



DEVELOPMENT STRATEGY OF CHICKEN FARMING BUSINESS IN NUSA PENIDA SUBDISTRICT, KLUNGKUNG REGENCY, BALI

BY

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Abstract

The purpose of this study is to analyze and formulate a strategy for Broiler Farming Business Development in Nusa Penida Subdistrict. This study uses mixed methods, which use a combination of quantitative and qualitative methods. The data source used in this study are primary and secondary data. Primary data have been obtained directly from respondents by observation and interview with questionnaires or in-depth interviews. Secondary data comes from documentation and relevant literature to this study. There are five strengths and six weaknesses as internal factors that influence the development of broiler farms in the Nusa Penida Subdistrict. There are four opportunities and three threats as external factors that influence the development of broiler farms in Nusa Penida Subdistrict. And then eight strategies can be carried out in the development of broiler farms, these strategies are: 1) Encouraging the community to have an entrepreneurial spirit in the livestock sector; 2) Adding large cargo carriers; 3) Subsidies for the distribution of livestock production facilities; 4) Establishing broiler farming organization; 5) Construction of Chicken Slaughterhouse in Nusa Penida Subdistrict; 6) Mapping areas for livestock and tourism; 7) Making application about broiler farming information; 8) Intensification of counseling about the maintenance management of broilers the abstract for the article

Keywords: Strategy, Broiler, Development, SWOT

Introduction

Bali is one of the provinces in Indonesia with a high demand for broilers. Broiler meat production in Bali is 89,393.03 tons/year. This amount of production has not been able to fulfill the demand for broiler meat in Bali (BPS, 2022). The demand for broilers in the Bali Province continues to increase in line with the population growth for tourist visits. Broilers are commonly used to fulfill the needs of hotels, shops, Hari Raya, the processed sector, and public consumption (Dewantari et al., 2023). One of the tourist areas in Bali which is currently becoming a favorite tourist destination is Nusa Penida Island. Nusa Penida is a subdistrict in Klungkung regency, which is unique because it is located on three small islands, named Nusa Penida, Nusa Lembongan, and Nusa Ceningan. The number of tourist visitors to Nusa Penida today has extremely increased because of good tourism promotion. This is evidenced by the increasing number of inns and restaurants, such as in 2003 there were 16 hotels and 7 restaurant units, since 2019 the number of hotels/inns were 313 units and 131 restaurant units (Sudipa et al., 2020).

Most of the need for chicken meat is imported from Bali Island. The import of chicken meat from Bali Island makes the price of chicken meat in Nusa Penida quite high because chicken meat in Nusa Penida has been charged distribution costs because of crossing between islands. If the weather is not good such as rain and huge sea waves, the distribution will be hampered causing scarcity of chicken meat in Nusa Penida. Even chicken meat brought to Nusa Penida cannot be fresh, because the crossing using a box car/truck requires a long queue so the meat which is received by consumers in Nusa Penida is meat that has been cut for approximately 3-4 days.

This rather complicated distribution problem in Nusa Penida must be resolved immediately. It is intended that people in Nusa Penida buy broilers at more affordable prices and better quality. This is in line with the opinion of Fauzi and Wijaya (2021) the main priorities that are considered by consumers in making purchases, as the quality and price of a product.

This study aims to analyze supply and demand conditions to determine the strengths, weaknesses, opportunities, and threats of the broiler farming business in Nusa Penida so that

appropriate business development strategies can be developed to improve the community's economy.

Methodology

Sampling

This research is survey research, which uses a combination of methods (mixed model research) which in this study uses quantitative and qualitative research in one process. This research will be carried out in Nusa Penida Subdistrict, Klungkung Regency, Bali Province. The time of this research is from March 2023 to May 2023. The research location is determined by the census method which has a broiler population in Nusa Penida. All broiler breeders in Nusa Penida Subdistrict are selected as respondents, 40 respondents from consumers are selected using multi-stage sampling, and 6 expert respondents are selected by purposive sampling method based on certain criteria adapted to research needs. Primary data has been obtained by conducting interviews and observations in the research area. Secondary data has been obtained by searching the literature and related documents.

Variable

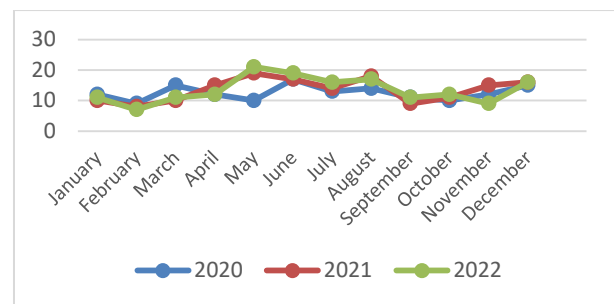
The research variables used in the research: Demand and supply are measured based on the collection of the necessary data. The environmental conditions of the Bali broiler farming business are determined based on Internal Factor Analysis and External Factor Analysis, to obtain the strengths, weaknesses, opportunities, and threats faced in the development of the broiler farming business in Nusa Penida, the factors are assessed in quality and ranking using the Paired Comparison method (Kimear, 1996). Each variable is given a quality that describes the level of importance. Determination of quality is done by comparing one variable and the other variables. According to David (2004), ranking is analyzed based on the level of importance of each quality from 1.0 to 1.99 indicating a low position, from 2.0 to 2.99 indicating a medium position, and from 3.0 to 4.00 indicating a high position. Business development strategy is determined by obtaining alternative strategies using Strength-Weakness-Opportunities-Threats (SWOT) matrix analysis. According to Rangkuti (2014), SWOT Matrix can produce four sets of possible alternative strategies. In SWOT analysis, there are four strategies, named SO strategy, WO strategy, ST strategy, and WT strategy. Priority strategies are selected using the Quantitative Strategic Planning Matrix (QSPM) method.

Discussion

Demand and supply

The demand for broilers in Nusa Penida Subdistrict for the last 3 years has averaged 158 tons per year, however, broiler breeders have only been able to meet the demand of 14.43%, and that percentage the ability of breeders to supply is still very far from the existing demand. This case causes chicken meat to be imported from Bali Island to stabilize broiler prices in Nusa Penida Subdistrict. Ilham et al. (2002) agreed that the demand for broiler meat is largely determined by its price. The demand for broiler meat is inelastic to change the income. It indicates that broiler meat has been widely consumed by

various levels of society. Based on observations, the demand for broiler meat in Nusa Penida Subdistrict for the past 3 years has been higher in May, June, August, and December. The high demand for chicken meat in May and June causes the Idul Fitri and Galungan holidays which many domestic tourists vacation in Nusa Penida Subdistrict August and December are the holiday season for tourists. The lowest season for broiler demand in Nusa Penida Subdistrict is February and September, which causes the tendency for these months to be the first month after the holiday season. According to Maulana et al. (2021) The number of requests from the public increases, especially in certain months before religious holidays such as Idul Fitri, Idul Adha, Christmas, New Year, and traditional ceremonies. Consumer demand for broilers on religious days is higher than on normal days because the price factor does not affect the demand for broilers. According to Putri et al., (2023), Consumer decisions in choosing chicken are based more on specifications, condition, and type of chicken, while location, price, and service are not the main considerations



Business environment analysis

Based on the results of the research, the internal factors in the form of 5 strengths and 6 weaknesses in the broiler farming business in Nusa Penida Subdistrict, Klungkung Regency are

Internal factors	Weight	Rating	Score
Strength			
Vacant land that can be used for livestock is still very wide	0,118	4	0,473
Good quality chicken meat	0,102	3	0,307
All breeders are in the productive age	0,118	4	0,473
The average breeder already uses a smartphone as a support for broiler farming	0,084	3	0,252
Livestock in Nusa Penida Subdistrict have partners as a principal	0,155	4	0,618
Sub Total Strength			2,123
Weakness			
Limited sea crossing transportation used to provide	0,102	1	0,102

tools and materials for animal husbandry			
Expensive transportation costs	0,118	1	0,118
There is no RPA (Chicken Slaughterhouse) in Nusa Penida Subdistrict	0,066	2	0,132
Broiler production in Nusa Penida Subdistrict has not fulfilled the needs of the community's broilers	0,068	2	0,136
The level of knowledge of breeders in raising livestock is still not very good	0,034	2	0,068
Not all breeders make raising livestock their main job	0,034	2	0,068
Sub Total Weaknesses			0,625
Total			2,748

Based on the Evaluation of Internal Factor (EFI) analysis, the results show that the sub-total value for strength is 2.123, the sub-total value for weakness is 0.625 and the total internal factor value is 2.748 that indicating the broiler farming business in Nusa Penida Sub-district is in moderate condition.

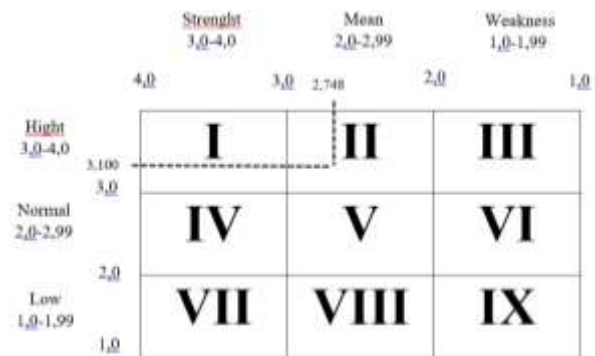
Based on the results of research, external factors in the form of 4 opportunities and 3 threats in the broiler farming business in Nusa Penida District, Klungkung Regency are:

External Factors	Weight	Rating	Score
Opportunity			
The broiler is the most popular source of protein for people in the Nusa Penida Subdistrict	0,169	3	0,507
The high number of tourist visitors in the Nusa Penida Subdistrict	0,214	4	0,857
The high demand for chicken meat from the public, hotels, and restaurants	0,214	4	0,857
The progress of information technology is very quick	0,074	3	0,221
Sub Total Opportunity			2,443
Threat			
The high price of broiler feed	0,171	2	0,343
The massive conversion of agribusiness land to tourism land	0,098	2	0,195
The high level of live broilers and chicken meats from The	0,06	2	0,119

Bali Island		
Sub Total Threat		0,657
Total		3,100

Based on the analysis of External Factor Evaluation (EFE), the results show that the sub-total value of the opportunity is 2.443, the sub-total value of threats is 0.657 and the total value of external factors is 3.100 which shows that the broiler farming business in Nusa Penida Subdistrict has high potential to develop but must still pay attention to the threats that exist today.

The results of the EFI and EFE analysis are entered into the IE matrix to determine the current position of broiler farms in the Nusa Penida Subdistrict in the industry.



The broiler farming business is in cell II of the IE matrix, that is growth and development cells with an EFI value of 2.748 and an EFE value of 3.100. The interpretation of the EFI and EFE values is that broiler farms have internal strength that is in the medium category and has a high ability to deal with opportunities and threats. The second cell in the IE matrix belongs to the first group, named the growth and development strategy. The alternative strategies: are infrastructure development, making regulations, and providing assistance and learning to breeders.

Business strategy

Based on the SWOT analysis, 8 alternative strategies for broiler farming business development in Nusa Penida Subdistrict are formulated, such as:

1. Encouraging the community to have an entrepreneurial spirit in the livestock sector. This strategy is aimed at increasing the number of broiler farms so more people have the intention and do broiler farming business in the Nusa Penida Subdistrict to increase the supply of broilers and improve the community's economy as well as open new jobs. Juniar and Anwar (2020) stated the same thing, the existence of a broiler farming business has opened jobs for previously unemployed people, the society will be helped with work in this business to fulfill their needs.
2. Making an application for broiler farm information. The making of this application is used as a connector of information between the government

and farmers, including regarding feed prices, DOC, and the newest technologies as well as facilitating government monitoring in applications that can help the government both check the condition of livestock, conduct counseling and deploy veterinarians to breeders if problems occur. According to Sutabri (2012) with monitoring, the government can identify problems that occur so they can be addressed immediately.

3. Addition of large cargo carriers. The addition of a large fleet of ships such as roll-on-roll-off (Roro) and ferry aims to accelerate the distribution of facilities and infrastructures for livestock and other commodities. The same thing was stated by Yuliani (2014) the success of development in an area is strongly influenced by the role of transportation as the lifeblood of political, economic, socio-cultural, and defense of security life.
4. Construction of a Chicken Slaughterhouse in Nusa Penida Subdistrict. The chicken slaughterhouse is aimed to increase the desire to raise livestock for the people of Nusa Penida Subdistrict because one of the reasons people don't want to raise broilers is not any chicken slaughterhouse that helps process live breeder's chickens into chicken meats. This is in line with the opinion of Israwati and Jaerani (2020) The existence of a Slaughterhouse is very helpful for the community because the slaughterhouse assists with the availability of animal protein. When the government's contribution is in the form of fees, it will increase the PAD of the regional government.
5. Intensification of counseling about the maintenance management of broilers. The intensification of counseling to farmers also aims to make breeders more creative and innovative in adopting renewable technologies for the development of livestock businesses. Hellyward et al., (2022) Counseling is carried out to provide additional knowledge for members to maintain the sustainability of the group and it is hoped that the group can run and develop group businesses so that prosperity can be achieved.
6. Territorial mapping for livestock and tourism. Territorial mapping in Nusa Penida has functioned to provide boundaries of the land that can be used as livestock and cannot be disturbed by the tourism sector and the contrary. According to Hendrawan (2016), Weaknesses in the regulatory aspect are mainly related to issues of legal force, the penalty of violations, and the accuracy of land objects that are prohibited from being converted so the government can better understand laws and regulations.
7. Forming a broiler farm organization. The formation of broiler farming organizations is aimed at empowering farmers and even as partners, this organization also provides an opportunity to share knowledge between breeders in which livestock

problems in Nusa Penida Subdistrict can be more easily resolved. The same thing was stated by Amam and Russiana (2020). Livestock institutions as a forum for breeder organizations are closely related to a process of empowering breeders and livestock institutions can also function as breeder partners.

8. Performing subsidies for the distribution of livestock production facilities. Subsidies can be carried out by the government to provide assistance for breeders which gives cost relief in the crossing process. Government subsidies are expected to ease the burden on transportation. The same thing was stated by Jaya (2022) The subsidy program is one of the government's efforts to assist the development of livestock which is expected to achieve maximum results.

Based on the QSPM analysis that has been done, it is found that the strategy to encourage people to have an entrepreneurial spirit in the livestock sector is a priority strategy with a TAS value of 3.574; followed by the addition of large cargo carriers with a TAS value of 3,547; followed by subsidizing the distribution of livestock production facilities with a TAS value of 2,533; form a broiler farm organization with a TAS value of 2,434; construction of a Chicken Slaughterhouse in Nusa Penida Subdistrict with a TAS value of 2,281; area mapping for livestock and tourism with a TAS value of 1,912; making applications about broiler farm information with a TAS value of 1.363; the last is the intensification of counseling about the maintenance management of broilers with a TAS value of 1.332.

Conclusion

Based on the research results, it can be concluded that the broiler farming business in Nusa Penida Subdistrict has moderate internal conditions (2.748) and good external conditions (3.100). 8 strategies can be carried out from the first to the last: 1) encouraging the community to have an entrepreneurial spirit in the livestock sector; 2) Adding large cargo carriers; 3) Subsidies for the distribution of livestock production facilities; 4) Forming a broiler farm organization; 5) Construction of a Chicken Slaughterhouse in Nusa Penida Subdistrict; 6) Mapping areas for livestock and tourism; 7) Making an application about broiler farm information; 8) Intensification of counseling about the maintenance management of broilers.

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