

Business Feasibility Analysis and Optimization of Malang Original Coffee Bean Production as an Effort to Develop the SDGs Economy

Ahmad Rizky Dwi Aprianto¹, Akmal Alfin Nugroho², Faizal Haqiqi³, and Sima Putri Ningrum⁴

¹⁾²⁾³⁾ *Commerce Education Study Program, Department of Management, Faculty of Economics and Business,*

⁴⁾ *Chemistry Education Study Program, Department of Chemistry, Faculty of Mathematics and Natural Sciences*

State University of Malang, Jl. Semarang No. 5 Malang 65145

Author Email:

¹ahmad.rizky.2104116@students.um.ac.id

² akmal.alfin.2104116@students.um.ac.id

³faizal.haqiqi.2104116@students.um.ac.id

⁴sima.putri.2003316@students.um.ac.id

Abstract

This study aims to determine the feasibility of the local coffee bean business native to Malang in an effort to develop the economy of SDGs. Koopen Coffee Shop is a business selling local coffee beans originally from Malang which directly supplies from coffee farmers in Malang, such as the Dampit, Ampelgading, Taji, and others. The existence of a local coffee bean business native to Malang helps economic development in Indonesia, especially in the development of SDGs. Coffee business is currently much loved by various groups, this is a great opportunity for coffee bean sales. This increase is a good thing for business continuity and has an impact on increasing income which is for the achievement of economic development. The research method used is a mixed research method. The data used in this study is in the form of secondary data and primary data. The data collection process is carried out qualitatively by means of observation, surveys, *literature research*, and interviews of business actors. Followed by financial data analysis through *payback period* and *value switching analysis* is carried out. Based on the results of the analysis of a business, it is said that it is good, the production condition of this coffee bean is in the optimum state at the moment ($NPV > I_0$). However, there is still a need for improvement in online marketing and this business still does not have a business entity.

Keywords: business feasibility; local coffee business; economic development; SDGs

Introduction

The Sustainable Development Goals (SDGs) are a program of the global development agreement established on September 25, 2015 by the United Nations (UN) in realizing poverty, reducing grief and protecting the environment. The SDGs themselves apply to all countries (universal), so that all countries without exception developed countries have a moral obligation to achieve the goals and targets of the SDGs. This program is very important to be realized because it concerns global issues which are a common problem of a country, especially the economic field. The role of SDGs in the economic sector is to improve the economic welfare of the community in a sustainable manner, improve the quality of life in the economic sector, optimize inclusive development for the implementation of good governance (Bappenas, 2020).

In the pandemic era, the Indonesian economy experienced deflation or a very drastic decline. The economy deteriorated due to unstable economic movements, where the Consumer Price Index decreased (CPI) which caused an increase in unemployment (Ministry of Finance, 2020). Moreover, it has a

serious impact on Micro, Small, and Medium Enterprises (MSMEs) in Indonesia. Based on data from the Central Statistics Agency (BPS) 2020, the Indonesian economy in 2020 experienced a contraction (decrease) of 2.07% compared to 2019. In addition, the decline in demand and supply due to the pandemic has caused economic activity to experience a drastic decline. As a result, a decrease in demand and supply causes income to decrease, which can have an impact on increasing unemployment. The number of people who are laid off due to income from these businesses has also decreased during the pandemic.

The MSMEs that are still surviving in the pandemic era include digital-based MSMEs related to the digital ecosystem, by utilizing the *marketplace* in Indonesia. In addition, MSMEs that survive are MSMEs that are able to adapt to the situation, for example during the pandemic era, they sell masks (Utami, 2021). This is by utilizing digital marketing to maintain the business they run. However, there are several MSMEs that may be said to have experienced a significant decline, for example in the sale of local coffee beans (Utami, Miranda Febby 2022). During the pandemic, coffee sales rely on social media as a

marketing medium, because buyers are less likely not to *take away* due to the soaring Covid-19 and the Implementation of Community Activity Restrictions (PPKM) in Indonesia.

MSMEs play an important role in the economy in Indonesia with a contribution of 60.34% trillion which also absorbs approximately 97% of national labor from large businesses (Lubis, 2022). In an effort to revive the post-pandemic economy, it is necessary to strengthen MSMEs as a driver of national economic recovery. The empowerment of MSMEs can help people who experience layoffs and reduced income due to the impact of covid-19. In this regard, it is necessary to increase cooperation between ministries / institutions, local governments, banking institutions, fintech, *marketplaces*, and all business actors to prepare MSMEs to compete in the domestic market and the global market after the pandemic. In addition, the government provides assistance to MSMEs through the National Economic Recovery (PEN) program with a budget cost of 123.47 trillion (Purwanto, 2022).

In addition to empowering and optimizing MSMEs after the pandemic, a business also needs a business feasibility analysis to find

out whether the business is viable or not. This business feasibility study is about how to examine a business in a comparative and in-depth manner the feasibility of a business being run, which is said to be feasible or unworthy when viewed from the results of comparing economic factors allocated to a business with the results of returns or income obtained in the business or business being run (Johan Suwinto, 2011).

This study aims to analyze business feasibility and find out how to optimize the production of native Malang coffee beans as one of the efforts in the economic development of the SDGs. Selection of analysis of native Malang coffee beans is carried out because Malang has the characteristics of each coffee bean for a certain area.

METHOD

This research was conducted at the Koopen Coffee Shop located on Jalan Trunojoyo number 1A, precisely in the north of the Malang Kota Baru station, Klojen District, Malang City.

This research was conducted at the end of November 2022 to the beginning of October 2022, approximately 3 weeks. The research method used in this study is a descriptive research method. The data collection process is carried out

by means of observations, surveys, literature reviews, and interviews of business actors. The aspects observed are environmental, legal, marketing, MSDM, financial, technical and technological aspects. The environmental aspects observed are divided into two, namely industrial competition studies which analyze competitors from the observed business and external environment studies of the company including political, economic, social and cultural, technological, and ecological aspects that can affect the business. The marketing aspect is divided into two, namely the marketing aspect and STP analysis. In this case, STP analysis includes segmentation, targets, and positioning in the observed business. The financial aspect is measured through *the Pay back Period*.

RESULTS AND DISCUSSION

Environmental Aspects

The business environment aspect is more towards the competitive aspect of the company's business. As a result, factors influencing competitive conditions such as threats to the company and the strengths that the company has including the conditions of competition itself become necessary

to be analyzed for a business feasibility study.

Industrial Competition Studies

a) Business Competitors

Based on information from interviews with Koopen owners, his business has no competitors in the type of business being run, but we took the initiative to make observations and as a result Koopen has several competitors who are around the business area. Its main competitor is Klodjen Djaja. Some of the advantages and disadvantages of Koopen's competitors include:

1. Advantages: competitors have been established for a long time than the Koopen business, competitors sell various coffees from all over the country,
2. Disadvantages: the location of competitors is close to Koopen, and according to consumers the place is narrow (less spacious) and crowded so that when going to drink coffee, visitors feel less comfortable.

b) Business Suppliers

The raw material of the Koopen coffee shop is the

original coffee beans in Malang, where the main supplier is all coffee plantation farmers in Malang, such as the Dampit area, Ampelgading, and others. The advantages and disadvantages possessed by each supplier include the following.

- Advantages: buyers can control the quality of coffee in each garden and suppliers already have a relationship with the owner of Koopen
- Disadvantages: the presence of crop failure causes reduced production

Suppliers do bargaining power to Koopen such as providing samples to Koopen to see the quality of the supplier's coffee and the bargaining power of other suppliers is Suppliers Selling coffee at low prices

c) Consumers/ Buyers

Koopen has two types of buyers in its business, namely buyers of coffee beans and buyers of brewed coffee. The estimated needs of buyers to make repeat purchases are as follows.

- For coffee bean buyers, in one day 3 packs are sold, weighing 200 grams / pack.

- For buyers of brewed coffee, in a day approximately 50 servings are sold in a day.

Indirectly, there will be bargaining power owned by buyers, one of which is buyers who can choose various types of coffee to buy.

d) Substitution Goods

A substitution item is a product that consumers see as the same or quite similar to other products. These substitution items look similar in terms of shape, usefulness or function, as well as the benefits felt with other products. Koopen has substitution items which include pop ice, milk tea, STMJ, and others. The advantages and disadvantages of each substitution item are as follows.

- Disadvantages of pop ice: sweetness
- Advantages of pop ice: practical, many choices of flavors, fresh, cheap
- Advantages of pull tea: large portions, cheap
- Disadvantages of pull tea: rarely encountered
- Advantages of STMJ: can warm the body
- Disadvantages of STMJ: don't like it if you use one of the STMJ materials.

e) Barriers to Entry from Business

Barriers to entry from the *koop* business. Not much, at the beginning, the owner had difficulty building a brand image and lack of promotional activities, so it took a long time for the *koop* brand to be known to the wider community. But now all these obstacles have disappeared, and the business is running smoothly.

Study of the External Environment of the Company

a) Politics

Around *Koop*'s business location there are RT, RW, lurah, camat, mayors considered as influential political figures. The political direction in this business environment is the improvement of public facilities and community empowerment in order to accelerate economic recovery for political-related activities that are or will take place in the near future that can affect *Koop*'s business such as training to the community and empowering MSMEs. Training to the community affects the improvement of the *skills* of the

surrounding community which is useful as a career support.

b) Economy

Based on the Bank Indonesia Board of Governors' Meeting on 21-22nd September 2022, it decided to raise the BI 7-Day Reverse Repo Rate (BI7DRR) by 50bps to 4.25%, the Deposit Facility rate by 50bps to 3.50%, and the Lending Facility rate by 50bps to 5.00%. Bank Indonesia (BI) itself noted that the inflation rate as of August 2022 has reached 4.69 percent on an annual basis.

Based on data from BPS Malang City, the percentage of unemployment in 2021 in Malang City is 9.65%. This percentage has increased by 0.04% from 2020. If converted by numbers and according to education level in 2020 it was 45,242 and in 2021 it increased to 46,542. In 2021, the total per capita income of the local population is around 16,663 (thousand rupiah). The number of workers absorbed is 93,247 people working in the processing industry.

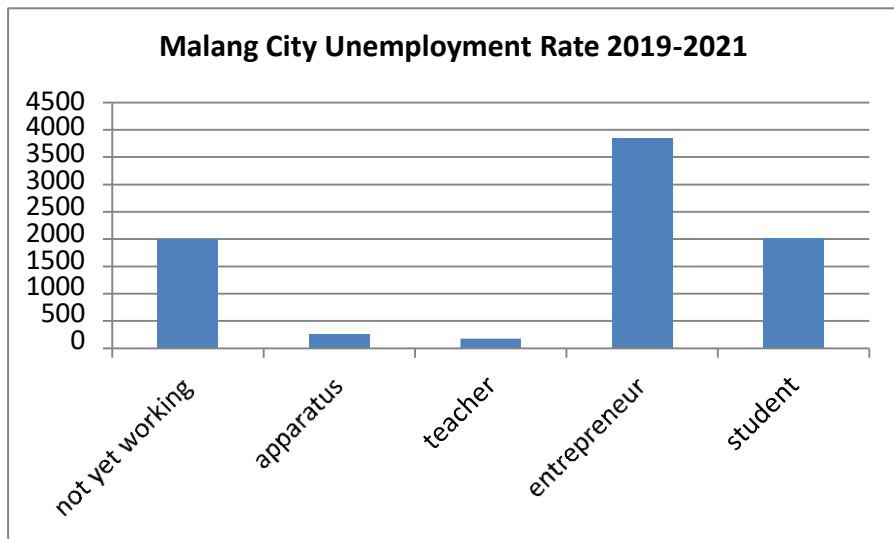


Figure 1. Malang City Unemployment Data Graph 2019-2021

The average livelihood at Koopen's business location is a parking boy, selling food, a rickshaw driver, an entrepreneur, a motorcycle taxi. So it can be said that the average income level of residents in koopen business locations is approximately around Rp. 2,000,000.00 / month.

The positive impact of Koopen's business, which is seen based on its economic conditions, is that unemployment around the business location can be reduced and with the Koopen store, some people who work as parking workers are also helped. In addition, there is also a negative impact caused by Koopen's business, namely the use of the

shoulder of the road as a parking lot which interferes with comfort when other motorists turn.

c) Social and Cultural

The distribution of population in the neighborhood around business locations based on religion, judging from 2022 BPS data in Klojen District, Muslims dominate more than Christianity because the number of mosques and mosques is more than churches. in the neighborhood around the business location. The dominating tribe is the Javanese tribe, where the majority are natives of Malang.

The proportion of the population by age, namely the

majority of adolescents, is less than the elderly. According to BPS, in Klojen District, the age of the population over 35 years is more dominant than the age of 35 and below.

The infrastructure in the local area is quite good, with road conditions there wide but no red lights, and close to stations and places of worship. Generally, the most are mosques or mosques. one of them is the Cokro mosque. The existence of a station near the business location makes businesses around the station more crowded with visitors. As for the condition of criminality in Klojen District, it is very high, the most type of crime is motorcycle theft.

Routine activities that have become a habit of the community around the Koopen neighborhood are that every morning after dawn prayers the community has begun working activities such as motorcycle taxi drivers, rickshaw drivers, food vendors, grocery stores, etc.

Based on the results of interviews with the community, it is normal for the existence of outside cultures that enter the community, but the community always filters out the newly

entered culture in their environment, so as not to have a negative impact in society and not to leave the culture of the ancestors

The average education of residents of the Koopen area, namely the community around the business, has the last level of education equivalent to high school / vocational school and there are some residents whose last education is S1. Political figures who are seen as community leaders are the head of the sub-district, the head of the sub-district, and the mayor, because they have a good image as the regulator of all activities, especially community activities, and with the policies provided by these figures, it is possible that the welfare of the community will be achieved, such as providing public facilities in community infrastructure. These public facilities can be in the form of good road access, comfortable sidewalks, and good waste management policies.

d) Technology

The technology used today can be divided into two, namely:

a. Technology in production

Schneider Electric technology, where this technology is used to roast coffee beans, and grinder technology, which as a means of grinding coffee beans into coffee grounds.

b. Technology in promotion and marketing

Technologies that support promotion and marketing are social media such as *websites*, *WhatsApp*, Instagram, Facebook, and Tokopedia. So, if there are buyers from out of town who want authentic Malang coffee beans, they can directly order through social media.

Based on the group's observation of the technological conditions that will develop in the future, especially in this business sector, it is possible that coffee making and brewing will switch from traditional to more modern ways although not all businesses will transform from traditional to modern, such as roasting machines, grinding machines, and electric coffee brewing machines can later be used as one machine.

e) Ecology

The impact of business on the environment is that the business carried out can minimize the impact of the business environment, especially on the problem of plastic waste in Indonesia. As is known that the stockpile of unmanaged plastic waste is around 10 million tons / year (Ministry of Environment and Forestry, 2022). This coffee shop has used glass cups as an effort to suppress the use of plastic cups. In addition, this coffee shop uses environmentally friendly cardboard cups (from *biodegradable* materials) when buyers *take away*.

The air condition around the business environment is not good due to pollution sourced from vehicles passing by in the business environment. Meanwhile, for the condition of water consumption, residents use PDAM water.

The positive impact of Koopen's business on the ecological environment is the reduction of plastic waste because the coffee business is committed to continuously reducing the use of plastic for business. The resulting pollution impacts include:

- Air pollution: none
- Water pollution: there is
- Noise pollution: none
- solid waste: there is

In addition to the impacts resulting from water pollution and solid waste, the owner has his own way to solve the problem by providing a filter at the water dump so that the pulp produced by coffee does not enter the sewer. The results of solid waste in the form of coffee grounds can be thrown into the trash. In addition, the waste can be used as fertilizer, perfume, and activated charcoal for adsorbents

Legal Aspects

a) Business Legality

The business idea run by Koopen coffee shop does not conflict with existing laws, from production to production aspects in accordance with applicable law. By legality Koopen coffee shop already has a valid license. The licenses that are already owned are TDUP (Tourism Business Registration Mark) and NPWP (Taxpayer Identification Number).

b) Local Community Consent

Koopen coffee shop is very well approved and well received by the surrounding community. The reason is because people feel that the existence of this Koopen coffee shop can fulfill people's desire to drink authentic Malang coffee. In addition, the existence of this business can provide jobs for the surrounding community, for example baristas and parking attendants

c) Enterprises

Currently, Koopen coffee shop still does not have its own business entity, because this business is an individual business entity and is still small in scale.

d) Unowned Permissions

This business already has a complete and legal license in the eyes of the law. Since the establishment of the business, the owner has taken care of all the permits completely. As for the permits such as TDUP (Tourism Business Registration Mark) and NPWP (Taxpayer Identification Number).

e) Loan

Since the establishment of this business, the owner has never

owed anywhere to set up a business. And in the future, the owner does not want to borrow from other parties for business purposes, instead the development of this business is assisted by investors.

f) Laws and Regulations

The legislation that supports this coffee shop business, namely Law number 10 of 2009 article 14, concerning tourism business which includes food and beverage services. Based on the results of the analysis, no law was violated by this business, because the business being run has legal legality.

Marketing Aspects

According to Sunyoto (2014:32), marketing is a system of business activities designed to plan, determine prices, promote and distribute goods that can satisfy consumer desires and achieve the company's target market and goals. In this aspect we have made observations and analysis regarding STP analysis and *marketing mix*, here we explain the results:

STP analysis

a) Geographical segmentation

In the geographical segmentation of MSMEs, the Koopen coffee shop has a target market throughout the greater Malang area and this coffee shop is well known among the coffee community where this Koopen coffee shop provides authentic Malang coffee.

b) Demographic segmentation

The target market for this demographic segmentation is very broad, which is more specifically among young people and the elderly aged 20 years and over, but most of those who enjoy this coffee are men.

c) Psychographic segmentation

Psychographic segmentation targets people who like to relax while enjoying a coffee, this condition can be seen that those who visit this coffee shop are average young people who want to spend their time relaxing with friends.

Based on the three segmentations that have been explained, the target market desired by the Koopen coffee shop owner is appropriate, it can be seen from the one that targets the entire Malang Raya, young people, and for people who like to relax. However, one of the segmentations that is missed is the demographic segment that focuses on grouping the male sex, while women have the

potential to like coffee drinks, this is actually a great opportunity for Koopen coffee shop owners. When they know what women like about coffee, then the turnover of the business will increase. In addition to young people, the target clients are the community in Malang, alumni - alumni friends of business owners, and coffee entrepreneurs who need coffee beans.

The coffee shop taken from the Dutch language is "Kooopen" which means to buy, has consumers from various regions of Malang, this coffee shop carries the original coffee of Malang, which according to the client is the only seller of original coffee beans.

Marketing Mix

a) Product cycle

In the product cycle, the Koopen coffee shop is already in the developing phase, because the need for coffee is still high. The strategy that can be taken is to maintain the quality of the original Malang coffee so that the characteristics of the coffee do not change.

b) The biggest competitor of Koopen coffee shop

According to the owner of the Koopen coffee shop, he felt that he had no competitors because

he claimed that Koopen was the only seller of authentic coffee beans in Malang. However, based on the group's observations, Koopen coffee shop has a competitor, namely Klodjen Djaja, almost all products issued are almost the same, starting from the type of drink made and the type of beans sold. However, Klodjen Djaja still has shortcomings, namely a less spacious place which sometimes makes visitors feel less comfortable.

c) Product differentiation

The thing that distinguishes it from competitors specifically is that koopen coffee beans are coffee beans originating from Malang and its surroundings, and the development of coffee beans is monitored by koopen coffee shop owners.

d) Product price range

The price range of products at the Koopen coffee shop for drinks starts from 7,000 - 15,000, such as tubruk coffee at a price of 7,000, milk tubruk at a price of 8,000, iced koopen at a price of 10,000, aeropress at a price of 15,000, and others. This Koopen store also sells coffee beans with prices ranging from 40,000 - 60,000 per 200gr, for example, robusta arjuna at a

price of 40,000, robusta kawi at a price of 40,000, arabica semeru at a price of 55,000, and arabica arjuna at 60,000.

Based on a survey with consumers of Koopen coffee shops, it is said that the prices set by the owners are very affordable, because buyers in their location can afford all types of drinks because the prices offered are quite cheap, ranging from 7,000 to 15,000.

e) Distribution channels

The distribution channel used by Koopen coffee shop is a direct distribution channel. The distribution channels that are more effective and have great potential to reach more consumers are through retailers such as supermarkets, clone stores, and digital media such as shopee food, gofood, but this is not realized by the owner because the owner prefers to sell offline.

The distribution channel areas that are targeted by the owner for coffee beans are all over Indonesia and Malang Raya, but for coffee drinks the owner is still in Malang and its surroundings.

f) Promotional media

The media used for promotion only uses Instagram, website, WhatsApp, Tokopedia. In addition, it is still not using, because the owner has not fully used promotion with online media using only tokopedia distribution channels, but word of mouth for the time being is quite effective for this store.

Aspects of MSDM

In this Koopen coffee shop business, employee recruitment is carried out by owners who are looking for people who are willing to work and pursue in the coffee field and can be relied upon to work in teams and are willing to work on weekends and major holidays. Cara owners to recruit employees by asking their employees for recommendations of people who are ready to work, such as asking questions whether there are friends who are willing to work or who are looking for work. Currently, the business has as many as five employees, all of whom are positioned as baristas. Employees work using a shift system with a length of work for 5-6 hours per day with a salary of 600,000 - 800,000 per month. However, sometimes there are still special bonuses or benefits that the owner gives to

employees such as during additional working hours (overtime).

Based on an analysis with the owner of the Koopen coffee shop, with as many as five employees, it is quite effective, because each of them divides *the* jobdesc effectively. In addition, there is special training or programs in developing the skills of employees / employees, namely in the form of training by senior baristas, there will be special classes of baristas.

When viewed from the history of employees who have worked, there is one employee who resigned. In the previous year, no one resigned, but this year there was one employee who resigned, because the employee's work schedule was bumped with the college schedule.

The organizational structure used by Koopen's business is a functional structure, where this organizational structure only has owners and employees, and all employees have the same function.

Technical and Technological Aspects

In Koopen's business, it not only requires human resources (employees), but there is also a component of natural resources in

the form of raw materials used for this business. Required raw materials such as coffee beans, sweetened condensed milk, water. The quality of the raw materials for coffee beans can be said to be very good because the owner himself controls the selection of coffee beans to be sold. In transporting raw materials to the production site, approximately 250,000 tariffs are charged in one delivery.

In business, where to sell and where warehouses store or process coffee beans in different places. This is because the selection of a place to sell is sought for a strategic location, while a place for storage or processing of coffee beans requires a location that is said to be quite spacious.

The additional cost from coffee plantation farmers is Rp.250,000 for one delivery of coffee beans to the production site. The transportation used when distributing from the factory to the place of sale uses a motorbike. Based on the analysis that has been carried out, in terms of water availability, it is good because it uses a water pump, in terms of electricity availability. In addition, this coffee shop is close to PLN and it is very rare for a power outage to occur, if viewed in terms of human resources it is enough because the employees

owned are in accordance with the criteria needed by the store owner, in terms of climate it rains more often so it is suitable for warm

drinks such as coffee, in terms of customs this store does not violate any norms around the business.

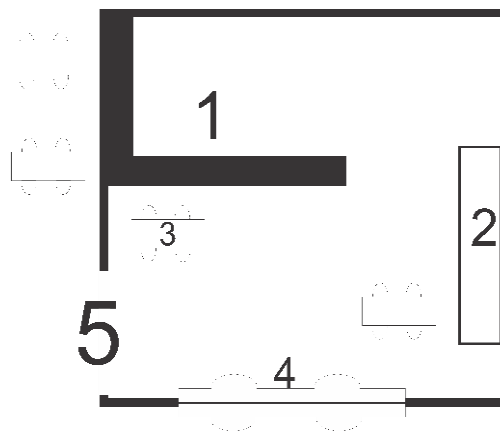


Figure 2. Koopen Coffee Shop Layout

Financial Aspects

Based on the results of the analysis, the koopen coffee shop has been running for quite a long time. The capital or initial funds in the formation of this business come from the personal funds of the business owner. In this case, the owner uses his own capital and not a single external party gives capital at that time. The amount of capital issued by the owner is IDR 80,000,000.

Through this capital, the owner can establish his business and without involving loans or debts in the bank. During its establishment, the koopen coffee shop already has a license in accordance with applicable regulations such as TDUP, the tax fee that must be paid by the owner is 10% of the income, which is IDR 700,000. This coffee shop has an inventory purchase fee of Rp. 500,000 - Rp. 1,000,000, while the salary issued to all employees is Rp. 5,000,000 along with benefits.

Table 1. Calculation of Business Investment Feasibility using *Pay Back Period*

Koopen coffee shop issued an investment of IDR 80,000,000 and its annual net cash inflow was IDR . 7.000.000, then the PP is

Payback Period = Rp 100.000.000/Rp 84.000.000 = 1,190 years
(So, the investment spent as much as 700,000,000 will return to the owner within 1,190 years. You can calculate 0.190 in the form of months and days in the following way):
$0.190 \times 365 \text{ days} = 69.35 \text{ days (already 1 month more)}$
$69.35 : 30 \text{ days} = 2.31 \text{ months}$
$0.31 \times 30 \text{ days} = 93 \text{ days}$
(From this calculation, the company will get back the invested funds within a period of 1 year 2 month 93 days)

Table 2. Koopen Coffee Shop Financial Data Table

Year	Net income	Balance
0	(80.000.000)	(80.000.000)
1	60.000.000	(20.000.000)
2	60.000.000	40.000.000
3	72.000.000	112.000.000
4	84.000.000	196.000.000

Based on the financial analysis that has been carried out, that during the five years of Koopen's business, the owner's capital has returned within 14 months and 93 days from the beginning of the business's operation.

Optimization of Original Coffee Bean Production in Malang

This analysis is carried out how coffee bean coffee is processed, the structure and coating of the coffee fruit/cherry. Basically, the structure of the coffee fruit (coffee *cherry*) consists of pericarp (outer meat skin) and coffee beans. *The pericarp* itself consists again of several layers such as skin, skin flesh, sap layer (which usually consists of natural

sugar and some kind of alcohol content) and parchment. The pericarp layer is the most frequently cleaned, but it also has an effect in adding flavor to coffee.

High productivity will be achieved if all factors of production are optimally allocated. One of the efforts to increase coffee productivity is to improve planting material. The replacement of recommended planting material can be done gradually, either by the method of connection in the field on existing coffee plants or new planting with plant material from cuttings. Coffee plants can be propagated generatively as well as clonally. Clonal propagation of coffee

plants is to use joints and cuttings. Splicing aims to take advantage of the two superior properties of rootstock seedlings resistant to root parasitic nematode pests, and the superior properties of scions with high production and good seed quality. Propagation of coffee plants by cuttings takes advantage of only one of the properties of excellence.

Planting Splicing Pressing: Pressing is the rooting of coffee entres using growing media and the environment. The age of the entres used is 3-6 months because at that age the material is good enough for cuttings. : Coffee splicing is the incorporation of scion entres on adult coffee seedlings. Splicing is carried out in nurseries on rootstock coffee seedlings aged 5-6 months from the moment the fry are seeded. The level of productivity of coffee plants in addition to being determined by superior planting material is also determined by the plant population in hectares. For planting, the planting distance used is adjusted to the slope of the soil To process good coffee so that it gets a good selling point must be done well, starting from the selection of coffee beans of the basic ingredients and the type of coffee variety to be used. Coffee beans have a high economic value that contributes to the economic development of the region and as a source of income and employment opportunities for farmers and farm workers who work on them. The coffee industry

sector is one of the economic drivers that makes Indonesia a producer country not an importer, so that it can open up opportunities for business and work, and has the power to accelerate equitable development and national resilience.

Conclusion

Based on the results of the analysis and discussion, it can be concluded that the capital in the *koop* coffee shop comes from the business owner himself and there is not a single loan from another party. During the 5 years of running this coffee shop business, the capital of the coffee shop has returned within a period of 1 year 2 months 93 days starting from the beginning of the business operation. The calculation is calculated through the *Payback Period* formula.

Optimizing coffee bean production can be done by improving planting material. The replacement of recommended planting material can be done gradually, either by the method of connection in the field on existing coffee plants or new planting with plant material from cuttings. Coffee beans have a high economic value that contributes to the economic development of the region. With high coffee bean productivity, it can affect the source of income and job opportunities for

farmers and farm workers who work on it.

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