Research Article

Peanut Plant Development Strategy as a Leading Commodity in South Tinangkung District, Banggai Islands Regency

Strategi Pengembangan Tanaman Kacang Tanah Sebagai Komoditi Unggulan Di Kecamatan Tinangkung Selatan Kabupaten Banggai Kepulauan

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Abstract: Agricultural development aims to improve the living standards of farmers and the welfare of their people. The prospects for the development of peanut farming business are very bright in order to increase the income and welfare of farmers, so there is a need for a strategy in the development of peanuts as a leading commodity. Thus, this study aims to develop a strategy for developing peanuts as a leading commodity in South Tinangkung District, Banggai Islands Regency. The research was conducted from June to November 2022 in South Tinangkung District, Banggai Islands Regency. The data used in this study is primary data. Primary data were obtained by conducting structured interviews and direct observations from certain natural places by circulating questionnaires to respondents. Furthermore, the research used the SWOT method, namely SO (Strength-Opportunity), WO (Weakness-Opportunity), ST (Strength-Threats), and WT (Weakness-Threats). The results obtained in this study are that the development of peanut crop commodities in South Tinangkung District is in the second tier (diversification). so that the most appropriate strategy to be applied is Strategy-ST, thus the main strategy for the development of peanuts as a superior commodity is to utilize the experience of farmers in farming peanut crops with the ability to carry out land management to overcome the shortage of Agriculture machinery needs, in addition to that, it can maximize the role of Agricultural cooperation and can reduce high labor wages.

Keywords: Peanuts, Development, Strategy, South Tinangkung


Kata kunci: Kacang Tanah, Pengembangan, Strategi, Tinangkung Selatan

INTRODUCTION

Agricultural development is very important in national development because Indonesia is an agricultural country with the majority of the population making a living as farmers (Ayun et al. 2020). So, it is impossible to exclude agricultural development in national development policies and even it must be an obligation to make agricultural development a top priority (Solechah & Sugito 2023). Agricultural development aims to improve the living standards of farmers and the welfare of the community (Alfrida & Noor 2017). According to Isbah & Iyan (2016); Kusumaningrum (2019), the agricultural sector is a sector that has a strategic role in the development of the national economy today, so agriculture is seen as a sector that has a special ability to combine growth and equity or quality growth (Kurniawan et al. 2017; Haris & Falatehan 2017).

According to Jaya (2022), each region has leading sectors that have a significant impact on regional economic development, both directly and indirectly. So that each region must certainly bring up superior products as a characteristic of the area for regional development and as a support for the economy in an area (Sudirman & Alhudhori 2018; Talaohu et al. 2019), so that a strategy is needed to develop leading commodities obtained in each region to achieve the goal of prospering its people. The strategy will be said to be successful if it can contribute to improving the welfare of society so that it is not only oriented towards increasing the physical production of various kinds of agricultural commodities of food crops and other crops (Soejono 2011). The success criteria should be measurable from improving farm income levels, increasing labor productivity, and improving macro indicators such as reducing poverty and unemployment rates (Suryantini et al. 2017).

One of the strategies that can be taken is to determine the center of agribusiness development of superior commodities in an area. In line with this, Sandriana et al. (2014) stated that one of the strategies that can be used in the development of the region today is through the development of the region’s superior commodities themselves. Furthermore, Wijaya (2017) stated that the strategy of developing superior commodities is expected to be the main key in spurring the growth of an area which in turn can increase people’s income. South Tinangkung District, Banggai Islands Regency which has an area of 187.89 km2 with a population of 7,989 people (BPS Bangkep 2022). Most of all the activities of the people as farmers. Farmers in South Tinangkung Subdistrict are more dominant in cultivating food crops such as peanuts. Peanut production in South Tinangkung District is quite good, amounting to 168.7 tons in 2022 (BPP South Tinangkung 2022). Peanut plants are food commodities that deserve to be one of the leading commodities of agribusiness. Peanut plants in South Tinangkung District in previous years have become a priority / leading crop and a source of income for farmers in the region, in addition to trying to create the highest growth also seeks to eliminate or reduce poverty, income inequality and unemployment rates or create job opportunities for residents in an area. so that the prospect of developing peanut farming is very bright in order to increase farmers’ income and welfare (Sairdama 2017), as an expansion of employment opportunities and efforts to increase food security to suppress imports and diversify food diversification in South Tinangkung District, Banggai Islands Regency. Research on peanut commodity development strategies has never been carried out in South Tinangkung District, so the picture is needed in directing more specifically how development strategies can achieve the desired goals. In
addition, peanut plants are a tailwind for the growth of upstream industries and drivers of downstream industries in agribusiness systems and businesses. The development of peanut agribusiness in southern Tinangkung still faces various obstacles such as high prices of production facilities and high fluctuations in the prices of primary agricultural products. This condition occurs due to the weak bargaining position of farmers compared to other agribusiness players. In addition, integration between stakeholders is also a significant obstacle. At the local level, agribusiness development is mainly hampered due to very limited regional infrastructure constraints, such as infrastructure and other supporting facilities, so there is a need for strategies in developing peanuts as a superior commodity. Thus, this study aims to develop a strategy for developing peanuts as a leading commodity in South Tinangkung District, Banggai Islands Regency.

MATERIALS AND METHODS

The research was conducted from June to November 2022 in South Tinangkung District, Banggai Islands Regency. The data used in this study is primary data. Primary data were obtained by conducting structured interviews and direct observations from certain natural places (not artificial), and researchers conducted treatment in data collection, namely by distributing questionnaires to 90 peanut farmers represented from 9 villages in South Tinangkung District.

These two factors are a means for decision makers to get the best strategy.

Furthermore, the formulation of directions as a form of strategy involves internal and external elements of a region as a component of decision-making. As Mondal (2017) stated, SWOT analysis is used to achieve information about strengths and weaknesses as internal factors or often known as IFAS (Internal Factor Analysis Summary), while opportunities and threats as external factors or EFAS (External Factor Analysis). The first evaluation of IFAS and EFAS is carried out in weighting, the next is the rating, the rating scale is given a value of 1 to 4. A value of 1 indicates the possibility of decreasing the influence of the indicator compared to the main competitor. It is rated 2 if that indicator performs the same as the main competitor. While the value of 3 or 4 if the indicator is better than the main competitor. The weighting score for each factor ranges from 4.0 (outstanding) to 1.0 (poor). Sum the weighting scores in column 4 to get the total weighting score. The total weighting results are IFAS and EFAS evaluations which show the position of commodities. These two factors are a means for decision-makers to get the best strategy.

SWOT analysis has 3 stages that need to be carried out to carry out planning which include the stages of collecting information and data, the stages of data analysis, and the stages of determining decisions that will later affect the data interpretation process (Rochman, 2019). This stage of analysis is usually done by making a matrix diagram, which is then compiled using the SO (Strength-Opportunity), WO (Weakness-Opportunity), ST (Strength-Threats), and WT (Weakness-Threats) methods. The next stage is the decision-making stage after the information is obtained through the analysis stage. The decision-making stage is intended to find out the advantages and opportunities, in addition to minimizing the weaknesses and threats that exist in the development of peanut crops in South Tinangkung.
RESULTS AND DISCUSSION

Peanut Commodity Development Strategy in South Tinangkung District, Banggai Islands Regency

The strategy is intended for the development of peanut commodities in South Tinangkung District, Banggai Islands Regency as a recommendation to the region in an effort to improve regional agriculture. According to Rasyid (2016), planning analysis is made based on the conditions and agricultural potential obtained in a. Furthermore, the sectoral approach requires a collective effort strategy and involves many elements that are in contact with the agricultural sector (Sutrisno et al. 2016). The potential and situation of the region are then decomposed into indicators to detect things that can improve or actually make agriculture in one region decrease (Pramono 2020).

SWOT factors are divided into two, namely internal factors and external factors. The indicator accommodates the overall situation and potential of peanut crops in the South Tinangkung District. The determination of these indicators then becomes material in making strategies (Radyanto & Prihastono 2020). Internal factor analysis is aimed at identifying factors that can be strengths and weaknesses in utilizing the peanut development potential in South Tinangkung District. According to Farida (2013), the degree of influence of each factor is known by giving a rating value of 1 to 4 where the value of 1 indicates a “very weak” influence (Putri et al. 2014), the value of 2 indicates a rather weak influence, the value of 3 the influence is rather strong and the value of 4 the influence is very strong (Akbar 2021; Hamzah et al 2022). Then the weight obtained from each factor is multiplied so that the total weight of strengths and weaknesses is worth 1.00 (Rangkuti 2013).

The results of the IFAS matrix analysis are accumulated scores of all factors of strength and weakness of peanut commodity development obtained from the results of the multiplication between weights and ratings. From the results of the analysis, it can be seen that the cumulative value of the score of the strength factor is 2.38 and the accumulated score value of the weakness factor is 0.29. This explains that the strength factor is still much higher than the weakness factor, so the total strength and weakness factor score of 2.67 indicates that the internal condition of this peanut farming business is still relatively strong (Al Hadi et al 2022). Furthermore, the Strength of the Internal Strategy Ranking Column, it can be seen that most of the strength factors have ranks 3 and 4 that are rather strong to very strong. Factors are worth 3 and 4 only for the strengths group (Pangemanan et al. 2022). More details of the internal matrix can be seen in Table 1 below.

Table 1. Internal Matrix Analysis Results.

<table>
<thead>
<tr>
<th>Internal Environmental Factors</th>
<th>Weight</th>
<th>Rating</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strengths</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1 The experience of farmers trying to farm peanut crops</td>
<td>0.14</td>
<td>3</td>
<td>0.42</td>
</tr>
<tr>
<td>2 Government support/policy</td>
<td>0.17</td>
<td>4</td>
<td>0.68</td>
</tr>
<tr>
<td>3 Land Availability is still quite large</td>
<td>0.09</td>
<td>2</td>
<td>0.18</td>
</tr>
<tr>
<td>4 Able to carry out land processing for peanut crops</td>
<td>0.17</td>
<td>4</td>
<td>0.68</td>
</tr>
<tr>
<td>5 Peanut crop productivity is high</td>
<td>0.14</td>
<td>3</td>
<td>0.42</td>
</tr>
</tbody>
</table>
Number of strengths | 0.71 | 2.38
--- | --- | ---
\textbf{Weaknesses} | | |
1. Limited Capital in farming peanut crops | 0.05 | 1 | 0.05 \\
2. Land use for peanut crops is not yet appropriate | 0.06 | 1 | 0.06 \\
3. Level of education of farmers | 0.06 | 1 | 0.06 \\
4. Lack of availability of seed stocks for peanut crops | 0.06 | 1 | 0.06 \\
5. Non-simultaneous soil management | 0.06 | 1 | 0.06 \\
\textbf{Number of Weaknesses} | 0.29 | 0.29 \\
| Total | 1.00 | 2.67 \\
Source: processed data (2022)

Furthermore, an external strategy factor analysis is carried out to draw up an External matrix. Rusydiana & Firmansyah (2018) stated that the preparation of this matrix aims to determine the level of importance and influence of opportunities and threats in determining the strategy for developing peanut crop commodities in South Tinangkung District, Banggai Islands Regency. Analysis of external factors has been presented in Table 2 below.

Table 2. External Matrix Analysis Results

<table>
<thead>
<tr>
<th>External Environmental Factors</th>
<th>Weight</th>
<th>Rating</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>\textbf{Opportunities}</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. The existence of a government programme &quot;leading commodities&quot;</td>
<td>0.09</td>
<td>2</td>
<td>0.18</td>
</tr>
<tr>
<td>2. There is guidance from Government Agricultural Assistant which understands the cultivation techniques of peanut plants</td>
<td>0.10</td>
<td>2</td>
<td>0.2</td>
</tr>
<tr>
<td>3. Training of Farmer Group leaders on land processing</td>
<td>0.10</td>
<td>2</td>
<td>0.2</td>
</tr>
<tr>
<td>4. The presence of breeding peanut plants breeding</td>
<td>0.10</td>
<td>2</td>
<td>0.2</td>
</tr>
<tr>
<td>5. The price of peanut crop production is quite high</td>
<td>0.10</td>
<td>2</td>
<td>0.2</td>
</tr>
<tr>
<td>\textbf{Number of Opportunities}</td>
<td>0.49</td>
<td>0.98</td>
<td></td>
</tr>
</tbody>
</table>

| Threats | | | |
| 1. Agricultural Machinery Has Not Met the Needs of Farmers | 0.10 | 2 | 0.20 |
| 2. Gapoktan has not played a maximum role | 0.09 | 2 | 0.18 |
| 3. Procurement of peanut plant seeds is difficult to obtain | 0.11 | 2 | 0.22 |
| 4. Pest infestation of plant diseases | 0.10 | 2 | 0.20 |
| 5. High Labor Wages | 0.11 | 3 | 0.33 |
| \textbf{Number of Threats} | 0.51 | 1.13 |
| Total | 1.00 | 2.11 |

Source: processed data (2022)

According to Yuniar et al (2015), in determining external metrics, namely by multiplying the total score between weights and ratings. Based on the results obtained (Table 2), the accumulation score of all opportunity and threat factors for the development of peanut
commodities in South Tinangkung District obtained the result of accumulated score value of the opportunity factor of 0.98 and the accumulated value of threat factor score of 1.13. This explains that the threat factor is still much higher than the opportunity factor. Furthermore, the total opportunity and threat factor scores are 2.11. The total results obtained, shows that the external conditions of the development of this peanut plant are still relatively good (Al Hadi et al 2022). The external strategy rating column of the opportunity looks like it has a rating value of 2 (somewhat weak), while in the threat focus it has a rating of 3 (somewhat strong), so that thus that the development of peanut farming in South Tinangkung District, Banggai Islands Regency still has a fairly good opportunity by anticipating and preventing the degradation of peanut production capacity due to threats (Rozi et al 2020).

Based on the results of calculating the IFAS and EFAS matrix scores above, the coordinate results of 2.67: 2.11 were obtained, which is the position of peanut commodity development in South Tinangkung District, Banggai Islands Regency. Internal-External matrix analysis was carried out to determine the position of peanut development efforts based on IFAS and EFAS matrix data. This is important to know as the basis for determining whether to carry out a business strategy that is in accordance with appropriate and appropriate conditions (Wiagustini & Permatawati 2015; Rahmi & Swandari 2021). So, it can be determined what strategy should be taken. The position of peanut commodity development in South Tinangkung District is in cell 5, which is a growth strategy with a concentration of horizontal integration and stability strategy. The position of development of agricultural superior commodities is presented in Figure 1 below.

Total score value of Internal strategy factor

<table>
<thead>
<tr>
<th></th>
<th>4</th>
<th>strong</th>
<th>3</th>
<th>Average</th>
<th>2</th>
<th>Weak</th>
<th>1</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>GROWTH</td>
<td>Concentration through vertical integration</td>
<td>2</td>
<td>GROWTH</td>
<td>Concentration through horizontal integration</td>
<td>3</td>
<td>RETRENCHMENT</td>
</tr>
<tr>
<td>4</td>
<td>STABILITY</td>
<td>Be careful</td>
<td>(2,67:2,11)</td>
<td>STABILITY</td>
<td>Concentration through horizontal integration</td>
<td>6</td>
<td>RETRENCHMENT</td>
</tr>
<tr>
<td>7</td>
<td>GROWTH</td>
<td>Concentric Difensification</td>
<td>8</td>
<td>GROWTH</td>
<td>Diffensification Concentric</td>
<td>9</td>
<td>RETRENCHMENT</td>
</tr>
</tbody>
</table>

Figure 1. Internal-External Matrix
Based on the results of the Internal-External matrix analysis in figure 10, shows that the position of the peanut commodity development business in South Tinangkung District is in the position of cell V (Growth and Stability). These results explain that the strategy is designed to achieve a growth phase, both in production, assets, and development profits from farming (Rangkuti 2013). Furthermore, according to Sari & Oktafianto (2017) if the strategy position lies in the V cell position, namely the growth strategy with concentration through horizontal integration, which means that from the internal side, the segment should be expanded to be larger, and from the external side, it can make acquisitions or joint ventures with other appropriate stakeholders (Wheelen & Hunger 2012).

Based on the results of the IFAS and EFAS analysis, it is known that the difference in strength and weakness scores in the IFAS matrix is 2.09 and the difference in opportunity and threat scores is -0.15. The combination illustrates the position of being in quadrant II (Verified) by making optimal use of existing forces to minimize threats that may arise now and in the future. Furthermore, Salim & Siswanto (2019) stated that the position of quadrant II is positive and negative which indicates a strong strategy but faces considerable challenges. The strategy recommendations that can be given are strategy diversification which means that opportunities cannot be utilized (Zailani & Pratiwi 2021). The results of the space matrix can strengthen the results of the IE matrix where growth strategies can be used for the development of agricultural superior commodities in South Tinangkung District. The results of the IFAS and EFAS analyses are presented in Figure 2 below.

![Space Matrix Analysis Results](image)

The decision-making stage is the last stage of all previous SWOT analysis processes. The last stage in this analysis is the development of peanuts in the South Tinangkung District. According to Mulyono & Munibah (2016), the factors of strengths, weaknesses, opportunities, and threats will create new strategies and find out whether the SWOT analysis applied (Laili & Diartheno 2018) to peanut development is in accordance with the desired goals. The strategy is prepared based on a combination of various aspects observed from the SWOT analysis, each total item value will be summed to determine the priority level of the overall strategy offered according to the circumstances and potential of the peanut crop in South Tinangkung District, Banggai Islands Regency. SWOT matrix analysis was performed using four types of strategies: SO (strength-opportunity), WO (weakness-opportunity), ST (strength-threat), and WT (weakness-threat) (David, 2011).
Based on the results of the SWOT analysis, the development of peanut commodities in South Tinangkung District, Banggai Islands Regency is in quadrant II. Thus, the most appropriate strategy to be applied is Strategy-ST (Strengths Threats), which is to utilize the power to minimize threats (Sarita & Suprianto 2022) to the development of peanut plants. Alternative strategies that can be carried out are: utilizing the experience of farmers in farming superior food crops, then utilizing the ability to carry out land management to overcome the needs of Agriculture machinery that have not been fulfilled and increasing the role of Agricultural cooperation that has not been maximized and overcoming pest attacks that have not been resolved so as to reduce the use of high labor wages. Furthermore, utilizing the availability of seed stocks for food crop commodities to overcome the procurement of superior food plant seeds/seeds that are difficult to obtain.

CONCLUSION

The direction for the development of peanut crop commodities in South Tinangkung District is in quadrant II (diversification). Thus, the most appropriate strategy to be applied is Strategy-ST, so that the main strategy for the development of peanuts as a superior commodity is to utilize the experience of farmers in farming peanut crops with the ability to manage land to overcome the shortage of Agriculture machinery needs, in addition to that, it can maximize the role of Agricultural cooperation and can reduce high labor wages.

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