harvest and post-harvest handling, including in the picking process, farmers in this area mostly harvest coffee cherries that are still yellow which indicates the fruit is ripe. it's not cooked. Picking a good coffee fruit is when the fruit is red in order to get good quality beans. This wrong harvesting technique is caused by the farmers' coffee cherries that do not ripen at the same time so that farmers are reluctant to harvest repeatedly so that they harvest all at once including those that are still yellow. This is done because the farmers want to immediately sell their coffee to make money in a faster time even though the coffee cherries that are harvested are not yet fully ripe. Due to the poor quality of the harvest, coffee farmers are unable to sort the coffee beans due to too many defects that will take a long time (Saputra, 2022).

#### Jangkat Coffee Pestel Analysis Result

Political

The currently elected governor of Jambi, H. Al Haris for the 2020-2024 period, comes from Muara Mandras Village, East Jangkat District. This certainly makes the current governor's political promise to the people of Jangkat and surrounding areas. This is starting to be shown from Jambi provincial programs which aim to promote tourism in the Jangkat area and its surroundings and also help the Merangin area to obtain geographical indications for Jangkat coffee. And currently there are also support programs for the community to be able to manage customary forests. The Jambi Provincial Government is also committed to advancing its regional economies, one of which is by improving the routes in the Jangkat area which are designated for logistics and tourism.

The Indonesian central government is aware of the critical importance of the coffee industry to the development of the country's economy as a top export for the local plantation sector. Through processing, marketing, and export and import trade, the coffee business has aided in generating income for coffee farmers, providing foreign exchange for the nation, producing industrial raw materials, and creating jobs. The development of the coffee industry from the upstream to the downstream has the strong support of Indonesia's central government. The government continues to encourage advancements in upstream governance, farmer institutional governance, and post-

harvest governance in order to maximize the potential of the coffee sector and to raise productivity, brand, and packaging requirements in order to reach the global market (Coordinating Ministry For Economic Affairs Republic of Indonesia 2022). The Indonesian government has been establishing a program for coffee production since 2007, which includes reviving crops, replanting new crops, and expanding the production area (Business monitor international 2018). However, these planned sequences are quite uncertain because neither the increasing production of coffee nor the expansion of the production area has produced any notable results.

#### Environmental

Jangkat District is a highland along with Jangkat Timur, Muara Siau and Lembah Masurai District. The Kerinci Seblat National Park (Taman Nasional Kerinci Seblat; TNKS) area which is the largest national park in Sumatra is also included in the sub-districts of this area. TNKS is one of the national park areas in Indonesia which was designated as a World Heritage Site (WHS) by UNESCO as one of the Tropical Rainforest Heritage of Sumatra (TRHS) with the widest part and holds a very important feeling because of its position between the two national parks, namely Gunung Leuser National Park and South Bukit BarisaN National Park. Because there is the Jangkat area and the surrounding area that enters the TNKS area, the government and local residents strive and are committed to maintaining the integrity of the TNKS area in the form of a commitment to law enforcement and preventing forestry crimes and or forest fires, hunting, hunting, distribution and trade of plants and animals. liars are protected in the TNKS area and its surroundings.

Agriculture and the cultivation of upland crops are able to be practiced in the area of Jangkat and its surrounding areas because of the favorable climate conditions (Marwanto & Agus, 2022). Examples include the strawberry, the potato, the sweet potato, the cabbage, the robusta coffee, and the arabica coffee. Coffee is grown extensively in Jangkat due to the region's steep geography, which encourages its cultivation due to the fact that it is simpler to maintain and harvest than seasonal crops such as potatoes or cabbage. In the meanwhile, people tend to plant seasonal crops in locations that are relatively flat. According to the Smith Ferguson classification, this region has a type A climate and receives an average of 1,600–3,600 millimeters of rainfall annually. The rainy season runs from September through June. The high rainfall at this level is a problem for coffee farmers because it will affect the time and quality of the decrease in the water content of coffee. The recommendation for a good water content of coffee beans is 12-13%(SNI, 2008).

## Social

In Jangkat, there are both Locals and Immigrants. The Penghulu ethnic group makes up the majority of the original population. The Penghulu are considered to be part of the Minangkabau ethnic group. Most of the immigrants come from Java and Bengkulu, while some also come from other parts of Sumatra. The Jangkat People

practice Islam as their sole religion. The Jangkat People exhibit a feeling of harmony, community, mutual collaboration, and kinship in their day-to-day activities. The marriage ceremony and death serve as examples of this. If there are residents who suffer a disaster, the families who encounter the crisis are not overly preoccupied spreading it because they arrive at the home of the residents who experience the disaster with self-awareness and a feeling of community. Existing Islamic religious worship facilities constantly assist community growth to deepen religion (Supratman, 2019).

In Jangkat, conflicts often occur between Immigrants and Locals. According to the Locals, the Immigrants do not know the boundaries of the indigenous people's customs, which in turn often triggers the anger of the Locals. A typical example Locals are more concerned about the natural conditions in which they live. Residents respect and protect the boundaries of TNKS as well as existing customary forests. However, migrants often encroach on TNKS and customary forests, which in turn triggers the anger of the Locals. There are often expulsions of immigrants. This makes the natives and immigrants less likely to live in the same village. For example, Sungai Lalang Village is a village for immigrants and Renah Alai Village is a village for Locals even though the two villages are bordering each other.

## Technology

Any type of enterprise that requires technology plays a significant part in its success. If a company fails to keep up with technological developments, it runs the risk of falling behind its rivals in the industry, and vice versa. On the other hand, a company that adopts and makes use of the most recent and cutting-edge technology is already in a position to enjoy a competitive advantage. In a short, technological innovations are necessary in order to support producers, traders, markets, and any other players associated to the process, starting from the downstream level and working their way upstream.

In the coffee industry, technology helps farmers with activities including cultivating the soil and growing the area, developing seed during planting, harvesting coffee beans, and post-harvesting activities up until processing is complete. When it comes to the improvement of coffee's quality, technology is also utilized to add values. This allows consumers to more easily discern which varieties of coffee are better to others and how they differ from one another.

In the Jangkat area, most of the coffee farmers are small and medium-sized farmers. Processing and packaging technology in the small and medium scale coffee industry is still very simple. The level of knowledge of post-harvest care and handling is also a serious obstacle at the farmer level. Farmers are still relatively handling postharvest traditionally. As a result, the quality of coffee as a raw material for the coffee processing industry is relatively low, or at least it is difficult to expect consistency in quality.

Coffee cultivation technology carried out in Jangkat is still a simple cultivation pattern. This simple cultivation pattern has been carried out for generations in the form

of a broken shoot pattern. The results of the study also show that there is no special handling in the management of coffee plantations that have been owned by coffee farmers. Whether it's during the process of planting, care, harvesting, or post-harvest. This condition is recognized by coffee farmers because there is no knowledge and information about better cultivation techniques.

## Economy

Agriculture makes up almost the whole economic activity of Jangkat. The horticulture crops, coffee plantations, and cinnamon are all part of the jangkat's agricultural industry. The top yielding Jangkat horticultural crop is potatoes ((BPS kabupaten Merangin, 2022) Additionally, the residents of Jangkat manage tourist attractions like waterfalls, lakes, and agrotourism as a source of income. Because of the economic changes brought about by the presence of coffee plantations in the Jangkat District, we may observe these changes in local community life and in factors such as education, health, settlements, and income.

Jangkat Robusta, grown on an average of 1433 Ha and yielding 300 tons annually, is the mainstay of the farmers. Because they choose convenience while selling their harvest and lack understanding of coffee processing, Jangkat robusta coffee farmers are currently only able to serve as the supplier for Lampung's coffee Industry. Not to mention the drawn-out process of increasing production and the desire of farmers to sell agricultural products "instantaneously" without considering the market chain if they have to travel far outside of town. Because of this circumstance, domestic and even foreign exporters do not view Jangkat robusta coffee as having a favorable bargaining position (Tamtomo & Veronica, 2018).

Most of Jangkat robust was sent to Bandar Lampung because there is the largest Robusta coffee export industry in Indonesia, prices in the long term can integrate between the coffee market at the farmer level to prices at the exporter level market and the coffee market on the London Stock Exchange. Long-term market integration between the coffee markets in Lampung Province and the rest of the globe makes Lampung extremely dependent on the rest of the world. To meet the demand for robusta coffee from importing and domestic countries, it is necessary to increase productivity of robusta coffee. Additionally, efforts are required to streamline transparent price information at all market levels. business player at every level of the market can react quickly to changes in prices (Bastari, Hakim, & Falatehan, 2020).

#### Legal

here are several key regulations mentioned in the analysis of legal regulations regarding coffee production in Indonesia. These regulations include:

The size of national plantations is set forth in Ministry of Agriculture Law, Number 46/Kpts/PD.300/1/12015. This law outlines the program, activity, and budget planning used to develop each plantation area in accordance with the classes and stages of particular and ongoing development.

All plantation seeds must comply with the requirements of Ministry of Agriculture Law Number 50/Permentan/KB.020/9/2015 for their production, certification, and oversight. This law ensures that only certain plants, including coffee plants with superior varieties, are permitted to receive superior seeds.

The handling and processing of plantation crops are planned and directed to achieve better outcomes in terms of high value-added and long-term storage, according to the Ministry of Agriculture Law, Number 98/Permentan/KB.410/5/2016. This law provides instructions related to the plantation business, which can help processors handle and process coffee beans with care.

There is an Indonesia National Standard (SNI) for post-harvest coffee handling, supported by suitable technology and post-harvest facilities, as stated in Ministry of Agriculture Law, Number/52/Permentan/OT.140/9/2012. This government assistance is intended to meet the demand for high-quality coffee.

Coffee plants are one of Indonesia's top commodities, and it is essential to have access to them in order to dominate the growth of the coffee industry, according to Ministry of Agriculture Law Number 89/Permentan/OT.140/9/2013. This law establishes standard operating procedures (SOP) for the certification of seeds, the assessment of plantation resources for coffee seeds, and the improvement of service quality to the public.

Overall, these regulations aim to support the growth of the coffee industry in Indonesia by ensuring the availability of high-quality seeds and promoting best practices in the handling and processing of coffee beans.

PESTEL Factors	Descriptions	Opportunity/ Threat
Political	The Elected governor is from the Jangkat area so that he has political promises for the People in Jangkat and its surroundings, one of which is to improve the economy of the local community.	
	The Central government of Indonesia realizes the importance of the coffee industry for the development of Indonesian coffee, thus supporting the development of the coffee industry from upstream to downstream.	1
	The Government's program to support the upstream coffee industry in coffee production is still uncertain, seen from the absence of a significant increase in production or production expansion.	1
Environmental	Bordered by Kerinci Seblat National Park	Threat
	Favorable conditions for growing Robusta and Arabica	Opportunity
	High rainfall which can affect the quality of coffee during post-harvest	Threat
Social	The Jangkat People exhibit a feeling of harmony, community, mutual collaboration, and kinship in their day-to-day activities	Opportunity
	Conflicts often occur between Migrants and Locals	Threat
Technological	Jangkat Coffee Farmers Lack of knowledge in post-harvest processing of coffee and still use the traditional way	Threat
	Jangkat coffee farmers are very lacking in knowledge about good coffee cultivation. Such as pest management and fertilization.	Threat
Economy	Tourist attraction, agrotorusim, Horticulture crops, Coffee, And cinnamon as Jangkat Economy source	Opportunity
	Domestic and foreign exporters do not view Jangkat robusta coffee as having favorable bargaining position	Threat
Legal	support from the province or municipal government for the development of plantations	Opportunity
	The government guarantees high-quality seeds.	Opportunity
	The government supports standards for agricultural processing and qualit	Opportunity

 Table 1. Summary Of Pestel Analysis

Jangkat Coffee Industry Porter's Five Force Industry Analysis Result



# Figure.1. Jangkat and Surrounding Area Coffee Processing Industry Five Forces Analysis

# Threat of New Entrants (Medium)

Threat of entrance by new players Porter's innovations effect existing competitors' ability to compete and existing businesses' capacity for profitability. The higher the entrance, the higher the competition in the industry. In the Jangkat coffee processing industry, the threat of new entrants is medium. To set up a coffee processor business in this area is relatively easy. This is because the tools used to carry out coffee processing are easy to obtain and can be adjusted according to the desired capital and capacity. However, what is difficult for new entrants is finding the right market. New entrants will also not be too disruptive because to get good economies of scale new entrants must have large capital. This large capital is used to set up adequate facilities and also to purchase a large amount of raw materials. The Coffee processor business tends to implements a diversification strategy, so that new entrants will find it difficult to determine the direction of their diversification, because this diversification will be closely related to the market to be targeted.

### Threat Of Subtitute (Low)

In the coffee processing business, the threat of substitutes in the surrounding area is very low. In this case, the production of coffee substitute plants such as tea is not found at all. In Jangkat areas the main crops are coffee, cinnamons and other horticultural crops. Buyers of coffee processors are coffee roasters and coffee traders who rarely buy substitutes for coffee.

## Bargaining Power of Supplier (Low)

The abundance of suppliers in Jangkat and the inability of suppliers to be able to cut the supply chain and carry out forward integration make the bargaining power of suppliers very low. This is because most of the Jangkat coffee plantations are community plantations managed by small farmers who only have an average land area

of 1-3 hectares. Small farmers as suppliers do not have the ability to negotiate with buyers because they can be quickly replaced with other suppliers.

# Bargaining Power of Buyer (High)

Buyers of coffee processors are coffee roasters and coffee traders. Buyers cannot change the price of coffee or press for changes in product quality due to the many sources that can be obtained, but due to the abundance of sources, buyers can easily change their source if it does not match the quality and quantity they want. The industry of coffee processors is now under threat from backward customer integration. If the buyer decides to act as a processor, this threat could emerge. In other words, if the buyer joins forces with coffee suppliers like the farmer or a local trader to establish coffee processing facilities. The capacity to communicate information online about market pricing, demand, and supplier costs in the coffee industry serves the ability of buyers to perform backward integration.

# Rivalry Among competing firm (Low)

Currently, there are no big players in the coffee processing business in Jangkat, so the intensity of competition in this area is still low. Most of the processing is still done at the farm level. The process is carried out using the natural dry process and through a process that is still traditional and very simple so that the quality of the processed coffee has a low quality. Not many are able to make good quality coffee, this happens because they do not know about the market, the economic limitations of farmers to be able to make additional capital so they can produce good quality coffee and also the lack of knowledge of farmers about good coffee production. Meanwhile, there are several farmer groups that have formed cooperatives and succeeded in producing good quality coffee and the number is very small. There are also farmers who make good quality coffee because they work directly with coffee roasters and traders so they have market certainty, but the number is still very small.

## **Business opportunity Value Propotion**

Given the vastness of the robusta coffee market but the very poor production and quality of robusta coffee, it presents an excellent potential for company to produce high quality robusta coffee green bean. Sustainable, Certified and traceable coffee can increase the value of coffee so that it can be sold at a higher price. This sustainable, certified and traceable coffee can only be obtained if the maintenance of the coffee plants, harvest and post-harvest is carried out properly. This also encourages to improve the taste of coffee because 60% of the coffee taste comes from the treatment of coffee plants, harvest and post-harvest. Good taste will also increase the value. Geographical indications of Robusta coffee aim to protect the uniqueness of this coffee from counterfeiting or improper use while at the same time providing opportunity and protection to the people of the region producing the typical product to get the maximum benefit from the typical product.

# Conclusion

- 1. Jangkat, East Jangkat, and Lembah Masurai are important centers for Robusta coffee production in Jambi. Robusta coffee was chosen because it is easy to maintain and the demand is higher than other coffee varieties, but it is still lower than the demand for Arabica coffee.
- 2. The political situation in the area is supported by the local and central government, which has programs to promote tourism and support the coffee industry. The environment in this area is a protected national park area, so the government and local residents work together to maintain the integrity of the area. Social and technological factors also played a role in coffee farming in the area, with poor farming habits and techniques and problems with low-quality fields. Coffee farming in Jangkat is also affected by economic factors, such as coffee prices on the global market, demand, and government programs to support the coffee industry. Laws also play a role in enforcing the environment and protecting farmers to increase their production.
- 3. company looking to run a business in jangkat robusta coffee is that there is a significant opportunity to produce high-quality robusta coffee through sustainable, certified, and traceable methods. This can increase the value and taste of the jangkat coffee, leading to increased profitability. Additionally, using geographical indications can protect the uniqueness of the jangkat coffee and provide opportunities and protections for the producers. Focusing on the quality of production can therefore be a successful business strategy in the robusta coffee market.

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