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Strategy for Development of Red Chili Farming Business in Ogan Komering Regency Ulu

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ABSTRACT

This research examines how to develop chili farming Strategies red in Ogan Komering Ulu Regency, South Sumatra Province. This study aims to analyze what internal factors affect the development of red chili farming, what external factors affect the development of red chili farming and analyze the red chili farming development strategy in Ogan Komering Ulu Regency. The study was located in 8 sub-districts, namely Lengkiti District, Sosoh Buay Termite District, West Baturaja District, Lubuk Raja District, Lubuk Batang District, Penijauan District, Kedaton Peninjauan District, and Sinar Peninjuan District. The time of the research is March 2022. The research method used in this study is a survey method and a description of the analysis. The method used in sampling determining respondents is the purposive sampling method. In this study, the selected respondents were 77 respondents consisting of respondents from the State Civil Apparatus (ASN) of the Ogan Komering Ulu Regency Government which consisted of 1 Head of the Agriculture Service, 2 People from the Horticulture Sector within the Agriculture Office of Ogan Komering Ulu Regency, 2 people from Bapelitbangda Ogan Komering Ulu Regency and 9 Field Agricultural Extension Officers. While respondents from farmers were taken from 8 sub-districts in Ogan Komering Ulu Regency which consisted of 9 villages, each village was taken by 7 respondents with a total of 63 respondents. Respondents were taken with the provisions are farmers who have a land area of 0.5 hectares. This research's data processing and analysis method is quantitative descriptive analysis and qualitative descriptive analysis. Data processing was a quantitative descriptive analysis using the IFAS (Internal Factor Analysis Summary) matrix and the EFAS (External Factor Analysis Summary) matrix. This matrix describes how the internal conditions, namely strengths and weaknesses, and external conditions, namely the opportunities and threats faced by red chili farmers in Ogan Komering Ulu Regency. SWOT analysis provides realistic information about an organization's relationship with its environment with a Strategic pattern that uses strengths and opportunities to the fullest and minimizes existing weaknesses and threats. The method of qualitative descriptive analysis based on the opinion of experts as a theoretical basis can be explained as follows: 1). SO Strategy: the strategy of a company or organization by utilizing all strengths to seize and take advantage of all opportunities as much as possible. 2). ST strategy: the strategy of using the strengths of a company or organization to overcome threats. 3). WO strategy: a strategy that is implemented based on the utilization of existing opportunities by minimizing existing weaknesses. 4). WT strategy: the strategy is based on activities that are defensive and try to minimize existing weaknesses and avoid threats.

1. Introduction

Most Indonesian people living in the agricultural sector. Agricultural commodities that are the prima donna in Indonesia apart from plantation crops such as rubber and oil palm, also from the cultivation of horticultural crops including vegetables and fruits. Crop products are potential products with high economic value and potential for further development. According to the Directorate General of Horticulture (2008), in terms of supply or production, Indonesia's large area with agricultural diversity

allows the development ofhorticultural crops including 323 types of products including 60 kinds of fruits, 80 kinds of vegetable products, 66 kinds of bio-pharmaceuticals and 117 kinds of cosmetic ornamental plants.

One of the horticultural products with the potential to grow is red peppers, especially large red peppers and curly red peppers. There are several important reasons for developing chili products: (1) it is a product of high economic value, and (2) the value ladder phenomenon is a sign of shifting consumer demand. from low-value products to high economic value. (horticultural) products, (3) being the leading commodity of the country and region, (4) growing chili is labor-intensive, (5) occupying an important position in the food menu, although the number of The amount issmall (4 kg/capita/year) butconsumed by most people every day. Among Indonesians, (6) household consumption of chili in the form of fresh chili (80%) and for the processing industry (20%), (7) volatility in commodity prices of red peppers has a significant effect on inflation, (8) widespread adaptation of low-lying fields to arid highlands, (9) related to young skilledrural workers, (10) have The advantages and raw material industry are quite diverse, and (11) there are many different consumer markets, both for traditional markets, modern markets (supermarkets) and for the processing industry. The demand for red chili in the market is quite high at certain times, this affects the increase in chili prices which is quite significant, thus affecting the inflation rate (Palar, et.al. 2016). The contributing factor is the level of production and consumption levels are not the same and the harvest is not at the same time. This condition has the potential to form a long distribution chain if trade transactions occur between regions. The longer the chain, the more expensive it will be. It is noted that several provinces have a high level of red chili consumption per capita compared to the average. The need for these commodities that are consistent from time to time is faced with the availability of inconsistent supplies.

The province of South Sumatra with an agricultural area spread across 17 districts/cities, has considerable potential in terms of developing red chili farming. as a leading commodity. One of the red chili suppliers in South Sumatra Province is Ogan Komering Ulu Regency. This can be seen in Table 1.1 below.

Table 1.1. Chili Production Data in South Sumatra Province 2016-2020

No	County/City	Production (quintals/year)				
		2016	**2017**	**2018**	**2019**	**2020**
1	Ogan Komering Ulu	19.590	21.645	35.120	16.400	10.830
2	Ogan Komering Ilir	27.775	184.091	179.890	213.710	135.263
3	Muara Enim	31.519	32.108	36.988	46.259	33.944
4	Lahat	10.503	10.459	9.471	6.877	7.412
5	Musi Rawas	11.827	42.562	43.552	14.105	18.599
6	Musi Banyuasin	23.290	18.118	20.044	27.498	17.656
7	Banyuasin	18.879	46.450	14.227	14.738	26.034
8	Ogan Komering Ulu Selatan	100.847	99.213	55.598	32.250	21.126
9	Ogan Komering Ulu Timur	61.534	20.752	65.023	60.065	29.667
10	Ogan Ilir	15.716	27.924	24.107	9.372	12.361
11	Empat Lawang	2.879	1.987	2.743	1.725	1.978
12	Pali	576	821	514	223	855
13	Musi Rawas Utara	1.953	14.459	4.085	7.887	4.200
14	Palembang	1.014	116	549	506	999
15	Prabumulih	2.320	873	186	2.084	651
16	Pagar Alam	26.006	41.280	60.531	61.213	59.755
17	Lubuk Linggau	1.365	79	20	9	280
	South Sumatra	357.593	562.937	552.646	514.921	381.609

Source: Central Bureau of Statistics of South Sumatra Province

From the table, it is known that in 2020 from the 5,765 (hectare) five-year harvested area in Ogan Regency, hectares in the province of South Sumatra, there are 106 hectares in the district of Ogan Komering Ulu. But overall it is known that the chili harvest area fluctuates. This is influenced by climatic conditions such as the dry season which causes drought, and the rainy season which affects flooding and attacks by pests and diseases.

Red chili production fluctuates every year, this is because the number of chili farmers is still limited and the commodity is still cultivated traditionally and in a narrow area of land (not yet optimal). Detailed data on planted area, harvested area, and production of chili plants in Ogan Komering Ulu Regency for the last 5 (five) years, from 2016 to 2020 can be seen in the bar chart below.

Table 1.2. Data on Chili Harvest Area in South Sumatra Province 2016-2020

No	County/City	Harvested Area (hectare/year)				
		2016	2017	2018	2019	2020
1	Ogan Komering Ulu	145	175	220	132	106
2	Ogan Komering Ilir	1.014	1.021	1.128	1.081	863
3	Muara Enim	900	613	564	671	537
4	Lahat	298	315	297	278	237
5	Musi Rawas	197	459	544	411	527
6	Musi Banyuasin	703	825	714	767	588
7	Banyuasin	927	1.308	1.195	721	635
8	Ogan Komering Ulu Selatan	640	802	494	264	315
9	Ogan Komering Uku Timur	788	1.243	756	537	405
10	Ogan Ilir	676	850	724	870	757
11	Empat Lawang	457	391	322	185	226
12	Pali	48	76	48	38	44
13	Musi Rawas Utara	84	178	160	111	170
14	Palembang	43	18	34	37	49
15	Prabumulih	118	114	54	63	55
16	Pagar Alam	311	401	363	306	227
17	Lubuk Linggau	21	19	7	2	25
	Sumatera Selatan	7.370	8.808	7.624	6.474	5.765

Source: Central Bureau of Statistics of South Sumatra Province

From the table, it is known that in 2020 of the 5,765 hectares harvested area in South Sumatra Province, there are 106 hectares in the Ogan Komering Ulu Regency area. But overall it is known that the chili harvest area fluctuates. This is influenced by climatic conditions such as the dry season which causes drought, and the rainy season which affects flooding and attacks by pests and diseases.

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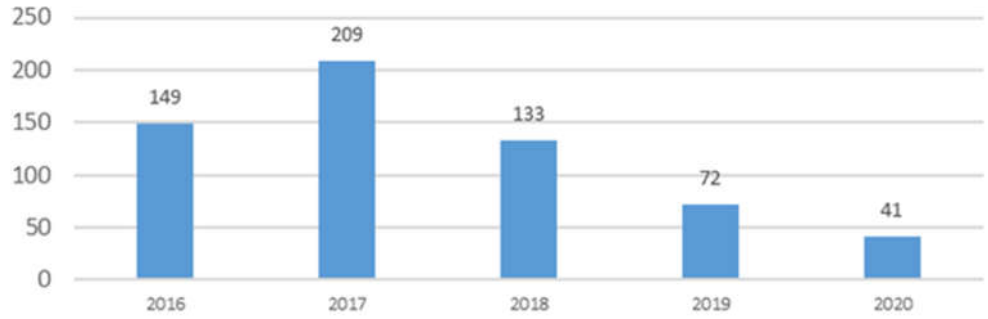


Figure 1.1. Five-year Development of Red Chili Planting Area (Hectare) in Ogan Komering Ulu Kabupaten Regency

As seen in Figure 1.1. above, it is known that the highest planted area was in 2017 which was 209 hectares. While the lowest in 2020 is 42 hectares. This shows that efforts can still be made to increase the area of red chili planted in the coming year.

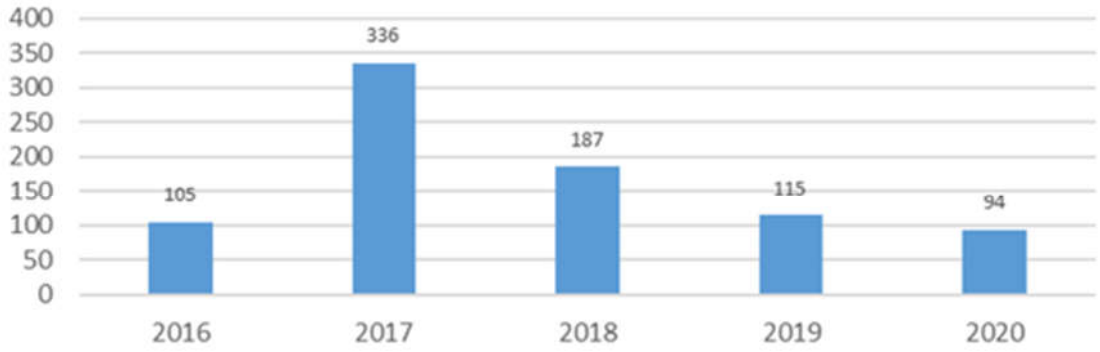


Figure 1.2. Development of five-year red chili harvested area (hectare) in Ogan Komering Ulu district

Data on the harvested area of red chili in Ogan Komering Ulu Regency 2016-2020 can be seen in Figure 1.2. From the bar chart, it is known that the highest harvested area in 2017 was 336 hectares, and the lowest in 2020 was 94 hectares.

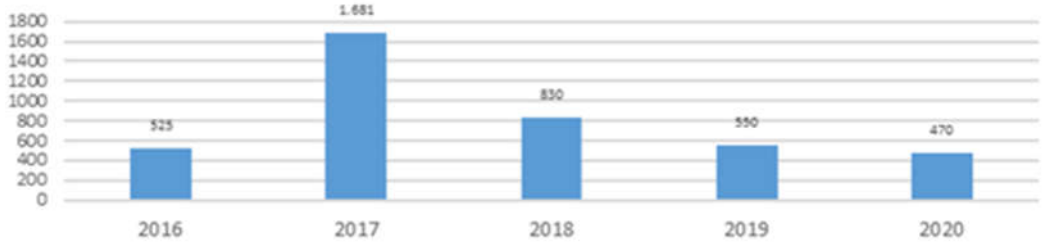


Figure 1.3. Five-year development of red chili production (tons) in Ogan komering ulu district

The development of red chili production in Ogan Komering Ulu Regency 2016-2020 with a bar chart as shown in Figure 1.3 shows that the highest red chili production in 2017 was 1,681 tons, and the lowest production in 2020 was 470 tons.

The red chili producing areas in Ogan Komering Ulu Regency are 10 sub-districts out of 13 existing sub-districts, namely: Sinar Peninjauan District, Kedaton Peninjauan Raya, Peninjauan, Sosoh Buay Termite, Lengkiti, Semidang Aji, Lubuk Batang, Lubuk Raja, West Baturaja and East Baturaja.

Climatic factors and pest and disease attacks are factors that influence chili production, such as Patek disease and root rot. In addition, the occurrence of drought in the dry season also has a major influence on the success of chili cultivation in the Ogan Komering Ulu Regency.

According to Agricultural statistical data, it is known that the dry land area owned by Ogan Komering Ulu Regency in 2020 was recorded at 75,585 hectares, consisting of upland/garden land, field/huma land, and land that is temporarily not cultivated. From this land area, it is still possible to expand the area of chili plants in the Ogan Komering Ulu district. considering this area has a climate that meets the requirements for chili cultivation.

Based on the description above, it is interesting to study further the red chili farming development strategy in Ogan Komering Ulu Regency by considering the potential and opportunities that exist.

Problem Formulation

Based on theabove, a problem can be posed, that is, how to develop a strategy for chili cultivation in the Ogan Komering Ulu regent.

Research Objectives and Uses

The objectives of this study are:

1. To analyze what internal factors affect the development of red chili farming in Ogan Komering Ulu Regency
2. To analyze what external factors influence the development of red chili farming in Ogan Komering Ulu District.
3. To analyze the red chili farming development strategy in Ogan Komering Ulu Regency.

The benefits or uses of this research are:

1. For farmers as the main actors, it can be used as material and information to develop red chili farming, especially in Ogan Komering Ulu Regency;
2. For agencies/agencies in the agricultural sector, it is hoped that they can be input/advice in the preparation of technical policies that can be used to increase the development of red chili commodities;
3. For other parties/stakeholders, it is hoped that the results of this research can be used as material and information to ensure the availability of red chili throughout the year with price standards that are not so fluctuating and to be able to cooperate or coordinate in farming development (chili farmer partners).

2. Literature Review

The concept of strategy according to experts has various meanings according to experts. The word Strategy comes from the Greek word Strategyos, which is a combination of the words Stratos meaning warrior, and ego meaning leader. A well-founded strategy or pattern for achieving a stated goal. So basically a strategy is a tool to achieve a goal.

According to Wheelen et al. (2020), Management strategy is a series of management decisions and actions that determine the company's performance in the long term. Strategic management includes environmental monitoring, strategy formulation (Strategic planning or long-term planning), Strategic implementation, and evaluation and control. While Quinn (1999) defines strategy as a form or plan that integrates the main goals, policies, and courses of action within an organization into a unified whole. A well-formulated strategy will help organize and allocate the company's resources into a unique and sustainable form. A good strategy is prepared based on the company's internal capabilities and weaknesses, the anticipation of changes in the environment, and the unity of movements carried out by enemy spies.

From the two opinions above, strategy can be interpreted as a plan prepared by top management to achieve the desired goals. This plan includes: the goals, policies, and actions that must be taken by an organization in maintaining its existence and winning the competition, especially the company or organization must have a competitive advantage.
Goldworthy and Ashley (1996) propose seven basic rules for formulating a strategy as follows:

1. Stratcane to interpret the future, not just the present.
2. The StrateStrategiction should drive planning and not the other way around
3. The strategy should focus on competitive advantage, not just financial deliberations
4. Should be top-down, not bottom-up,
5. Strategy must be externally oriented
6. The strategy must have a very essential flexibility
7. Strategy must focus on long-term results.

A strategy should be able to provide information to its readers which at the same time means that it is easily updated by every member of top management and every employee of the organization. According to Donelly (19,96), this is six pieces of information that should not be forgotten in a strategy, namely:

a) What, namely what will be carried out
b) Why namely the reasons that will be used in determining what will be carried out
c) Who will be responsible for or operationalize the strategy
d) How much will it cost to succeed in the strategy
e) How long will it take for the strategy to be operational
f) What results will be obtained from the strategy

To ensure the strategy can be implemented, Hatten and Hatten (1996) provide several guidelines as follows:

1. The strategy have to be suitable to the environment, the strategy is made according to the flow of community development, which provides opportunities to grow.
2. Each organization develops more than one strategy, depending on the scope of its activities. If more than one strategy is to be implemented then one must be consistent with the other strategies, not conflicting or opposing, all strategies are always in harmony with each othe

3. An effective strategy must centralize and integrate all resources and not disperse them. Unfair competition between different work units in an organization often demands its resources, causing it to be separated from other work units, so unifying forces harm the position of the organization. organization's mind.
4. Strategy must focus on strengths, notweaknesses. In addition, it is also necessary to take advantage of the opponent's weaknesses and take appropriate measures to occupy a stronger competitive position.
5. Resources are needed. Since strategy is something that can be done, something has to be done to be feasible to do.
6. The strategy must take into account that the riskis not too great. Indeed, any strategy carries risks, but you must be careful not to push the organization into a larger hole. Therefore, the strategy must always be controllable.
7. Strategy must be prepared according to the successes obtained.
8. Signs of strategy successare demonstrated by the support of stakeholders, executives, and all heads of organizational units.

Based on the results of Nguyen Thi Thu An's research in 2021 on "Strategies For Upgrading The Chili Value Chain In The Mekong Delta, Vietnam" There are eight strategic solutions and two strategies were chosen to upgrade the chili value chain in MD, namely the strategy of improving the quality and technology investment strategy.

Meanwhile, Argyris, Mintzberg, Steiner, and Miner as quoted in Rangkuti (1998) argue that strategy is a continuous and adaptive response to external opportunities and threats as well as internal strengths and weaknesses that can affect the organization. Bryson (2001) explains that strategy can be viewed as a pattern of goals, policies, courses of action, decisions, or resource allocation that defines how the organization is, what it does and why it does it.

From the different opinions above, it can be concluded thatstrategy formulation should pay attention to the goals and objectives to be achieved in the future. The strategy also needs to pay attention to the environment and consider internal and external capabilities, including the strengths and weaknesses of the organization. Strategy is therefore an extension of the mission that relates the organization to its environment. The strategy itself is often developed to deal with strategic problems, wherestrategy describes an organization's response to important policy choices. In general, the strategy will fail, when the organization has no agreement between what is said, what is done, what is done, and what is done.

According to Riyanto (2018), organizational leaders both at the High, Mid, dl,e, and Lower Management levels, are required to have the ability to translate the organization's Vision and Mission into more operational target strategies, games, and policies. A leader must know andknowStrategictegyc decision-making which is inseparable Strategictegyc manage Strategictegyc management is defined as a set and a series of decisions and actions used to formulate and implement highly competitive and approprStrategiesegyes for the organization and its environtoer to achieve organizational goals.

In an organizational or business environment, strategy plays a very important role in achieving goals becausestrategy provides direction for actions and how actions are taken to achieve desired goals. would like. According to Grant (1999), strategy has three important roles in achieving management objectives, namely:

1) Strategy is decision-making support. Strdecision-making meis ant to achieve success. A strategy is a form or theme that provides a unified relationship between decisions taken by individuals or organizations.
2) Strategy as a means of coordination and communication. One of the important roles of strategy as a means of coordination and communication is to provide a general direction for the business.
3) Strategy as a goal. The strategic conceptwill be combined with the mission and vision to define the future position of the company. Goal setting is done not onlyto give direction to strategy formulation but also to shape company aspirations. Therefore, strategy can also be considered as the goal of the company.

Based on research from Andelia S.R., et al. 2022, an alternative SO strategy was found as follows: Utilization of suitable climate and soil for chili cultivation can increase chili production, which is supported by supportive government regulations, utilizing advanced technology will shorten land processing, maintenance, and harvesting chilli.

Alternative strategies that can be applied to chili agribusiness in OKU Regency based on research results from Anggorowati et al (2021) are optimizing the role of extension workers to improve the quality of human resources, maintaining continuity of chili products, and optimizing the role of post-harvest handling assistance.

in line with the two research, the research from Indriani R et. al 2020 on "Policy design of cayenne pepper supply chain development" the policy will affect the selling price in the market, so this is an opportunity to develop red chili farming business in ogan komering ulu regency.

Strategicyc Concepts an IFAS and EFAS

a) IFAS Strategic Concepts IFAS

A base strategy is an analytical tool that presents a company's internal conditions. Once the company's internal strategic elements have been identified, an IFAS (internal strategic factors analysis summary) table is compiled to form these internal strategic elements within the framework of strengths. and company weaknesses.

b) EFAS Strategic Concept EFAS

Based strategy is an analytical tool that presents the external conditions of a company or organization to determine the opportunities and threats owned by a company. The step that needs to be taken is to first take into account the suitability between internal and external assessments seen from the results of the questionnaires that have been distributed to respondents.

Table 2.2. Level of Conformity of Internal and External Assessments

No	Internal Assessment					External Assessment					Conformity Rate (%)
	SS	S	KS	STS	Grades	SS	S	KS	STS	Grades	
1											
2											
3											
4											
5											
6											

Description:
SS = Strongly Agree
S = Agree
KS = Disagree
STS = Strongly Disagree
Score = SSx4, Sx3, KSx2, STSx1
Level of Conformity Internal Value / External Value x 100%

To simplify the next calculation, the data is presented in the following table:
Table 2.3. Calculation of Internal and External Assessments

No	Catagory	Internal Assessment	External Assessment	I + E
	S (Strength)			
1				
2				
3				
	W (Weakness)			
1				
2				
3				
	O (Opportunities)			
1				
2				
3				
	T (Threats)			

1				
2				
3				

Calculation of weights for IFAS and EFAS can be obtained in the following way:
Weight = I + E
Number I+E (S and W)

Weight = I + E
Number of I+E (O and T)

	1	2	3	4
Rating				
I + E				
	60	120	180	240

Where:
I = Internal
E = External
60 = 1 x number of respondents (eg: 60 people)
120 = 2 x number of respondents
180 = 3 x number of respondents
240 = 4 x number of respondents
Score = weight x rating
Meaning of rating 1-4 for strengths and opportunities (S and O)
1 = Not Good
2 = Fairly Good
3 = Good
4 = Very Good
Meanwhile for weaknesses and threats (W and T)
1 = Not Severe
2 = Moderately Severe
3 = Severe
4 = Very Heavy

According to Rangkuti (2015), internal factors are included in a matrix known as the Internal Strategic Factors Matrix or IFAS (Internal Strategic Factor Analysis Summary). External factors are captured in a matrix called the EFAS (External Strategic Factors Analysis Summary) Matrix. When the matrix of internal and external strategic factors is synthesized, the results are included in the quantitative model, specifically the SWOT matrix to form the company's competitive strategy.

Table 2.4 EFAS (ExternalStrategicc Factor Analysis Summary)

External Strategy Factors	**Weight**	**Rating**	**Weight x Rating**
Opportunity	X	Y	X x Y
Amount	X	Y	X x Y
Threat	X	Y	X x Y
Amount	X	Y	X x Y
Total	X	Y	X Xy

Matrix Source: Rangkuti (2015)

Tabel 2.5 Matrix IFAS (*InternalStrategicc Factor Analysis Summary)*

Internal Strategy Factors	**Weight**	**Rating**	**Weight x Rating**
Opportunity	X	Y	X x Y

Amount	X	Y	X x Y
Threat	X	Y	X x Y
Amount	X	Y	X x Y
Total	X	Y	X Xy

Matrix Source: Rangkuti (2015)

External – Internal Matrix

According to Rangkuti (2015), the Internal-External matrix aims to sharpen the analysis and see the company's position and see the direction of further development. Meanwhile, according to David & David (2017), the IE Matrix (Internal–External) positions the various divisions of an organization in a 9-cell view. The IE matrix is based on two key dimensions: the total IE weighted score on the X-axis and the total EFE weighted score on the Y-axis. Each division in an organization must create an IFE matrix and an EFE Matrix about the organization. The total weight scores obtained from the divisions allow the IE Matrix to be arranged at the enterprise level

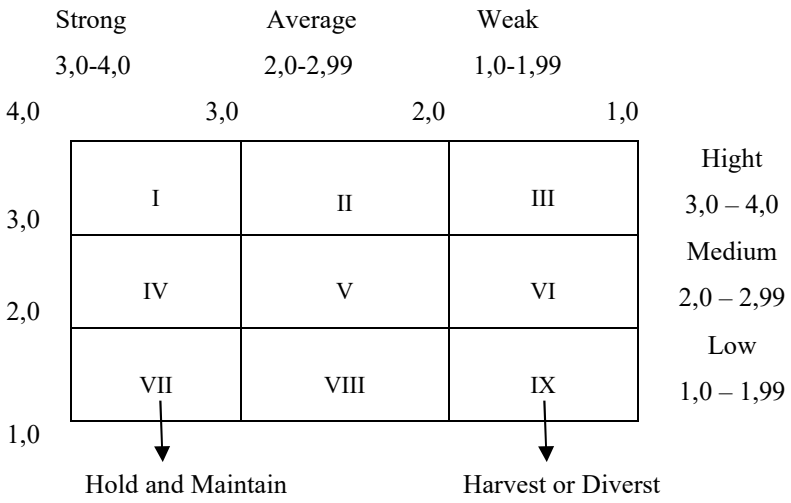


Figure 2.1. Nine Cells in the IE Matrix (Internal-External)

The IE Matrix has 3 (three) different Strategic implications, namely:

1. The provisions for an organizational division are in cells I, II, or IV can be described as growing and building builds). Strategies that are suitable for this division are intensive Strategies such as market penetration, market development, and Product Development or IntegratedStrategiesy such as Backward Integration, Forward Integration, and Horizontal Integration.
2. Divisions that are in cells III, V, or VII are besttcontrolledrol with Strategies to maintain and maintain (Hold and Maintain). The Strategies that are commonly used are the Market strategy Penetration and Product Development.
3. For divisions in cells VI, VIII, or IX, you can use the harvest or divestment strategy (Harvest or Divestiture).
4. Companies are considered to be the most successful if they can generate profitable business is in the cell I.

SWOT

SWOT analysis is an analysis used to identify situations that are categorized as strengths, weaknesses, opportunities, and threats of a business unit. According to Graffin (2004), A SWOT analysis is a careful assessment of an organization's internal strengths and weaknesses, as well as an assessment of its environmental opportunities and threats. In a SWOT analysis, the best strategy to achieve the organization's mission is to (1) exploit the opportunities and strengths of the organization, and (2) neutralize the threats of the organization, and (3) avoid or improve the organization's weaknesses.

Robinson and Pearce (1997) define environmental factors as follows:

a) Strength is a resource advantage that has not been optimally explored to provide the possibility for the organization to further improve its performance. Strengths are resources, advantages relative to competitors and the market needs that the organization wants to serve, strengths are special competitions that give the market a comparative advantage.
b) Weaknesses are limitations andlayofff resources andneededaneded by the organization that hinders the effective performance of the organization in developing its business.
c) Opportunities are elements of the positive external environment (political, economic, social,d science,e, and technology) that provide opportunities and support the existence of the organization. Opportunity is an important favorable situation. Identifying neglected market segments, changing technology,y and improving relations with investors can provide opportunities for business development.
d) Threats (threats) are elements of the negative external environment (political, economic, social and science, and technology) that hinder transportation service activities. Threats are the most unfavorable situation and are the main distractions in service development, the entry of new competitors and the slow pace of service activities are threats to improving the service quality.

According to Riyanto (2018), the visualization of the SWOT analysis or SWOT Analysis can be shown in Figure 2.2 below:

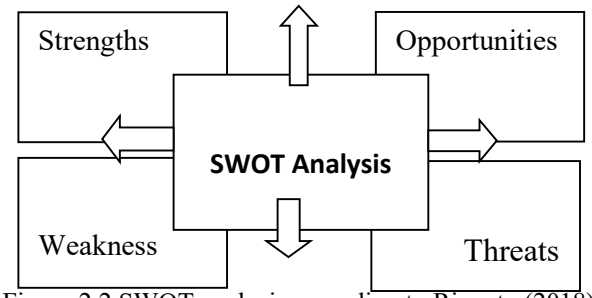


Figure 2.2 SWOT analysis according to Riyanto (2018)

Arrows in Figure 2.2. The above illustrates that the four factors in SWOT can influence each other and even change places. Threats can be opportunities and vice versa, even internal factors such as weaknesses in certain situations can become opportunities.

According to Rangkuti (2016), SWOT analysis is the systematic identification of various factors in developing a corporate strategy. This analysis is based on a variety of logic that can maximize strengths and opportunities while minimizing weaknesses and threats.

The SWOT analysis by Philip Kotler is defined as an overall assessment ofstrengths, weaknesses, opportunities and threats. SWOT analysis is one of the well-known tools for analyzing theinternal and external environment of a company. This analysis is based on the assumption thateffective strategies minimize vulnerabilities and threats. When applied correctly, this simple assumption has a significant impact on the design of winning strategies.
According to Siagian, there is a divisionStrategicegyc factor in the SWOT analysis, namely:

1. Factors seen in the shape of a star. What the "fighting factor" of a company, including the business units contained therein, should understand is, among other things, the special competition within the organization that leads to the business unit having a comparative advantage in the market. This isbecause the business unit has sources such as more powerful features and core products than its competitors when it comes to meeting the market needs thatthe business unit in question has provided or will provide.
2. Weakness factor. What is meant by weakness is a limitation or deficiency in terms of sources of skills, and abilities that become a serious barrier to the performance of organizational performance.
3. Opportunity factor. The simple definition of opportunity in a variety of favorable environmental situations for a business unit. 4. Threat factor. The definition of threat is the opposite of the concept of opportunity. This means that if environmental factors that are not beneficial to the business unit are not overcome, the threat will be dangerous to the affected business unitnow and in the future.

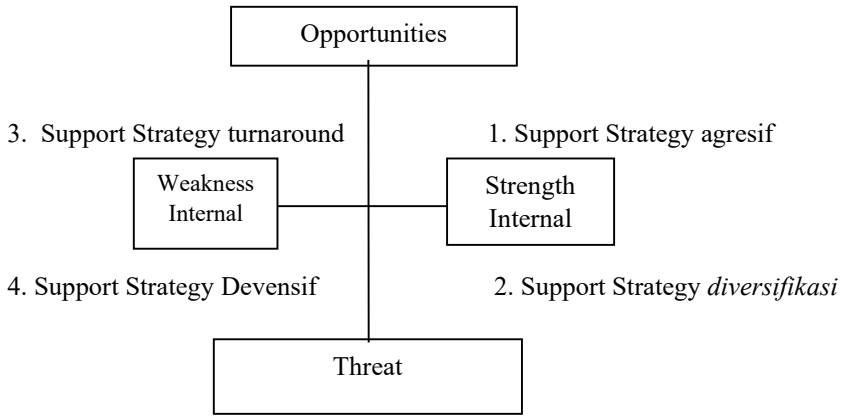


Figure. 2.3 SWOT Analysis

The explanation of the SWOT analysis above is as follows:
Quadrant 1: This is a very favorable situation. Comp has the opportunity and strength to take advantage of existing opportunities. The strategy applied under this condition is to support aggressive growth policies (growth-oriented strategy)
Quadrant 2: Despite various threats, this company has the inner strength of st1 increase. The strategy to follow is to use strengths to seize long-term opportunities through diversification strategies (products / markets).
Quadrant 3: the company faces a huge market opportunity, but on the other hand, On thees several internal constraints/weaknesses. Business conditions in quadrant 3 are similar to the question mark on the BCG matrix. Focus This company's strategy is to minimize internal problems companies to seize good market opportunities.
Quadrant 4: This is a very unfavorable condition, The company meets different internal threats and weaknesses.

The Kearns SWOT Analysis Model (1992) which combines the four SWOT factors in the Kearns Matrix, produces four cells that represent organizational conditions and what is appropriate for the organization to do in response to the situation that occurs. An overview of the Kearns matrix can be seen in Figure 2.4 :

External / **Internal**	**(*Opportunities*)**	**(*Threats*)**
(*Strength*)	A *Comparative Advantage*	B Mobilization (Mobilization)
(*Weakness*)	C (Divestment/ Investment)	D Damage Control

Figure 2.4. Kearns Matrix

1. Cell A. where the organization has both strengths and opportunities, this condition allows the organization to develop faster, but must always be alert to changes that are often uncertain and difficult to measure. In such conditions, the organization must be able to take advantage of existing strengths to improve the organization's competitive position.
2. Cell B. describes a situation where the organization has Strength but is faced with a threat. Therefore, organizations must make efforts to mobilize resources which are the strengths of the organization in reducing threats and even trying to take advantage of them as opportunities.
3. Cell C. shows a situation where the organization is weak but has opportunities. In such conditions, organizations must choose between investing resources to build strength to seize existing opportunities, or divesting, namely letting existing opportunities pass by maintaining a more captive situation by reducing resources and focusing more on maintaining stability. organization.
4. Cell D. is a situation where the organization is weak but is faced with threats. In such conditions, the organization needs to control loss or damage. Or in other words, the organization takes a defensive stance or survives destruction.

3. Methodology

3.1. Scope of research

This research has been carried out in Ogan Komering Ulu Regency, precisely in eight sub-districts which are red cchili-producing areas in Ogan Komering Ulu Regency. The research was carried out from January 2022 to February 2022. This location determination was carried out purposively with the consideration that the area is a red chili production center and still has the potential to be developed, and is expected to have an impact on increasing farmers' income in the field.

3.2 Research

Methods The research method used in this study is a survey method and a description of the analysis. According to Arikunto (2018), this method can trace all the expected information and represent the research objectives. The research was structured using qualitative and quantitative data, where:

1. Qualitative data by analyzing the data obtained in the field and making it in tabulated form, then comparing it with the opinions of experts from existing theories as a theoretical basis.
2. Quantitative data by aanalyzed data in the form of numbers obtained from research results to see the meaning of the relationship between one variable and another.

Qualitative and quantitative data are sourced from data collected in this study, consisting of:

1) Primary
   Data Primary data is data obtained directly from sources (without intermediaries), such as data on planting area, harvested area, chili production, price data chili peppers, and data on chili farmers in Ogan Komering Ulu Regency for the last 5 years.
2) Secondary
   Data Secondary data is obtained based on the opinion of experts through theories as the theoretical basis listed in official reading books.

3.3 Sampling Methods and Data Collection

Sampling

The method used in sampling determining respondents is the purposive sampling method. In this study, the selected respondents were 77 respondents with the following details: 1) Respondents from the State Civil Apparatus (ASN) of the Ogan Komering Ulu Regency Government consisting of 1 Head of the Agriculture Service, 2 People from the Horticulture Sector within the Agriculture Office of Ogan Komering Ulu Regency, 2 people from Bapelitbangda Ogan Komering Ulu Regency and 9 Field Agricultural Extension Officers., 2). Respondents from farmers were taken from 8 sub-districts in Ogan Komering Ulu Regency which consisted of 9 villages, each village was taken by 7 respondents with a total of 63 respondents. Respondents were taken with the provisions are farmers who have a land area of 0.5 hectares.

Data Collection Methods The data

Collection methods used in this research are:

1. Library Research.

Is a way to obtain data that the author does by reading books from the library and readings related to this research, where the data obtained is secondary data (as supporting data).

2. Field Research (Field Research).

Is a way to get primary data (observation in the field). The field research is carried out by:

a. Interviews, namely the data collection method that the author uses using questionnaires to related agencies such as the Department of Agriculture of Ogan Komering Ulu Regency (Head of Service, and Head of Agriculture and Section Heads and Extension Officers), as well as to Farmers as respondents.
b. Observation, namely making direct observations of the object of research. By visiting the chili production centers in Ogan Komering Ulu Regency.

3.4 Data Processing and Analysis

Methods Data processing and analysis methods used in this study were quantitative descriptive analysis and qualitative descriptive analysis. Data processing was a quantitative descriptive analysis using the IFAS (Internal Factor Analysis Summary) matrix and the EFAS (External Factor Analysis Summary) matrix. This matrix describes how the internal conditions, namely strengths and weaknesses, and external conditions, namely the opportunities and threats faced by red chili farmers in Ogan Komering Ulu Regency.

SWOT analysis provides realistic information about an organization’s relationship with its environment with a Strategic pattern that uses strengths and opportunities to the fullest and minimizes existing weaknesses and threats. In the descriptive qualitative analysis method based on expert opinion as a theoretical basis, it can be seen in the SWOT matrix below:

SWOT MATRIX TABLE

Internal / **External**	**Strenght:** Listed are some of the strengths possessed	**Weakness:** Listed are some of the weaknesses they have
Opportunity: Listed are some of the opportunities that may be faced	**Strategy SO:** Strategy that uses the power to take advantage of opportunities	**Strategy WO:** Strategies that minimize weaknesses to take advantage of opportunities
Threat: Listed are some of the threats that may be faced	**Strategy ST:** Strategies that use strength to avoid threats	**Strategy WT:** Strategies that minimize weaknesses and avoid threats

Figure 3.1 SWOT Matrix

1. SO Strategy: the strategy of the company or organization by using all strengths to seize and take advantage of all opportunities of magnitude.
2. ST strategy: the strategy of using the strengths of a company or organization to overcome threats.
3. WO Strategy: a strategy that is used on the optimization of existing opportunities by reducing weaknesses.
4. 4. WT strategy: the strategy is based on activities that are conservative and try to reduce weaknesses and avoid threats.

4. Results and Discussion

4.1 Analysis of Red Chili Farming Business

From the results of the study, it is known that in general red chili plants are cultivated in the wetland (rainfed rice fields), and dry land/moorlands. Analysis of the income and profits of red chili farming in general in Ogan Komering Ulu Regency can be seen in the following table. Analysis of Red Chili Farming Income per Hectare in a Planting Season in Ogan Komering Ulu Regency

No.	**Description**	**Description**
1	Production (kg/Ha)	9,000
2	Selling Price (per kg)	Rp. 18.000,-
3	Gross Income	Rp.162,000,000,-
4	Expenditures: Seeds Manure Fertilizer SP36 Fertilizer Ponska NPK Micro Nutrients Insecticides Fungicides Mulch Labor Costs	 Rp. 1,980,000,- Rp. 3,300,000,- Rp. 930.000,- Rp. 640.000,- Rp. 6.210,000,- Rp. 225.000,- Rp. 2.100.000,- Rp. 900,000, - Rp. 3,780,000,- Rp. 7.500.000,-
	Total Production Cost/ha	Rp. 27.565.000,-
5	Net income (per ha)	Rp.134.435.000,-

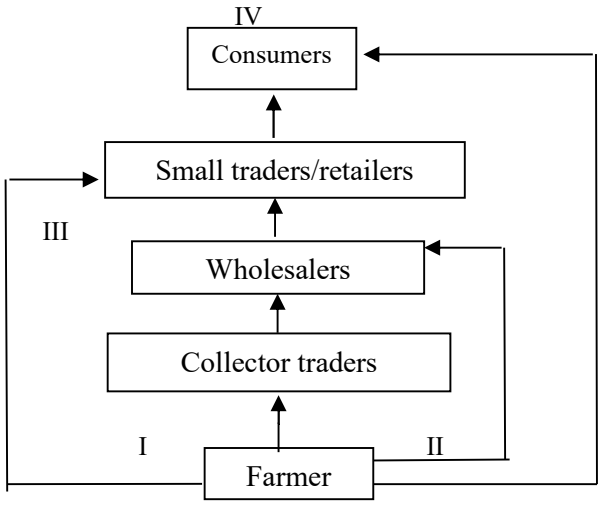
Source: Primary data in 2021

Based on the table above, it is known that gross income is obtained by calculating the amount of production multiplied by the selling price of red chili. Net income is obtained using gross income minus the total cost of production. The production costs include the cost of buying lips, fertilizers, pesticides, and labor costs.

In one red chili harvest season in Ogan Komering Ulu Regency, net income per hectare is Rp. 134,435,000,-. This is very beneficial for farmers. From the results of the study, it is known that for workers using nuclear families and close families the cost of labor services is relatively cheap. In addition, farmers also use local seeds at the cost of purchasing seeds is relatively cheap. As for fertilizing chili plants, farmers have used balanced fertilization (SP36, Ponska, and NPK, fertilizers, and manure, as well as controlling pests and diseases using insecticides and fungicides.

4.2 Marketing Analysis

Marketing of red chilies in Ogan Komering Ulu Regency is usually done by collecting traders who come to the chili planting location so that transportation costs can be minimized. Collecting traders set the selling price of red chilies, and they take the farmers' harvest directly to the location. However, there are also farmers whose planting locations are quite far and difficult to reach by four-wheeled vehicles, so farmers usually use motorbikes as a means of transportation. The chili harvest is usually directly brought to the collectors in the nearest village and sold at that time according to the price prevailing at the time of the transaction. Because red chili harvest can be done several times in one planting season, then usually a The resulting production also varies, in the early harvest the yield is higherthen the harvest at the end of the season. The red chili marketing trade chain in Ogan Komering Ulu Regency can be described in detail in the following figure:



Information:
Marketing Chain I: Farmers – Collectors – Wholesalers Small traders/retailers - Consumers
Marketing Chain II: Farmers – Wholesalers – Consumers
Marketing Chain III: Farmers – Small traders/retailers – Consumers
Marketing Chain IV: Farmers – consumers

4.3 SWOT analysis of the Red Chili Farming Business Development Strategy

a. Internal Factors (IFAS)

In this study, it is known from internal factors such as the Strength factor including the available resources and the availability of land that is still quite large and the production of red chili is high. And the weakness factors include low knowledge, relatively small capital, and narrow land area. The results of the calculation of internal factors can be seen in the following table:

Internal Factors of Red Chili Farming in Ogan Komering Ulu

Description	Weight	Rating	Score

STRENGTH 1. Human resources available 2. Fertile and spacious land 3. High production	 0.19 0.19 0.19	 4 4 4	 0.75 0.75 0.75
Sub Total Strength	**0.56**		**2.25**
WEAKNESS (weakness factor) 1. Lack of knowledge/skills 2. Small Land 3. Limited capital	 0.19 0.13 0.13	 2 2.5 2	 0.38 0.31 0.25
Sub Total Weakness	**0.44**		**0.94**
TOTAL	**1**		**3.19**

b. External Factors (EFAS)

Meanwhile, external factors are the Opportunity factor which includes superior commodities, high market demand, and government support. And Threat factors include market competition, fluctuating commodity prices, and climate change. The results of the calculations can be seen in the following table.

External Factors of Red Chili Farming in Kab.OKU

Description	**Weight**	**Rating**	**Score**
OPPORTUNITY (Opportunity Factor) 1. Leading commodity 2. High market demand 3. Government support	 0.19 0.19 0.13	 4 4 3	 0.75 0.75 0.38
Sub Total Opportunity	0.50		1.88
THREAT (Threat Factor) 1. Market Competition 2. Fluctuating Prices 3. Climate Change	 0.13 0.19 0.19	 2 2.5 2	 0.25 0.47 0.38
Sub Total Threat	0.39		1.09
TOTAL	1		2.97

By analyzing IFAS and EFAS on internal and external factors, the results of the above calculations are obtained, and then an analysis is carried out to identify various factors to formulate strategies based on data from internal and external factors to obtain the weighting score is 3.19 Internal Factors and 2.97 External Factors.

From the results of the analysis using the SWOT matrix, the coordinates (3.19: 2.97) are obtained, which means that in quadrant 1, namely the Aggressive Strategy. This strategy can be said that this situation is very profitable. This aggressive strategy allows the red chili farming business in Ogan Komering Ulu Regency to be further improved by utilizing existing strengths, and still large opportunities, by implementing strategies to support aggressive growth policies.

5. Conclusion

From this research, it can be concluded that:

1. Red chili farming in Ogan Komering Ulu Regency has the potential to become a superior commodity at this time. This is known from the results of the analysis of profitable red chili farming and the net income of farmers is around Rp. 134,435,000, - per hectare.
2. Based on the SWOT analysis by looking at internal factors (strengths and weaknesses) and external factors (opportunities and threats), the following results are obtained:

a. SO Strategy. The strategies implemented in the development of red chili between strengths and opportunities are:
   - The development of red chili must be carried out by expanding
   - Planting (extensification) and carried out intensively to provide maximum results.
   - Building partnerships with the government and stakeholders that are useful for fulfilling community demand for red chili which is still high and ensuring success and increasing income by farmers.
   - Improving the marketing chain considering that the longer the marketing chain, the greater the costs incurred and the impact on the decrease in farmers' income.

b. WO strategy. The strategies implemented in the development of red chili between weaknesses and opportunities are: - Conducting coaching to increase the knowledge and skills of red chili farmers in Ogan Komering Ulu Regency.
   - Providing production facilities assistance in the form of seeds, fertilizers, pesticides, and agricultural machinery to increase red chili production in Ogan Komering Ulu Regency.
   - Distribution of People's Business Credit (KUR) in agriculture as well as capital assistance from stakeholder partners in helping farmers cultivate red chili.

c. ST strategy. The strategies implemented in the development of red chili between strengths and threats are:
   - Doing red chili farming in groups to improve the bargaining position of farmers. Besides, it facilitates the cultivation system and marketing of the results.
   - The impact of climate change is that there must be efforts to control pests and diseases that can harm red chili farmers.
   - Building an agribusiness market for agricultural commodities, so that there is interaction and agreement on the value, quantity, specification, delivery, and payment of agricultural products.

d. WT strategy. The strategies implemented in the development of red chili between weaknesses and threats are:
   - Need to apply technology that can make red chili products a competitive advantage in anticipating competition and anticipating fluctuating prices.
   - There must be regulations from the government in determining prices that are in favor of farmers.

Quantitatively, the calculation of determining the priority scale for quadrant I is an option, namely the position of the SO 2.25: 1.88 point, which is greater than the quadrants II, III, and IV so that farmers can support an aggressive growth policy (Growth-oriented strategy) with strength. In taking advantage of opportunities for the development of red chili farming in Ogan Komering Ulu Regency.

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Conflicts of Interest: The authors declare no conflict of interest.

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