

STRATEGY FOR DEVELOPING GAYO ARABICA COFFEE PRODUCTS IN TAKENGON

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Abstract

This study aims to analyze the development strategy of processed Gayo Arabica coffee products in Central Aceh and Bener Meriah Regencies as an effort to enhance the added value and competitiveness of this regional superior commodity. The research employed a descriptive quantitative method with data collected through observations, interviews, and surveys involving farmers and coffee industry actors. The analysis used the SWOT (Strengths, Weaknesses, Opportunities, Threats) approach combined with the IFE and EFE matrices to evaluate the internal and external conditions of the Gayo coffee industry. The results show that the strategic position of Gayo Arabica coffee lies in the Weakness–Opportunities (W–O) quadrant, indicating that development strategies should focus on utilizing external opportunities to overcome internal weaknesses. The main strengths are the distinctive flavor and aroma recognized globally, as well as institutional support such as cooperatives and international certifications (Fair Trade, Organic, and Geographical Indication). The primary weaknesses include limited processing technology, low human resource capacity, and restricted access to finance. The recommended strategies include improving post-harvest technology and human resource capacity, strengthening MSME and cooperative institutions, developing the “Gayo Specialty” brand, and utilizing digital marketing and coffee tourism. Implementing these strategies is expected to transform the Gayo coffee industry from a raw bean exporter into a high-value processed coffee industry with global competitiveness, thereby contributing to local community welfare and sustainable regional economic growth.

Keywords: *Gayo Arabica coffee, development strategy, SWOT, added value, Central Aceh*

INTRODUCTION

In Indonesia's national economy. This is evident from its contribution to the gross domestic product (GDP), which reached approximately 12.72% in 2024, establishing it as the third largest sector after manufacturing and wholesale and retail trade. Of the various subsectors, the plantation sector has considerable potential, contributing around 3.27% to the agricultural sector's GDP in the same year (Central Statistics Agency, 2024). This includes various crops such as coffee, rubber, tea, sugar cane, cocoa, coconuts and tobacco (Istianah et al., 2015). Coffee is one of the leading plantation products and is highly competitive in the global market. Indonesia is the world's fourth largest coffee producer after Brazil, Vietnam and Colombia. The main destination countries for Indonesian coffee exports are the United States, Japan, the Netherlands and Italy. In 2024, smallholder coffee plantations covered 1,215,500 hectares, producing 953,600 tonnes. Around 421,005 tonnes of this were exported, generating US\$125.17 million (BPS, 2024).

The main types of coffee cultivated in Indonesia are Arabica, Robusta, Liberica and Excelsa. Each type has different characteristics. However, only Arabica and Robusta coffee have high economic value and are traded commercially (Rahardjo, 2012). Widely known in the international market, Aceh coffee is Gayo Arabica coffee, famous for its distinctive aroma and taste (Tambarta et al., 2016). It is called “Gayo Arabica” because the highest quality Arabica coffee is grown in the Gayo Highlands, particularly in the Central Aceh and Bener Meriah regencies. This region has ideal geographical and climatic conditions for growing high-quality Arabica coffee. The combination of altitude, cool temperatures and fertile volcanic soil gives Gayo coffee unique characteristics that are hard to find elsewhere. These advantages mean that Arabica Gayo coffee is recognised as one of the world's speciality coffees, offering a complex flavour, balanced acidity and strong aroma. The data presented in the following table show the distribution and quality of coffee in the Gayo region.

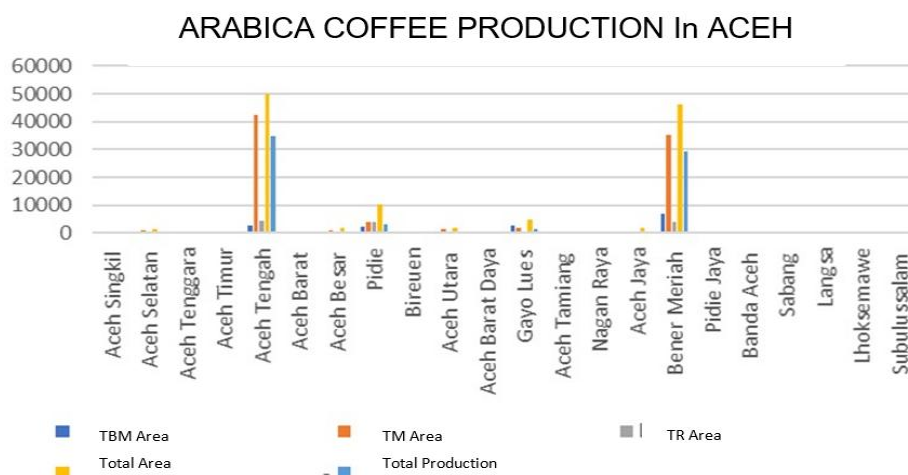


Figure 1. Arabica Coffee Production in Aceh Province

Based on the table, the main centres of coffee production in Aceh Province are eight districts. Of these, Central Aceh District has the largest coffee plantation area (Central Aceh BPS, 2020). This shows that Central Aceh has enormous potential for developing coffee commodities, particularly the Gayo Arabica variety, which is well-known in domestic and international markets. This great potential provides a strategic opportunity to increase added value by developing coffee derivative products. Supported by abundant natural resources and geographical advantages in the Gayo highlands, the region can develop various innovative coffee-based products, including premium ground coffee, instant coffee, ready-to-drink beverages, coffee-based cosmetics and coffee-based foods. These efforts to diversify products can expand the market, increase farmers' income and drive sustainable regional economic growth. Therefore, developing the coffee processing industry in Central Aceh could strengthen the position of Gayo coffee as one of Aceh Province's leading commodities and increase its competitiveness in the global market. However, Gayo coffee's competitiveness and added value still lag behind those of other major coffee-producing countries as it is currently limited to green/raw beans (Fadli et al., 2020). Meanwhile, competition in the coffee market is becoming increasingly fierce, with each country developing its own processed coffee products. The current strategy for developing Arabica coffee is therefore no longer focused on increasing production, but rather on how a commodity can be processed to create added value.

Given that these two regions are the main centres of Arabica coffee production in Aceh, the development of added value for Gayo coffee in Central Aceh and Bener Meriah has very promising prospects. Ideal agroclimatic conditions, such as high altitude, cool temperatures and fertile volcanic soil, support the growth of high-quality coffee. Given this potential, developing the downstream coffee industry is a strategic step to strengthening local economic competitiveness. Product innovations such as roasted coffee, instant coffee, coffee mixes and ready-to-drink coffee-based beverages can significantly increase added value. Furthermore, support from local governments, farmer cooperatives and research institutions could accelerate the strengthening of the supply chain and improve access to export markets. Developing coffee tourism in the Gayo highlands could also integrate the agricultural sector with creative industries and sustainable tourism, generating broader economic impacts for the community.

LITERATURE REVIEW

Gayo Arabica coffee has distinctive physical and chemical properties, which provide a strong basis for developing value-added processed products. Studies using fluorescence spectroscopy to authenticate coffee show that cherry processing methods (natural, honey or wine) affect the properties of green beans, providing opportunities for product differentiation based on processing method. These findings are relevant when designing processed product variants (e.g. wine coffee, special roast coffee or flavoured infused coffee) that emphasise origin and processing as selling points (Yulia et al., 2023). Ensure that the literature review is well-organized, flowing smoothly between topics, and logically leading to your research questions or hypotheses. Proper citations and references are essential to uphold academic integrity and provide credit to original authors. Genetic aspects and variety diversity in the Gayo population affect the stability of quality and the breeding potential of sensory and resistance traits. Understanding this diversity is key to developing products of consistent quality (Andini et al., 2023).

Value-added analysis and agro-industry case studies in Central Aceh confirm that local processing (e.g. processing green beans, roasting them and packaging them) increases income margins and opens up new marketing

channels. The core of product development strategies must combine post-harvest technology, quality standardisation and micro-to-medium-scale business models (Baihaqi et al., 2020). According to David (2011), strategic management involves formulating, implementing and evaluating cross-functional decisions to enable organisations to achieve their goals. This process consists of three main stages: strategy formulation, implementation, and evaluation. From environmental and technological perspectives, a life cycle assessment study of Arabica processing in the Gayo region indicates the necessity of a more comprehensive strategy that considers energy and water efficiency, as well as carbon footprint. This is important when marketing products to premium and sustainability-conscious consumers. Integrating environmentally friendly practices could provide an additional selling point. Technical studies investigating variations in roasting time and fermentation/wet-hulling processes demonstrate that controlling the roasting, fermentation and drying processes has a significant impact on the flavour profile and consumer acceptance, creating the need for a product strategy that incorporates standardised roasting and fermentation R&D, as well as market acceptance testing (Pramulya et al., 2022).

METHOD

This study employs a quantitative descriptive method, as outlined by Sugiyono (2011). This method aims to systematically describe phenomena using numerically measurable data. This approach was employed to analyse the potential for increasing the added value of Gayo coffee in the Central Aceh and Bener Meriah regencies. Data was obtained through observations, interviews and surveys of farmers, coffee business stakeholders and processing industry managers. The variables studied included land area, production, selling price, types of processed coffee and their contribution to increasing community income. Data analysis involved processing figures that reflected actual field conditions, enabling the research results to provide an objective picture of the extent to which the potential for developing the added value of Gayo coffee could be realised. Thus, this research is expected to provide an empirical basis for strategies to improve the coffee-based economy in the region. The research was conducted in several systematic stages. The first stage began with a survey or field observation to identify and formulate the main issues. The second stage involved setting the objectives of the activity in line with the identified issues. The third stage involved a literature study, searching through relevant books, journals and online references. The fourth stage involved collecting data, both primary through observation and interviews, and secondary from various official sources. The collected data was processed in the fifth stage and analysed and evaluated in the sixth stage to formulate a strategy for developing processed coffee products in Central Aceh. This strategy was then applied in the final stage..

This study collected data through in-depth interviews with several key informants, including the Trade and Industry Office and coffee industry stakeholders in the research area. The aim of these interviews was to obtain detailed information about the current state of the coffee industry and how it is developing. Each agro-industry will be analysed based on four main aspects: strengths, weaknesses, opportunities and threats. This analysis will be used to identify the strategic position of each industry player, enabling more effective, competitive development steps to be formulated. A strategy for developing processed coffee products was formulated using SWOT matrix analysis, a systematic approach to identifying and evaluating internal and external factors affecting organisational performance. According to David (2001), the purpose of this analysis is to maximise strengths and opportunities, and minimise weaknesses and threats. The SWOT analysis process includes three main stages: the data collection stage (input stage); the matching or analysis stage (matching stage); and the decision-making stage (decision stage).

The SWOT approach can also be developed quantitatively using the EFAS-IFAS matrix, as described by Pearce and

Robinson (1997) in David (2011). This method enables the actual position of an organisation or industry to be identified more accurately. In this study, SWOT analysis was applied to formulate a development strategy for the Gayo coffee agroindustry. The initial stage involved collecting data and analysing the internal environment using the Internal Factor Evaluation Matrix (IFE) and the external environment using the External Factor Evaluation Matrix (EFE). The IFE matrix is compiled in several steps. First, compile a list of between 10 and 20 key internal factors from the internal audit, representing the organisation's main strengths and weaknesses. Secondly, the level of importance and weight of each factor must be determined. These values are determined by consulting parties with in-depth knowledge of the coffee agro-industry system in Bener Meriah Regency, including farmers, businesspeople and officials from relevant agencies who are involved in decision-making in the agriculture and coffee industries. Respondents are asked to rate the importance of each question item using a Likert scale with the following criteria: 'Very important' is given a score of 5; 'important' is given a score of 4; 'neither important nor unimportant' is given a score of 3; 'not important' is given a score of 2; and 'very unimportant' is given a score of 1.

Table 3.4.a. Weight Calculation in EFE Analysis

No.	Internal	SCOR	WEIGHT	TOTAL
Strength				
1.				
2. Dst				
Total				
Weakness				
1.				
2.	Dst			
Total				
Total Strengths - Total Weaknesses = S - W				

Source :David, 2011

NO.	Eksternal	SCOR	WEIGHT	TOTAL
Opportunity				
1.				
2. Dst				
Total				
Treath				
1.				
2. Dst				
Total				
Total Opportunities - Total Challenges = S - W				

Source:David, 2011

To determine the weight of each statement item, it is determined based on the level of importance, namely the total value of importance for each strategic environmental factor (strengths, weaknesses, opportunities, and threats)

RESULTS AND DISCUSSION

The development of Gayo Arabica Coffee products is a strategic step in strengthening the competitiveness of the region's leading commodities and increasing the economic value added for the community in Central Aceh. Recognised as a specialty coffee in the global market, Gayo Arabica Coffee occupies a unique position, not only because of its distinctive taste and aroma, but also because of its sustainable production system based on the farming community. Therefore, analysing internal and external factors is important for understanding the competitive position and direction of the Gayo coffee processing industry in both domestic and international contexts. The main strength of Gayo Arabica Coffee lies in the quality and distinctiveness of its products, which are supported by ideal agroclimatic conditions for arabica coffee cultivation in the highlands. International certifications such as Fairtrade, organic certification and geographical indication (GI) further strengthen the global reputation of the products and consumer confidence in their authenticity and sustainability. Additionally, institutional support from cooperatives, research institutions and local governments is crucial for maintaining production continuity and driving development in the downstream sector through product innovation.

According to Kotler and Armstrong (2018), marketing is both a social and a managerial process whereby individuals and groups acquire what they need and want by creating and exchanging valuable products. One of the key concepts is the marketing mix, consisting of the 4Ps: Product, Price, Place and Promotion. In developing Gayo Arabica Coffee products, the following 4Ps were considered: (1) product innovation focusing on Gayo's distinctive flavours and packaging, (2) pricing adjusted for premium and local market segments, (3) digital distribution and agritourism emphasised for place, and (4) promotion highlighting geographical identity and geographical indication (GI) certification. This concept helps to create added value and enhance the competitiveness of Gayo coffee in both the domestic and global markets. However, there are a number of weaknesses in the Arabica coffee marketing sector in Central Aceh and Bener Meriah that remain major challenges. Dependence on green bean exports means that the local economy is not yet maximising its added value. Limited post-harvest technology, low human resource capacity in processing and limited market access are structural obstacles that must be addressed immediately. This situation is further exacerbated by fluctuations in world coffee prices and limited capital for micro and small businesses in the downstream sector.

There are increasing opportunities for the development of Gayo Arabica Coffee externally, in line with the growing global trend towards speciality coffee and sustainable products. New catalysts for expanding market share and enhancing the brand image of Gayo Coffee include the potential for coffee-based agritourism development, collaboration with the creative industry, and the use of digital marketing technology. However, the industry also faces various challenges, including fierce competition from global coffee producers, climate change affecting productivity and quality, and insufficient international promotion of locally processed products. Therefore, identifying the industry's strengths, weaknesses, opportunities and challenges is essential for formulating a comprehensive development strategy for the Gayo Arabica coffee processing industry. Strengthening production capacity, increasing product innovation, developing markets and managing an efficient value chain are necessary to ensure the sustainability and competitiveness of Gayo coffee products on a global scale. For more details regarding the strengths, weaknesses, opportunities and challenges of Gayo Arabica coffee products, please refer to the following table.

Table 1. Internal Analysis of Gayo Arabica Coffee Products

No	Internal Factors	Weight	Rating	Weighted Score	Description
Strengths					
1	The distinctive taste and aroma of coffee are characteristics that have been recognized on a global scale. This particular coffee is classified as "specialty coffee."	0.15	4	0.60	Differentiation of superior products
2	The agroclimatic conditions of the Gayo highlands are ideal for Arabica coffee.	0.12	4	0.48	Cool temperatures and fertile volcanic soil
3	Institutional support such as cooperatives and certification (Fair Trade, Organic, Geographical Indication)	0.10	3	0.30	Strengthening market confidence
4	Great potential for developing local processed products (roasted, instant, mix, cosmetics)	0.08	3	0.24	Competitiveness of downstream products
5	Government and research institution support for coffee industry development	0.07	3	0.21	Boosting the downstream sector
Total Strength		0.52		1.83	
Weaknesses					
1	High dependence on green bean exports	0.12	2	0.24	Low added value
2	Limitations in post-harvest processing technology and human resources	0.10	2	0.20	Hinder diversification
3	Access to domestic markets and exports of processed goods remains limited	0.08	2	0.16	Obstacles to promotion and distribution
4	Price fluctuations and lack of income stability for farmers	0.10	2	0.20	Dependence on global prices
5	Capital constraints for MSMEs and small industry players	0.08	2	0.16	Barriers to investment
Total Weaknesses		0.48		0.96	
Total IFE		1.00		2.79	Strong internal position

Source: Primary Data (processed)

The results of the internal factor analysis show that Gayo Arabica Coffee's total weighted score is 2.79, meaning its internal position is strong. This indicates that its strengths are more dominant than its weaknesses. Its distinctive taste and aroma are widely recognised as specialty coffee, accounting for the highest weight of 0.15 and a weighted score of 0.60. This demonstrates that product differentiation is a key factor in Gayo Coffee's competitiveness in the global market. Another important strength is the ideal agroclimatic conditions of the Gayo highlands, including cool temperatures and fertile volcanic soil, which support the productivity and quality of Arabica coffee (score of 0.48). Conversely, Gayo coffee's maximum potential is still limited by several internal weaknesses. The production process, dominated by the export of green beans, demonstrates a low level of downstream processing and added value for farmers. The main obstacles are limited post-harvest infrastructure, low human resource capacity in modern processing, and limited access to capital and technology (Baihaqi et al., 2020). These limitations result in low competitiveness in the processed market and dependence on fluctuating global coffee prices.

In addition, institutional support in the form of cooperatives and international certifications, such as Fairtrade, organic certification, and geographical indication, lends legitimacy to products and increases global market confidence in their sustainability and authenticity. Conversely, developing local processed products such as roasted coffee, instant coffee, blends and coffee-based cosmetics shows great potential for increasing added value in the downstream sector. Support from the government and research institutions can strengthen this position further through policies that strengthen the coffee industry and increase farmer capacity. However, Gayo Arabica Coffee's development is hindered by several weaknesses. High dependence on green bean exports results in low local added value (a weighted score of 0.24). Limitations in post-harvest technology and a lack of skilled human resources also hinder the process of product diversification. Access to domestic and export markets for processed products is also limited due to inadequate promotion and distribution. Other factors, such as global coffee price fluctuations and capital constraints for micro, small and medium-sized enterprises (MSMEs), further weaken competitiveness at farmer and small industry levels. Nevertheless, the overall strengths are sufficient to offset the weaknesses and ensure that Gayo Coffee's internal position remains solid for further development.

Table 2. External Analysis of Gayo Arabica Coffee Products

No	External Factors	Weight	Rating	Weighted Score	Description
(Opportunities)					
1	The global trend toward specialty coffee and sustainable products is increasing.	0.15	4	0.60	Premium market development
2	The potential for developing agrotourism and Gayo coffee tourism.	0.12	4	0.48	Local economic appeal
3	Government policy support for exports and MSMEs.	0.10	3	0.30	Export incentives and promotions
4	Collaboration with the creative industry and digital marketing technology.	0.08	3	0.24	Expanding market reach
Total Opportunities		0.45		1.62	
(Threats)					
1	Fierce competition from global coffee producers (Brazil, Vietnam, Colombia)	0.15	2	0.30	Export price pressure
2	Climate change affecting coffee productivity and quality	0.12	2	0.24	Long-term risk
3	Global price instability and dependence on export markets	0.10	2	0.20	External economic risk

4	Lack of international promotion of Gayo coffee products	0.08	2	0.16	Low brand awareness
Total Threats		0.45		0.90	
Total EFE		1.00		2.52	External position is quite strong

Source: Primary Data (processed)

The results of the external factor analysis show a total weighted score of 2.52, indicating that Gayo Arabica Coffee is in a fairly strong position to face opportunities and threats from the external environment. The greatest opportunity arises from the growing global trend towards speciality coffee and sustainable products (weighted score of 0.60). This trend provides Gayo Coffee with access to the premium market segment, where prices are higher. Additionally, developing agritourism and Gayo coffee tourism would integrate economic, social and cultural values in the Central Aceh region, providing a strategic opportunity. Government policy support for exports and MSMEs also provides room for increasing production capacity and expanding international market networks. Collaborating with the creative industry and using digital marketing technology will further strengthen Gayo Coffee's position and help it to expand its global market share through promotional and branding innovations. There are external strategic opportunities that can be utilised to strengthen Gayo coffee's position in the global market. The growing demand for speciality coffee and sustainable products opens up opportunities for product diversification based on processing methods, such as natural, honey and wine processing. The trend towards sustainability also provides opportunities for differentiation through organic certification and environmentally friendly claims. Additionally, developing coffee agritourism in the Gayo region could integrate the agricultural sector with creative industries and experience-based tourism (Pramulya, 2022). Meanwhile, external threats include fierce competition from major global coffee producers such as Brazil, Vietnam and Colombia. These countries have large-scale production and high efficiency, giving them a weighted score of 0.30. These external threats still need to be anticipated. In order to compete with major global coffee producers such as Brazil, Vietnam, and Colombia, strategies must be implemented to improve quality and supply chain efficiency. Climate change, which has the potential to reduce productivity, and international price volatility are also long-term challenges that could disrupt farmers' income stability.

Therefore, strengthening adaptive capacity and risk mitigation are important parts of future development strategies. Climate change poses a long-term threat as it can impact the productivity and quality of coffee in the highlands. Additionally, global price instability and dependence on export markets often cause income instability for farmers. A lack of international promotion of Gayo coffee products also results in low brand awareness in the global market. The results of the Gayo Arabica Coffee industry's internal and external factor analysis show that this product has relatively high internal strength, with a total IFE score of 2.79. It is also in a fairly supportive external environment, with an EFE score of 2.52. These values suggest that the coffee industry has a robust internal strategic position and can capitalise on existing external opportunities. Its main strengths are its internationally recognised taste and aroma, the ideal agroclimatic conditions in the Gayo Highlands for growing Arabica coffee and institutional support, such as cooperatives and international certifications (Fairtrade, organic and geographical indication). These factors establish Gayo coffee as one of Indonesia's leading products in the global speciality coffee market. Overall, despite facing a number of external threats, there are still more opportunities available for Gayo Arabica Coffee. A strong foundation for developing strategies to increase the competitiveness of Gayo Coffee in the future is provided by the combination of product excellence, institutional support, and global consumer trends towards sustainable products. The SWOT matrix analysis is presented in the following table:

Table 3. SWOT matrix of Gayo Arabica coffee products

Internal / External Factors	Opportunity (O)	Threat (T)
Strength(S)	Strategi SO (Strength–Opportunities) 1. Developing premium processed products (roasted, instant, mix) by capitalizing on global specialty coffee trends and government support. 2. Promoting Gayo coffee through agrotourism and sustainable branding to strengthen its international image. 3. Integrating digital marketing and e-commerce technologies with institutional support (cooperatives and certification) to expand the global market. 4. Strengthening research and innovation in collaboration with government agencies and universities to create diversified, high-quality, and environmentally friendly products.	Strategi ST (Strength–Threats) 1. Leveraging quality and international certification to compete with global coffee producers. 2. Developing climate-smart agriculture systems based on research support to address climate change. 3. Strengthening the role of cooperatives in price stabilization and trade contracts to reduce the impact of global price fluctuations. 4. Expanding the promotion of Gayo coffee in the international market by highlighting its geographical advantages and sustainability.
Weakness (W)	Strategi WO (Weakness–Opportunities) (main strategy) 1. Developing the coffee downstream industry through MSME partnerships with government support and premium market trends. 2. Enhancing human resource capacity and post-harvest technology through training and collaboration with research institutions. 3. Leveraging the potential of coffee tourism and digital marketing to open up new market access for local processed products. 4. Improving access to capital and inclusive financing for coffee MSMEs through government programs and financial institutions.	Strategi WT (Weakness–Threats) 1. Reducing dependence on raw bean exports by encouraging domestic processing to cope with global price fluctuations. 2. Establishing a crop insurance system and microfinance to maintain the stability of farmers' income. 3. Strengthening collaboration among stakeholders to address the impact of climate change on coffee production. 4. Enhancing integrated promotion and participation in international exhibitions so that Gayo coffee products become better known in the global market.

Source: Primary Data (processed)

SWOT analysis of Gayo Arabica coffee in Central Aceh and Bener Meriah indicates that there is significant strategic potential in developing this product as a source of regional economic added value. The main strengths identified in the internal factor analysis are the coffee's superior quality and distinctive sensory characteristics, such as its complex flavours, balanced acidity and strong aroma, which are recognised in the global specialty coffee market. The cool, fertile, and naturally fertile agroclimatic conditions of the Gayo highlands support the cultivation of high-quality Arabica coffee, giving it a competitive position in the international market (Yulia et al., 2023). Furthermore, institutional support in the form of Fair Trade certification, Geographical Indication (GI) and the cooperative system strengthens the product's credibility in the eyes of global consumers (Andini et al., 2025).

Based on the results of the SWOT analysis, Gayo Arabica Coffee is in the 'Weakness–Opportunities' (W–O) quadrant. This means that its development strategy should focus on utilising external opportunities to overcome internal weaknesses. This can be achieved by increasing technological capacity and human resources in processing and quality control, strengthening micro, small and medium-sized enterprises (MSMEs) and cooperative institutions to expand access to financing, and developing the 'Gayo Specialty' brand to highlight the product's geographical uniqueness and sustainability. Additionally, integrating digital marketing with coffee agritourism could enhance promotion and facilitate direct interaction with consumers. Furthermore, efforts are needed to strengthen quality certification and implement life cycle assessment (LCA) to support Gayo coffee's position in the global premium market (Pramulya, 2022).

This strategy focuses on increasing production capacity, innovating processed products, and expanding the market. An important step is to develop the downstream coffee industry through partnerships between cooperatives, MSMEs and the government. With the backing of export policies and MSME guidance, businesses can more easily access capital and modern processing technology. This is expected to reduce dependence on raw bean exports and encourage greater economic value creation in the Gayo region. Additionally, the W–O strategy emphasises the importance of enhancing human resource capacity within the post-harvest and coffee processing sectors. Through training, mentoring and collaboration with research institutions and universities, farmers and small industry players can learn to use modern technology for processes such as roasting and packaging. With this increased capacity, Gayo processed coffee products could compete in the premium market both domestically and internationally. Digital marketing is also an important element of this strategy as it opens up access to a wider global market while keeping promotional costs down.

Furthermore, developing Gayo coffee tourism offers a significant opportunity to be utilised in the W–O strategy. By combining agriculture, tourism and culture, coffee tourism introduces products to a wider market and drives local economic growth by involving the surrounding community. This model aligns with the global trend towards sustainable products and community-based tourism experiences. Additionally, the W–O strategy could be further strengthened by establishing a collaborative network involving industry stakeholders, local authorities, financial institutions and the private sector, with the aim of expanding access to capital and product distribution. Overall, the W–O strategic position indicates that the development of Gayo Arabica coffee should focus not only on its flavour and international reputation, but also on strengthening the local value chain, increasing the capacity of industry players and diversifying products to meet global market demand. By optimally utilising external opportunities, the Gayo coffee industry can overcome existing internal constraints and transform into a sustainable, leading sector that supports the welfare of farmers and the Central Aceh and Bener Meriah economies.

Thus, Gayo Arabica Coffee's strategic position can be enhanced through a combination of product innovation, technical capacity building and cross-sector collaboration. Transforming it from a raw material-based commodity into a high-value processed industry would significantly improve the welfare of farmers and the economic sustainability of the region. This aligns with Leslie's (1989) research findings, which emphasise that corporate strategy is a comprehensive framework integrating resources, capabilities, and the external environment to achieve sustainable competitive advantage. In the Gayo coffee industry, this strategic approach can be realised through product differentiation based on unique flavours and post-harvest processes; strategic alliances with players in the creative, tourism, and export industries; and continuous innovation in processing technology and branding. This approach strengthens the industry's market position and increases the economic resilience of the farming community in Central Aceh.

CONCLUSION

A SWOT analysis of Gayo Arabica coffee in Central Aceh and Bener Meriah indicates that this product has significant strategic potential for generating added economic value in the region. Its main strengths lie in its distinctive taste and aroma, which are supported by ideal agroclimatic conditions in the highlands and global recognition through certifications such as Fairtrade and Geographical Indication (GI). However, weaknesses remain in terms of processing technology, human resource capacity and access to financing. Based on these results, Gayo Coffee is positioned in the Weakness–Opportunity (W–O) quadrant, directing the development strategy towards taking advantage of external opportunities to overcome internal weaknesses. The main strategies are to increase technological and human resource capacity, strengthen cooperative and MSME institutions, and develop the 'Gayo Specialty' brand based on geographical uniqueness and sustainability. Additionally, integrating digital marketing and developing coffee tourism could expand the market and improve the local community's welfare. Collaboration across sectors between cooperatives, MSMEs, the government and research institutions is also important in strengthening the coffee industry's value chain. Therefore, the development of Gayo Arabica Coffee should focus on transforming

it into a high-value processing industry to strengthen global competitiveness and drive sustainable economic growth in the Gayo region.

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