

Business Expansion Strategy of Trigona Honey Bee Business in Babakan Kalanganyar, Pandeglang, Banten

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Abstract

Honey, which classified as non-timber-forest product, has many health benefits and economic values. Honey utilization is done by honey beekeepers in Babakan Kalanganyar, Pandeglang, Banten. There were more than 30 beekeepers in 2014, but it was significantly decreased for only 20 beekeepers recorded in 2017. This research aimed to study proper business strategy for honey beekeepers on business expansion by analyzing internal and external factors of the beekeepers. Results showed that the honey beekeepers in Babakan Kalanganyar were listed in Quadrant IV Grow and Build. Intensive strategy can be done by: (i) increasing product quantity, (ii) creating a market segment expansion, (iii) cooperating with the government, (iv) caring the beehives and the beehive roofs, and (v) providing intensive care for bees.

Keywords: Honey bee business, business strategy, Babakan Kalanganyar

1. Introduction

Bee cultivation is the utilization of bee and its products, such as: honey, jelly, wax, and other products. This practice also includes the supporting vegetation to obtain the best benefit for society interest by preserving its conservation [1]. Babakan Kalanganyar is one of sub-districts where its society utilizes bee products that have the economic values as the added income of the households. According to Community 45, Babakan Kalanganyar, there were 30 *Trigona* honey beekeepers in 2014. However, in 2017 there are only 20 honey beekeepers due to the problems faced by the beekeepers in expanding the business. The comprehensive management strategies are required by the beekeepers to achieve position required in maintaining the business. The *Trigona* honey beekeepers must discover the goals, the strengths and the weaknesses, the opportunities and the threats. The beekeepers must also find out the internal and external factors of business to manage and to improve the business expansion strategy. Therefore, the selected strategy policy is supposed to escalate the competition amongst the honey beekeepers in honey industry.

2. Methods

Research was conducted in Babakan Kalanganyar, Pandeglang, Banten. The samples were 20 *Trigona* (species *Leaviceps*) honey beekeepers. The samples were collected using Non Probability Sampling Method, i.e. Saturation Sampling Method, which is a determining sample technique when all population members used as samples. Data collection was obtained through observations and interviews.

This research analyzed (i) the internal and external environment that influence the honey bee business in Babakan Kalanganyar, and (ii) the factors that include business environment. Data analysis was analysed using qualitative methods based on descriptive analysis with the available concepts of management strategies to illustrate the problems appeared. Further, quantitative data was analysed using 2 steps of strategy formulas [6]. Descriptive analysis in this research aimed to illustrate the condition of the honey beekeepers, the product produced, market, production, and information that will be used by the beekeepers.

This analysis, which based on the steps of the strategy formulas, aimed to illustrate the real condition of the beekeepers. These steps include [2], [3], [5]:

1. The Analysis of External and Internal Environment. The *Internal Factor Evaluation* (IFE) Matrix and The *External Factor Evaluation* (EFE) Matrix [4].
2. The Internal-External (IE) Matrix Analysis and the Strength-Weakness-Opportunities-Threats (SWOT) Matrix Analysis [4].

3. Discussion

The analysis of internal and external environment was conducted to study the strategy factors that influence the *Trigona* honey beekeepers business in Babakan Kalanganyar, i.e. the strengths, the weaknesses, the opportunities, and the threats. The internal environment is the internal factors in the beekeepers environment that influences the honey bee business. These factors are the strengths and the weaknesses that can be handled by the beekeepers, such as: finance, management, production, and human resources development of the beekeepers. The external environment is the external factors outside the beekeepers environment that will be the opportunities and the threats, which cannot be handled by the keepers. The

external environment includes micro and macro environment. The research obtained the results of the external environment of the *Trigona* honey beekeepers, which were included: the beekeeper's existence, the bee locations, the image of *Trigona Village*, marketing, the cultivation technique, the product selling price, the post-harvest process, the human resources development (HRD), and the beekeepers financial resources, illustrated as follows:

Table 1. Internal Strategy

| Internal Strategy | Weight | Rating | Weighted Score |
|---|------------|--------|----------------|
| Strengths | | | |
| Beekeeper's existence | 0,12 | 3,7 | 0,44 |
| Bee locations | 0,12 | 4 | 0,48 |
| Village image as <i>Trigona Village</i> | 0,10 | 3,05 | 0,30 |
| Marketing/Segmentation | 0,13 | 4 | 0,52 |
| Cultivation technique | 0,10 | 3,1 | 0,31 |
| Product selling price | 0,13 | 3,95 | 0,51 |
| Weaknesses | | | |
| Post-harvest process | 0,11 | 2 | 0,22 |
| HRD quality/beekeepers | 0,09 | 2 | 0,18 |
| Financial resources | 0,12 | 1,5 | 0,18 |
| Total | 1,0 | | 3,14 |

The internal factor strategies in table 3 illustrated that the highest score of the strengths is marketing or segmentation (0,52), followed by the product selling price (0,51), the bee location (0,48), the beekeeper's existence (0,44), the cultivation technique (0,31), and the village image as *Trigona Village* as the lowest score (0,3). Based on the strengths, there are the weaknesses that have to be solved by the keepers. Table 3 illustrated the highest score of the weaknesses in the *Trigona* honey bee business is the post-harvest process (0,22), followed by the HRD quality and financial resources (0,18 respectively). The average score of the strength and the weakness obtained from the internal factors of the *Trigona* honey bee business is 3,14.

After the internal factors were determined and analysed to obtain the impact score on the beekeepers, the further step is to analyse the score of the external factors that influences the honey bee business. The external factors are: the Government support, the forage availability in nature, the technology and information development, the society interest, and the weather and climate change, illustrated in table 4 as follows:

Table 2. External Strategy

| External Strategy | Weight | Rating | Weighted Score |
|--|----------|--------|----------------|
| Opportunities | | | |
| Government support | 0,218 | 3,1 | 0,67 |
| Forage availability in nature | 0,215 | 3,55 | 0,76 |
| Technology and information development | 0,163 | 2,1 | 0,34 |
| Society interest on <i>Trigona</i> honey | 0,205 | 3,55 | 0,72 |
| Threats | | | |
| Weather or climate change | 0,2 | 2,1 | 0,42 |
| Total | 1 | | 2,91 |

Table 2 illustrated that the highest score of the opportunities is the forage availability (0,76), followed by the society interest on the *Trigona* honey (0,72), government support (0,67), and the technology and information development (0,34). The only threat for the beekeepers is the weather and climate change (0,42). The average score obtained from the external factors is 2,91.

After obtaining the results of the internal factors, which illustrated the strengths and the weaknesses, and the external factors, which illustrated the opportunities and threats faced by the beekeepers, the IFE matrix and the EFE matrix were combined. This combination is supposed to discover the business position of the beekeepers, illustrated on the Internal-External (IE) Matrix with the IFE score 3,14 and the EFE score 2,91 as illustrated in figure 1:

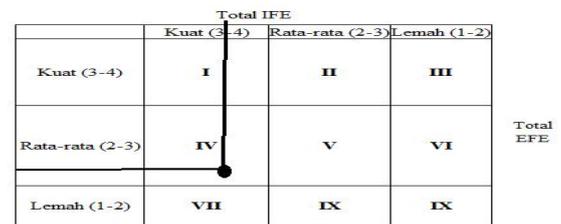


Figure 1. The IE Matrix

The total score obtained from the IFE Matrix and the EFE Matrix Combination listed the *Trigona* honey beekeepers in Quadrant IV. According to David, the business position in Quadrant IV is classified as Grow and Build [2]. The strategy that is viable in this business position is intensive strategies (market penetration, market expansion, and product development). After the IE Matrix obtained results, the SWOT Matrix obtained the beekeepers development strategy, i.e. the combination of S-O (Strengths-Opportunities), S-T (Strenghts-Threats), W-O (Weaknesses-Opportunities), dan W-T (Weaknesses-Threats), as follows:

- 1) To optimize the strengths to take the advantage (SO):
 - a. To increase number of production (S1, S2, S4, O1, O4)
 - b. Market segment expansion (S3, S5, O2, O3)
- 2) To take the advantage to overcome the weaknesses (WO)
 - a. To cooperate with the government to provide trainings, capital, and colonies (W1, W2, W3, O1, O2).
- 3) To optimize the strengths to anticipate the threats (ST)
 - a. Beehives and Beehives roof maintenance (S2, S4, T1)
- 4) To overcome the weaknesses to anticipate the threats (WT)
 - a. To provide intensive care (W1, W2, W3, T1)

4. Conclusion

The internal and external factors of the Trigona honey beekeepers influence the business expansion strategies. The highest score of the strengths in the internal factors is marketing and market segment, i.e. 0,52 with the highest score of the weaknesses in the post harvest process, i.e. 0,22. The highest score of the opportunities in the external factors is the forage availability, i.e. 0,76 and the weather and climate change, i.e. 0,42. The business expansion strategies of the *Trigona* honey bee business in Babakan Kalanganyar is listed in Quadrant IV, Grow and Build. The strategy that is viable for this business is intensive strategy (market penetration, market expansion, and product development).

References

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