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ANALYSIS OF THE ECONOMIC POTENTIAL AND FEASIBILITY OF COPRA BUSINESS INVESTMENT IN GORONTALO REGENCY

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Abstract
Copra is one of the leading commodities in Gorontalo Regency which has great potential to be developed as a source of community income. This research focuses on analyzing the economic potential and feasibility of copra-business investment in the area.This study aims to analyze the economic potential and feasibility of copra business investment in Gorontalo Regency, using SWOT analysis and financial analysis approaches. The results of the financial analysis show that this business is feasible with a Net Present Value (NPV) of IDR 63,167,388, *Internal Rate of Return* (IRR) of 40%, and *Benefit-Cost Ratio* (BCR) of 5.67. In the SWOT analysis, the main strength lies in the support of the local community and the availability of coconut raw materials, while the biggest weaknesses are capital limitations and dependence on the local market. Opportunities include technological developments and partnerships with exporters, while the main threats are fluctuations in copra prices and strict export-import regulations. The conclusions of this study recommend strategies to maximize the support of local communities, use the latest technologies to improve product quality and distribution, and build partnerships with exporters to open up global market access, which is expected to address existing challenges and support the sustainability of the copra business. This research shows that the application of technology and policies that support the agribusiness sector can increase the competitiveness of copra products in the global market as well as strengthen the sustainability of businesses at the local level, which can contribute to regional economic development and reduce dependence on local markets

Keywords: Copra, Economic Eligibility, Exporter Partnership, Latest Technology, Sustainability

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INTRODUCTION

The agribusiness sector plays an important role in regional economic development, including in Gorontalo Province. The business of processing coconut into copra provides significant added value, contributing to job creation, increasing community income, and local economic growth. The copra industry, as one of the leading commodities, plays a strategic role as a raw material for the food, cosmetics, pharmaceutical, and energy industries, with relatively stable demand in the domestic and global markets. (Pangemanan & Rori, 2016)

However, although copra has high economic potential, the development of this business is faced with challenges such as fluctuations in international market prices, high production costs, and the need to improve product quality. Price variability and limited market and technological access often affect the stability of farmers' incomes and the competitiveness of copra businesses, especially in areas with limited infrastructure. In Gorontalo Province, copra agribusiness has not developed optimally due to the lack of investment and limited mastery of processing technology, so productivity and product quality still need to be improved. (Bandrang & Rado, 2024)

In Gorontalo Regency, the copra business is a pillar of the local economy, especially for rural communities who depend on this commodity for their livelihoods. Locals are actively involved in the copra value chain, from production, processing, to marketing. This effort not only supports the household economy, especially for those living below the poverty line, but also encourages the growth of other sectors such as transportation, services, and trade. However, the productivity and competitiveness of the copra business are still constrained by limited access to infrastructure, markets, and capital. Price fluctuations in the global market also further magnify the challenges faced by copra business actors in this area. Partnerships with major exporters, cooperatives or buyers not only provide more stable price certainty, but also open up opportunities for wider distribution access, which is crucial in facing global market challenges and ensuring the continuity of the copra business (Fahri, 2022) .

The main problems faced are the limitation of supporting infrastructure, price fluctuations, and the lack of optimal collaboration between farmers, the government, and business actors to improve production efficiency, quality, and market access. Effective collaboration between all stakeholders is urgently needed so that copra agribusiness in Gorontalo Regency can develop more optimally and make a real contribution to regional economic development. (Pomalingo et al., 2022)

Previous research has shown that diversification of coconut businesses, both horizontally and vertically, can increase farmers' incomes. In coconut-producing countries such as the Philippines, Sri Lanka, and Indonesia, processing coconuts into value-added products such as virgin coconut oil (VCO) and coconut sugar has proven to be more profitable than simply producing copra (Tarigans, 2005) . Diversification of coconut products also increases competitiveness in the global market, making a significant contribution to farmers' income. However, the development of the copra

business in Indonesia still faces major challenges, including price fluctuations, low processing technology, and limited infrastructure. These issues affect the competitiveness of coconut products both in the domestic and global markets, therefore, the development of copra agro-industry requires more careful planning, including the application of new technologies and increased partnerships between farmers and industry to improve the quality and income of farmers.

Although many studies have discussed the potential and challenges in the development of copra businesses, especially through the diversification of coconut products, there are still gaps in the study of the economic feasibility and strategy of copra business development in areas with limited infrastructure such as Gorontalo Regency. Existing research tends to focus on aspects of agriculture and diversification of farming in areas with better market and technological access, but less examines the financial aspects and strategic partnerships between farmers, governments, and industries to address the problems faced by copra farming in remote areas. Therefore, this study aims to fill this gap by offering an investment feasibility analysis and integrated strategy based on SWOT analysis and financial aspects, which can contribute to the development of copra businesses in areas with these limitations.

The limited study of the economic feasibility and investment prospects of copra businesses in this area is one of the obstacles in attracting investor interest and strategic decision-making by business actors. Therefore, a more comprehensive study is needed to determine the economic potential and assess the feasibility of copra business investment in Gorontalo Regency. This research offers novelty by integrating SWOT analysis and financial analysis to assess the feasibility of copra business investment in the area, which has not been discussed much before. In contrast to previous studies that focused on the diversification of coconut products, this study combines strategy, finance, and partnerships between farmers, governments, and industry to improve the competitiveness of copra businesses. The study also pays special attention to areas with limited infrastructure, which have rarely been the focus of previous research.

RESEARCH METHODS

The research was carried out in Gorontalo Regency, Gorontalo Province, for two months, from November to December 2024. The location and time of the study were selected *purposively* in the largest copra-producing areas, in order to obtain data relevant to the research objectives. The types of data used include quantitative and qualitative data. Quantitative data was obtained in the form of numbers related to the amount of production, land area, farmers' income, and copra prices, and was statistically analyzed to determine business feasibility. Meanwhile, qualitative data is descriptive and describes obstacles such as technological constraints, market access, and socio-cultural factors that affect the copra business, which were collected through interviews and observations.

The data source consists of primary data obtained from copra collectors in Gorontalo Regency through questionnaires, interviews, and field observations and secondary data collected from official government documents, statistics reports of the agriculture office, publications of the Central Statistics Agency (BPS), journals, and other relevant sources. The research population was all copra collectors in Gorontalo Regency, a total of 10 people, and the entire population was used as a sample (saturated sample) to support the accuracy of analysis and generalization of research results. (Sihombing et al., 2023)

Data collection techniques include structured and semi-structured interviews with copra farmers and business actors, field observations to validate production and marketing data, and questionnaires to collect quantitative data related to production, land, income, prices, and technology use.

The data analysis method was carried out quantitatively using investment feasibility indicators, namely NPV, MRR, IRR, and B/C Ratio. then a SWOT analysis, which is complemented by IFAS and EFAS matrices used to identify strengths, weaknesses, opportunities, and threats, as well as establish copra development strategies in Gorontalo Regency. IFAS focuses on assessing internal factors such as the availability of raw materials and capital constraints, while EFAS analyzes external factors in the form of global market opportunities as well as threats from price fluctuations and competition for substitute products. This methodological approach that combines quantitative and qualitative is expected to be able to provide a comprehensive picture of the economic potential and feasibility of investment, as well as the strategy for developing the copra business in Gorontalo Regency (Rosidi et al., 2017)

RESULTS AND DISCUSSION

Respondent Overview

Gorontalo Regency is located in the northern part of Sulawesi Island, Gorontalo Province, at coordinates 0°32'41" N and 122°56'47" E. It is bordered by North Gorontalo Regency to the north, Bone Bolango Regency to the south, and the Sulawesi Sea to the west and east, with a total area of about 3,522.49 km² covering land and water. The topography of Gorontalo Regency is varied, dominated by lowlands that support agriculture, as well as some hilly and mountainous areas in the southern part that border the coast. This topographical diversity creates local economic potential, especially in the agricultural sector such as copra business, fisheries, and labor. However, some sub-districts such as Biluhu experienced a decrease in population (-0.75%), which has the potential to affect the supply of labor, while sub-districts such as Telaga Biru with positive growth (1.49%) offer opportunities for the development of copra businesses through the addition of labor and increased market demand. This demographic data is an important basis for formulating a targeted and sustainable copra business development strategy in the research area.

Table 1.Characteristics of Respondents

Characteristics	Respond	
	Sum	%
Age		
21 - 35 years old	4	40%
36 years - 50 years	5	50%
> 50 years	1	10%
Total	**10**	**100%**
Gender		
Man	8	80%
Woman	2	20%
Total	**10**	**100%**
Final Education		
SD	3	30%

SMP	5	50%
SMA	1	10%
Bachelor	1	10%
Total	**10**	**100%**

Source: Data Processed, 2024

It can be seen from table 1, the age distribution of copra collectors in Gorontalo Regency shows that the majority of respondents are in the productive age group. The 36–50 age group dominated with 50% of respondents, followed by the 21–35 year old group with 40%, and the age group over 50 years old with 10%. Respondents in the younger age group showed readiness for innovation and the application of new technologies in the copra business, while the 36–50 age group provided stability through the experience and competencies that had been formed. Older respondents continue to play an important role with their experience in the collection and processing of copra, which is indispensable to maintain quality and continuity of production. Overall, this demographic composition reflects a balance that allows for the sustainability of copra businesses through a combination of the passion of the younger generation, the experiences of the middle-aged group, and the traditional knowledge of the older age group. This creates a strong foundation for adaptation and innovation in the face of evolving market challenges. (Irala et al., 2020) (Lumintang et al., 2023)

The relatively low level of education among copra collectors in Gorontalo Regency illustrates the limited access to modern technical knowledge in the management of the copra business. The majority of respondents only have education up to the junior high school (50%) and elementary (30%) levels, which hinders the adoption of new technologies that can increase the efficiency and productivity of the copra business. Nonetheless, a higher level of education provides great opportunities for the application of innovations that can improve the quality and competitiveness of copra products. Therefore, better education and training are crucial aspects in increasing the capacity of copra collectors in Gorontalo Regency, so that they can optimize product potential and improve the welfare of the community in the area. (Yu & Osabohien, 2023) (Nagaraju & Priya, 2024)

Feasibility Analysis

Financial analysis, according to Suswarsono (2000) is a method that compares costs and benefits to evaluate whether a business will provide profits during its operational life. This analysis is crucial in planning long-term projects, especially as it relates to the availability of funds needed to finance the project. The main purpose of a financial analysis is to determine the amount of funds that will be required and evaluate the extent to which the benefits obtained can offset the costs that have already been incurred. Therefore, it is important to have a clear financial measure in this process, as will be discussed next regarding the use of the Net Present Value (NPV) method. Dewando (2019)

Net Present Value (NPV) is a method for assessing the feasibility of an investment by comparing the expected net cash flow with the cost of the investment, where a positive NPV indicates that the investment is feasible because it is expected to generate greater returns than costs. To calculate NPV, accurate data related to the estimated investment cost, operational costs, maintenance costs, and estimated benefits that will be obtained from the investment are needed. The NPV calculation is key in determining the feasibility of a project, as it helps to see if the project is capable of generating greater

profits than the costs that have been incurred, which will ultimately provide an idea of the sustainability and potential profits of the project. The results of the eligibility calculation are as follows: (Bogdanović & Hadžić, 2019)

Table 2. Results of Economic Feasibility Calculation

Year	Cash Flow (IDR)
0	(25.000.000)
1	20.000.000
2	15.000.000
3	10.000.000
4	5.000.000
Net Present Value	13.167.388
Internal Rate Return	46%
Total Cost	25.000.000
Total Benefit	50.000.000
B/C ratio	2,00

Source: Data Processed, 2024

Table 2 explains that Cash *Flow* is a very important element in financial analysis, from table 2 it can be seen how cash flow fluctuates every year. For this copra business, in year 0, there is an initial investment cost of IDR 25,000,000, which is an expense to start a business. Then, in years 1, 2, 3, and 4, there was cash inflows of IDR 20,000,000, IDR 15,000,000, IDR 10,000,000, and IDR 5,000,000, respectively. This cash flow describes the revenue generated from the sale of copra after operating expenses are deducted. Managing cash flow properly is essential to maintain the financial health of the business and ensure that expenses and receipts are balanced.

One thing to note is that cash inflows decrease every year, which is caused by various external factors such as fluctuations in copra prices and market constraints. However, despite the decline in cash flow, the venture remains profitable because the positive NPV value shows that it is able to provide a greater return than the investment spent. For entrepreneurs and investors, monitoring cash flow and understanding the factors that affect it is key to predicting the potential sustainability of a business in the future.

Net Present Value (NPV) is a calculation used to determine the feasibility of an investment by discounting all cash flows that will be received in the future at a certain interest rate. The calculation of Net Present Value (NPV) in the copra business in Gorontalo Regency yielded a value of Rp 13,167,388, which shows that this investment is worth doing. An NPV greater than zero indicates that the cash flow received in the future will provide a greater return compared to the cost of the initial investment. This gives the impression that the copra venture is predicted to make more money than it needs to run, giving confidence that this investment can provide long-term profits. This positive NPV results are in line with studies showing that agricultural projects with positive NPVs, such as those found in research by regarding the development of irrigation canals, also confirm high investment viability. In line with the results found in the study, which showed that investments in the agricultural sector that have a positive NPV and high IRR can provide favorable returns in the long run, this study also confirms the feasibility of investing in copra businesses in Gorontalo Regency Zakia et al. (2021) Fahri (2022)

In addition, the Internal Rate of Return (IRR) which reaches 46% is much higher than the minimum rate of return set, which is 20%. This IRR signifies that this copra venture is not only profitable, but also provides higher returns compared to other investment alternatives. In a broader context, research by and also shows that NPV and IRR are two complementary tools in assessing investment feasibility and provide very important information in investment decision-making. Overall, the positive value on high NPV and IRR indicates that the copra business in Gorontalo Regency has the potential for long-term profitable profits for investors and provides further support for the feasibility and profitability of investments in the agricultural sector (Sneps-Sneppe, 2023) Huang et al. (2022) Zhang (2024) (Zakia et al., 2023)

Benefit-Cost Ratio (B/C) is a financial analysis method used to assess the feasibility of an investment by comparing the benefits generated with the costs incurred. In the context of the copra business in Gorontalo Regency, the B/C ratio of 2.0 shows that for every one rupiah invested, this business can generate benefits that are double the costs incurred. With a B/C value of more than 1, this indicates that this venture is not only profitable, but also shows a high value of surplus compared to the costs incurred in building the venture. The B/C ratio analysis provides a clear picture of the extent to which the benefits of this venture are greater than the costs involved, which indicates that the copra venture provides an excellent return on every investment made. Research by explains that projects with a B/C ratio of more than 1 are expected to provide positive added value and demonstrate strong financial sustainability potential. In addition, research by the agribusiness sector also shows that the B/C ratio is an important indicator in assessing investment viability. Thus, the use of the B/C ratio in assessing the potential profitability of the copra business in Gorontalo Regency gives investors more confidence that the decision to continue this investment is right and profitable. (Malik et al., 2020) Malik et al. (2020) Cahyati et al. (2022)

The copra business in Gorontalo Regency shows significant long-term profit potential, with a Benefit-Cost Ratio (B/C Ratio) value of 2.0 which indicates that the benefits obtained are much greater than the costs incurred, as expressed by . These findings are in line with research, which shows that the agriculture and plantation sectors, especially superior products such as coconut, have promising investment potential based on economic indicators such as Mathivarshini et al. (2023) Jacob & Hasan (2025) *Net Present Value* (NPV) and *Internal Rate of Return* (IRR).

SWOT Analysis

SWOT analysis is an identification of various factors systematically to formulate a company's strategy. SWOT analysis is based on logic where it is done to maximize strengths (*Streght*) and opportunities (*Opportunities*), but at the same time can minimize weaknesses (*Weaknesses*) and Threats (*Threats*). The emergence of internal and external factors needs to be identified and then assessed the variables that are strengths and weaknesses, as well as opportunities and threats to the company.

The results of the identification of the types of variables from the results of interviews with informants were obtained from the variables of strengths and weaknesses. To measure the extent of these strengths and weaknesses, *the Internal Factor Analysis Summary* (IFAS) matrix model is used, as shown in table 3 below:

Table 3. Matrix IFAS

No	Variable	Value	Weight	Rating	Shoes
Strength					
1	Availability of coconut raw materials	3	0,27	2	0,55
2	Local Community Support	2	0,19	3	0,57
3	The Farmer's Experience	1	0,11	4	0,44
4	Strategic Location	4	0,35	1	0,35
5	Processing Traditions	1	0,11	5	0,55
Total		**11**			**2,45**
Debilitation					
1	Processing Technology	4	0,31	1	0,31
2	Distribution Infrastructure	2	0,15	3	0,46
3	Dependence on the local market	4	0,31	2	0,62
4	Business Capital	2	0,15	4	0,62
5	Product Quality	1	0,08	5	0,38
Total		**13**			**2,38**

Source: Data Processed, 2024

The table above shows that from the results of the calculation of the *Internal Factor Analysis Summary* (IFAS) matrix, an overview of the internal factors that affect the copra business is obtained. The main strength factor obtained was the support of the local community, with the highest score of 0.57. This support from the local community provides a great advantage for business continuity, as it creates a solid social network and can help in the production and marketing process. Furthermore, another strength factor is the availability of coconut raw materials and processing traditions, which have a score of 0.55. The abundant availability of raw materials ensures continuity of production, while existing processing traditions provide a competitive advantage in producing products that are accepted by the market. The next strength factor is the farmer's experience with a score of 0.44, which shows the knowledge and skills that farmers in coconut management can support smooth production. However, the strategic location factor has a score of 0.35. This may be due to limited infrastructure around the location which may affect the distribution of the product.

Meanwhile, the IFAS analysis also shows some key weakness factors to look out for. The biggest weakness is business capital, with a score of 0.62, which shows that limited capital can hinder expansion and increase business capacity. In addition, dependence on the local market also has the same score, which is 0.62, which means that this business is still limited to a limited market and vulnerable to fluctuations in local demand, this is in line with the findings that show that limited market access can affect the stability of businesses and farmers' income. Other weaknesses include distribution infrastructure with a score of 0.46, which suggests that challenges in delivering products to a wider market can limit business growth. In addition, product

quality with a score of 0.38 is also a weakness factor that needs to be improved in order to compete better in the market. Finally, the processing technology obtained the lowest score of 0.31, which indicates that the use of more modern technology is needed to improve production yield and product competitiveness in the market. For the assessment of external factors, the Geza et al. (2021) *External Factors Analysis Summary* (EFAS) matrix model is used, which is presented in Table 4.

Table 4 EFAS Matrix

No	Variabel	Value	Weight	Rating	Shoes
Chance					
1	Global demand	2	0,03	1	0,03
2	Government Policy Support	1	0,02	4	0,08
3	Partnerships with exporters	2	0,03	3	0,09
4	Technological Developments	1	0,02	5	0,10
5	Natural Product Consumption Trends	2	0,03	2	0,06
Total		**8**			**0,36**
Threat					
1	Copra Price Fluctuations	1	0.13	3	0.39
2	Late Harvest	4	0.5	1	0.5
3	Inadequate distribution network	1	0.15	4	0.6
4	Export-Import Regulations	1	0.14	5	0.69
5	Destination Country Import Policy	1	0.14	2	0.28
Total		**8**			**2.45**

Source: Data Processed, 2024

The results of the analysis of table 4, namely *the External Factor Analysis Summary* (EFAS), identify several external factors that act as opportunities for copra farmers. One of the biggest opportunities is technological development, which obtained a score of 0.10. This technological development opens up opportunities to improve the efficiency of the production and distribution process of products, as well as reduce operational costs. Furthermore, partnerships with exporters get a score of 0.09, which indicates that establishing relationships with exporters can open up international market access, expand product ranges, and increase sales volume. Government policy support, which has a score of 0.08, is also a significant opportunity, as government policies that support the development of MSMEs and the agricultural sector can provide access to better financial assistance, training, and infrastructure. In addition, the trend of natural product consumption with a score of 0.06 indicates that there is an increase in demand for natural and organic products, including coconut products, which provides a great opportunity for this business to grow. Finally, global demand obtained the lowest score with a score of 0.03, indicating that although this opportunity exists, its utilization is still limited.

However, the results of EFAS's analysis also show that there are several external factors that have the potential to pose a threat to copra farmers. Constantly changing and strict export-import regulations, with the highest score of 0.69, are a major threat because they can affect the smooth distribution of products to international markets. In addition, an inadequate distribution network, with a score of 0.60, is a serious obstacle in reaching a wider market, as limited infrastructure can hinder the process of

delivering products to consumers. Late harvesting, which has a score of 0.50, is also a threat that can reduce the supply of raw materials and cause irregularities in production. The fluctuation in the price of copra, with a score of 0.39, indicates that the price volatility of this key raw material can affect production costs and profits generated. Finally, the destination country's import policy, which gets a score of 0.28, is a threat because it can limit product access to certain export markets, given that each country has different import regulations that need to be adhered to.

Table 11. Policy Strategy

Strategy	Shoes	Retrieved from	Score Explanation
1. Maximize the support of local communities and coconut raw materials for the global distribution network, using the latest technology.	1.31	*Strengths* (1.12) + *Opportunities* (0.19)	*Strengths* (1.12) come from the sum of local community support (0.57) and coconut raw materials (0.55), *Opportunities* (0.19) come from partnerships with exporters (0.09) and technological developments (0.10).
2. Form partnerships with exporters to open up access to global markets.	1.31	*Strengths* (1.12) + *Opportunities* (0.19)	Just like the first strategy, *Strengths* (1.12) comes from the support of local communities and coconut raw materials, *Opportunities* (0.19) comes from partnerships with exporters and technological developments.
3. Participate in government programs for funding and training.	1.42	*Weaknesses* (1.24) + *Opportunities* (0.18)	*Weaknesses* (1.24) come from business capital (0.62) and local market dependence (0.62), *Opportunities* (0.18) come from government policy support (0.08) and technological developments (0.10).
4. Look for strategic partners to develop technology and expand the market.	1.42	*Weaknesses* (1.24) + *Opportunities* (0.18)	*Weaknesses* (1.24) come from business capital and limited distribution infrastructure, *Opportunities* (0.18) come from technological changes and government policy support.
5. Use farmers' experiences and traditions to create export-import standards.	2.07	*Strengths* (1.12) + *Threats* (1.08)	*Strengths* (1.12) come from farmer experience (0.44) and processing traditions (0.55), *Threats* (1.08) come from export-import regulations (0.69) and copra price fluctuations (0.39).
6. Form partnerships to mitigate the impact of copra price fluctuations.	2.07	*Strengths* (1.12) + *Threats* (1.08)	*Strengths* (1.12) are drawn from farmers' experiences and processing traditions, *Threats* (1.08) are derived

			from export-import regulations and fluctuations in copra prices.
7. Strengthen the domestic market to reduce dependence on exports.	2.19	*Weaknesses* (1.24) + *Threats* (1.19)	*Weaknesses* (1.24) stem from dependence on local markets and working capital, *Threats* (1.19) stem from late harvest (0.50) and export-import regulations (0.69).
8. Diversify products and improve distribution management to address crop delays.	2.19	*Weaknesses* (1.24) + *Threats* (1.19)	*Weaknesses* (1.24) come from business capital and product quality, *Threats* (1.19) come from late harvest and export-import regulations.

Source: Data processed, 2024

Based on the results of the analysis in Table 11 above, it can be seen that there are eight alternative policy strategies resulting from a combination of SWOT factors, each of which has a certain score value. Strategy scores are obtained from the sum of the weights of internal factors (*Strengths* and *Weaknesses*) and relevant external factors (*Opportunities* and *Threats*). The strategy with the highest score indicates a more important priority to be considered and implemented in the development of the copra business.

The strategy with the highest score of 2.19 is to strengthen the domestic market to reduce dependence on exports as well as diversify products and improve distribution management to overcome crop delays. These two strategies are a combination of weakness and threat factors (WT strategies), which aim to minimize the impact of internal weaknesses and face external challenges. Meanwhile, strength- and threat-based strategies (ST strategies), such as using farmers' experiences to set export standards and forming partnerships to stabilize copra prices, each had a high score of 2.07. These strategies describe adaptive responses that take into account the current factual conditions of the copra business, with an emphasis on the use of internal strength as capital to face external threats.

Diagram SWOT

SWOT analysis is used to describe the strategic position of copra farming by assessing internal and external factors that affect business sustainability. This diagram helps to understand how strengths, weaknesses, opportunities, and threats interact with each other in influencing the performance of a copra business. In this analysis, internal factors such as local community support and the availability of coconut raw materials are considered to be the main forces that support business continuity. On the other hand, internal weaknesses such as limited capital and lack of distribution infrastructure are challenges that need to be overcome to improve business operational efficiency.

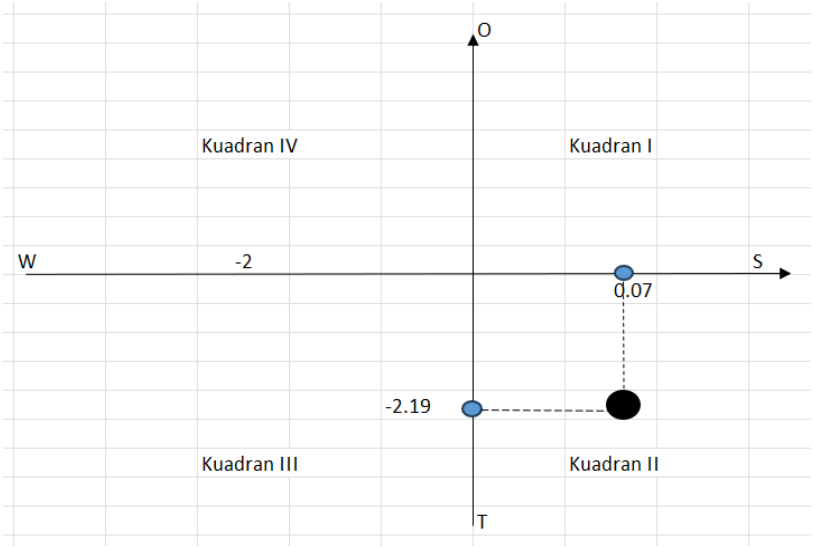

Figure 1. SWOT Analysis Chart
Source: Data processed, 2024

Based on the results of the mapping in the SWOT diagram, the current position of the copra business is in Quadrant II, which shows that the copra business has a fairly strong internal strength but also faces significant external threats. In this condition, business actors need to implement strategies that can maximize internal strength to overcome or minimize the impact of external threats, which is in line with the Strength–Threat (ST) strategy. The results of the SWOT matrix analysis show two prominent ST strategies, each with a score of 2.07. The first strategy is to leverage farmers' experience and copra processing traditions to create product standards that comply with export-import regulations. Local traditions that have existed for generations have become a distinctive force that can be transformed into a competitive advantage in the global market. By raising quality standards through tested traditional practices, local copra products can adapt to the quality and safety demands of international products. This strategy can expand market access and increase product competitiveness. In addition, the second strategy is to form strategic partnerships to mitigate the impact of copra price fluctuations, which shows the importance of a network of relationships between farmers to stabilize their income in the face of market uncertainty. Overall, the implementation of ST's strategy through the utilization of internal strengths and strategic partnerships will help the copra business grow, maintain traditions, and improve product quality in the global market. (Dewi et al., 2021) (Shepherd, 2015) (Dewi et al., 2021) (Olubiyi et al., 2019; Shepherd, 2015)

The second strategy is to form strategic partnerships with exporters, large buyers, and farmer cooperatives to mitigate the impact of copra price fluctuations, which are a major threat to copra farmers and collectors because they directly affect income and business viability. These partnerships allow for price certainty, wider market access, and more efficient distribution. stated that partnerships with exporters can increase market access as well as stabilize farmers' incomes amid market turmoil. In line with the findings of this strategic relationship also strengthens the bargaining position of farmers in price negotiations, which contributes to increased profitability of the business. By optimizing local strengths and forging external partnerships, copra businesses will be more resilient to market threats and can thrive in a dynamic market. (Mulyadi et al., 2019) Kalidas & Mahendran (2024) Mulyadi et al. (2019) (Montaño

& Cinco, 2023)

Based on the results of the financial analysis that has been carried out on the copra collection business, it can be concluded that this business has a very good feasibility to run. The *Net Present Value* (NPV) of IDR 13,167,388, which is greater than zero, shows that this project can provide greater economic benefits than the costs incurred. In addition, the *Internal Rate of Return* (IRR) which reaches 46%, far exceeds the specified interest rate (20%), indicating that this venture is financially profitable and feasible. The result of the calculation of *the Benefit-Cost Ratio* (BCR) is 2.0 which means that every rupiah invested can generate more than five times the benefit, reinforcing the view that investment in the copra business is a very potential opportunity.

However, although the financial feasibility is quite promising, it is necessary to conduct a SWOT analysis to assess the internal and external factors that affect the sustainability of this business. The results of the IFAS matrix analysis show that the main strength factor lies in the support of local communities and the availability of coconut raw materials, both of which have high scores. These findings are in line with those who state that local community support and abundant access to raw materials are the main drivers in the sustainability of coconut farming businesses. However, capital constraints and dependence on the local market are major weaknesses that need to be addressed immediately. On the external side, EFAS points out that the biggest threats faced are strict export-import regulations and late harvests, while the biggest opportunities lie in technological developments and partnerships with exporters that can unlock global market access. Rosidi et al. (2017)

In line with the position of the copra business in Quadrant II of the SWOT matrix, the most relevant strategy to implement is to utilize internal strength to face external threats. A prominent strategy in this category is to leverage farmers' experience and processing traditions to create product standards that comply with export-import regulations. This strategy has a score of 2.07, which indicates that the combination of internal strength *Strengths* (1.12) and external threats *Threats* (1.08) provides great potential to be implemented immediately. Local traditions that have been passed down from generation to generation and farmers' experience in processing coconuts into copra are important foundations in shaping competitive product quality standards in the global market. By improving quality and conformity to export standards, copra businesses can expand market access while increasing the selling value of products. This is also in line with research by those who suggest that copra businesses expand their distribution network to global markets to address existing threats. In addition, another strategy that also has the highest score of 2.07 is to form strategic partnerships to reduce the impact of copra price fluctuations. The score was obtained from the accumulation of Fahri (2022) *Strengths* (1.12) and *Threats* (1.08), which illustrates the need to optimize internal strengths such as farmer relations and local experiences to stabilize income amid market turmoil.

CONCLUSION

Based on financial calculations, this copra business is economically viable. The NPV value of IDR 13,167,388 which is positive, the IRR is 46% higher than the MARR 20%, and the B/C Ratio 2 is greater than 1, indicating that this business is profitable and has the potential to provide a greater return than the costs incurred.

Based on the SWOT analysis, the business position is in Quadrant II, which reflects strong conditions internally but facing external threats. Therefore, the right strategy is to leverage strengths such as farmers' experience and the availability of raw materials to set export-appropriate product standards and establish strategic partnerships to reduce the risk of price fluctuations and market barriers.

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