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Strategy for Beef Cattle Agribusiness Development in North Sulawesi

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SUMMARY

The business of raising cattle in North Sulawesi is still carried out in traditional-extensive ways, because the main objective of farmers is to raise cattle only to be used as agricultural labor. As a result, the population and productivity of cattle in North Sulawesi are not well developed. Though the number of requests for beef consumption is very high, so that there is a gap between consumption needs and the availability of production.

For the development of the agribusiness system, the concept of development strategy is needed, so the purpose of this study is to find a model for agribusiness development of beef cattle in North Sulawesi.

The research method used is qualitative with a case study design. Data analysis is "four qualitative stages" and "strategy formulations" (EFE, IFE, SWOT, IE and QSPM).

Based on the results of analysis, beef cattle farms in North Sulawesi are in a growing and constructive position which has a high industrial attractiveness and has the potential to be developed towards a modern-intensive maintenance system, namely developing business with agribusiness system models (efficiency and market considerations) and farming systems / family system (consideration of traditional experience and quantity of available farmer resources).

Keywords: agribusiness, cattle, IFE, EFE, SWOT, IE and QSPM.

INTRODUCTION

Beef cattle business in the North Sulawesi province is currently not well developed. This is marked by a decline in population and production. Even though the public consumption needs for beef in North Sulawesi continue to increase, along with the increase in population and increasing economic income of the community.

Data for 2012 beef production in North Sulawesi is 4,501 tons, which every year has decreased by an average of 13.33 percent until in 2017 production will be 3,450 tons. Whereas consumption needs in 2012 were 6,432 tons and continued to increase until 2017 amounting to 7,665 tons, or an average increase in annual consumption needs of 3.39 percent.

This decrease in production was caused by weaknesses in the cattle raising system carried out by farmers in North Sulawesi, still traditional-extensive, ie cattle were only grazed on existing agricultural or plantation land. The results of Elly's study, et al (2008), Salendu (2011), Oley, et al. (2015) revealed that the cattle raising system in North Sulawesi was still carried out in a "traditional-extensive" way with a model of "plant-livestock integration", namely livestock grazing in agriculture and coconut plantations with an average number of livestock raising 1-3 heads per farm family.

This traditional method has survived long enough among farmers, and is a hereditary inheritance. Although the government has repeatedly conducted guidance on farmers. Whereas

from various other research results, it is explained that in order to increase the population and productivity of cattle, the most suitable effort is to be oriented to agribusiness with an intensive (modern) maintenance system as stated by Suryana, (2008), Suresti, A and Wati, R. (2012), Samin, M. (2012).

This study aims to obtain a strategy model for agribusiness development of beef cattle in North Sulawesi. In this case, to find out where the current position of beef cattle breeding business is, where the direction of business development is expected and how to go towards developing the business.

Development of North Sulawesi Beef Production and Consumption

Tahun	**Production**		**Consumption**	
	Total Production (tons)	Annual Growth (%)	Amount of consumption (tons)	Annual Growth (%)
2012	4.501	-	6.432	3,10
2013	4.565	1,40	6.642	3,16
2014	4.587	0,48	6.841	2,90
2015	3.611	-21,28	7.154	4,38
2016	3.431	-74.50	7.456	4,05
2017	3.450	0,62	7.665	2,72
Total	**24.145**	**-93.28**	**35.349**	**20.31**
Average	**3.450**	**-13.33**	**5.892**	**3.39**

Literature Review

According to Grant, (2010: 22), there are two basic components of the analysis strategy, namely the analysis of the external environment (especially industrial analysis) and the analysis of the internal environment. Hitt, *et.al.* (2009; 33); The strategic management process is the full set of commitments, decisions, and actions required for a firm to achieve strategic competitiveness and earn above-average returns. David, Fred. R. (2011: 31), The strategic management process consists of three stages: (1) strategy formulation, (2) strategy implementation, and (3) strategy evaluation. Hunger and Wheelen, (2012: 64), the basic model of strategic management consists of four basic elements; (1), Environmental scanning, (2) Strategy formulation, (3) Strategy implementation and Hunger and Wheelen, (2012: 67), Strategy formulation (strategy formulation) is the development of long-term plans for effective management of environmental opportunities and threats, considering strengths and weaknesses of the company.

According to Fred R. David and Forest R. David (2015: 169), important strategy formulation techniques can be integrated into three decision-making frameworks, namely the input stage, matching stage and decision stage. Furthermore, Hunger and Wheelen, (2012: 226), SWOT is an acronym used to describe certain Strengths, Weaknesses, Opportunities and Threats which are strategic factors for certain companies.

Soekartawi (2007), Agribusiness is a process of a series of activities starting from production, harvest, post-harvest, marketing and other activities related to Agribusiness agricultural activities according to Chauhan (2014: 5), can be divided into three economically interdependent sectors, namely sectors inputs, agricultural sector and product sector.

Theoretical Framework

David, Fred. R. (2011:33) explain that, the strategic-management process is based on the belief that organizations should continually monitor internal and external events and trends so that timely changes can be made as needed. Fred R. David and Forest R. David (2015: 52), there are three important questions to be answered in developing a strategic plan; (1). Where are we now? (2). Where do we want to go? (3). How can we get there? According to Fred R. David and Forest R. David (2015: 169), an important strategy formulation technique can be integrated into three decision-making frameworks.

Three Decision Making Frameworks

PHASE I: INPUT STAGE				
External Factor Evaluation Matrix (EFE)	Competitive Profile Matrix (CPM)	Internal Evaluation Factor Matrix (IFE)		
PHASE 2: MATCHING STAGE				
Matrix of Strength-Weaknesses-Opportunities-Threats (SWOT)	Matrix Strategic Position and Action Evaluation (SPACE)	Matrix Boston Consulting Group (BCG)	Matrix Internal Eksternal (IE)	Matrix Grand Strategi
PHASE 3: DECISION STAGE				
Quantitative Strategi Planning Matrix (QSPM)				

David, Fred. R. (2011: 105), the External Factor Evaluation Matrix (EFE) enables strategists to summarize and evaluate economic, social, cultural, demographic, environmental, political, governmental, legal, technological and competitive information. The Internal Factor Evaluation Matrix (IFE) summarizes and evaluates the main strengths and weaknesses in the functional areas of a business, and this also provides a basis for identifying and evaluating relationships between these areas.

Intuitive assessments are needed in developing the IFE Matrix. Fred R. David and Forest R. David (2015: 171), the SWOT Matrix (Matrix of Strength-Weaknesses-Opportunities-Threats) an important matching tool that helps develop 4 types of strategies namely; (1) strength-weakness (SO) strategy. (2) Opportunity-weakness strategy (WO). (3). Force-threat strategy (ST). (4). Weakness-threat strategy (WT). Fred R. David and Forest R. David (2015: 172), Fred R. David and Forest R. David (2015: 172), IE Matrix positions various divisions in the appearance of Nine cells. Quantitative Planning Matrix Strategy (QSPM) is the result of strategic decisions after assessing the Attractiveness Score / US) for each strategic factor both internal and external (Sarkis, 2003 in Nurhayati, S. 2008).

METHODS

The research method used in this study is qualitative with a "case study" approach. The selected event, hereinafter referred to as a case, is an actual thing, which is ongoing, not something that has passed. The research area is North Sulawesi Province, with a focus on observing beef cattle farms in Tonsewer village, Tompaso sub-district and Mokupa village, Tombariri sub-district, Minahasa district, Blongko village and Ongkaw village, Sinonsayang sub-district, South Minahasa district, and Inobonto 1 village and Inobonto village 2 Bolaang district Bolaang district Mongondow. As for marketing beef, the city of Manado was chosen with a focus on observing traditional markets, supermarkets and Ruminant RPH.

Primary data is collected and obtained directly through observation, interviews with informants that have been provided. While secondary data is collected and obtained from relevant articles or literature, the internet and mass media and the Central Statistics Agency. Four types of data collection techniques carried out in this study are; Interviews, Observations, Focus Group Discussion (FGD), Questionnaires, Documentation and Combined / Triangulation.

The overall data analysis uses the "four qualitative stages" analysis approach with stages; (1) data collection, (2) data reduction, (3) data presentation, conclusion drawing. Whereas to get the strategy formulation, the three-stage analysis of strategy formulation is used (EFE, IFE, SWOT, IE and QSPM), where the results are used in the 4-stage qualitative analysis process.

RESULTS AND DISCUSSION

Characteristics of the Research Area.

The total area of North Sulawesi province is 15,376.99 Km, only 0.72% of the total area of Indonesia. Where 49.5% of the forest area and 50.5% are other uses. The climate of North

Sulawesi is tropical, which is influenced by the muzon wind. The population of North Sulawesi in 2017 was 2,461,028 people. According to the World Bank report (2011) about 47 percent of the total population in North Sulawesi works in the sectors of agriculture, plantation, forestry, livestock and fisheries. According to the World Bank (2011), North Sulawesi's real GDP is 53 percent or 5.1 percent per year. North Sulawesi's economic growth accelerated from around 4 percent in 2002 to almost 7.9 percent in 2009.

Characteristics of Farmers and Efforts to Maintain Cattle.

The conditions of age, education, experience and family status of the 50 beef cattle farmers interviewed in this study are as follows:

Districts	**Age (Years)**				**Last education**			**Experience of Beef Cattle Farming (Year)**			**Status in family (Livestock Owner)**		
	20 - 30	31-40	41-50	≥ 51	SD	SMP	SMA	PT	5-10	≥ 11	Father	Mother	Child
Minahasa	2	4	9	2	2	8	6	1	7	10	15	2	0
Minsel	1	3	10	3	2	7	7	1	8	9	15	1	1
Bolmong	1	3	10	2	4	6	6	0	6	10	10	4	2
Total	**4**	**10**	**29**	**7**	**8**	**21**	**19**	**2**	**21**	**29**	**40**	**7**	**3**
Percentage	**8**	**20**	**58**	**14**	**16**	**42**	**38**	**4**	**42**	**58**	**80**	**14**	**6**

Beef cattle farms carried out by farmers in the current research area are still traditional in the form of extensive maintenance models of farming integration (livestock with agricultural crops) where livestock are raised by simply looking for their own food in agricultural and plantation areas by migrating moved, where on average every day 2 times the farmer transfers livestock to get livestock forage. This is very popular among farmers with the term "moving cattle". If at night the livestock are rested on simple cages that have been provided by farmers, most of them are around the farmer's residence, but there are also livestock that are only left to rest on agricultural land and plantations where the cattle are grazed.

The agricultural and plantation areas that are used as grazing areas for cattle are not owned by the farmers themselves. The system of maintenance carried out by farmers has been developing for a long time among farmers and has been inherited from generation to generation. Based on the scale of business, the state of cattle farming in the research area is beef cattle farming as a side business, where the main commodity is food crops and plantations. As for land ownership status, out of 50 farmers interviewed 42 people used someone else's land (family or family land and coconut plantation or "onderneming" land, only 8 people used their own land.

There are 2 popular types of local cattle maintained by farmers in North Sulawesi, namely PO cattle (Ongole Breeds) and Bacan Cows (marriage between PO cattle and Bali cattle). Original Balinese beef (bali beef) and native Ongole beef are very difficult to find, because cross breeding has occurred in a very long process. White PO cattle are kept more by farmers than mixed Balinese cattle, because among farmers, white PO cattle are known as broiler and tough working cattle.

The cattle population in North Sulawesi varies for each region. Of the 15 regions, Bolmong Regency has the largest population of 19.43 percent, followed by Minahasa district, 17.83 percent, South Minahasa district, 14.04 percent and North Minahasa district, 13.31 percent and Bolmong district, 11.92 percent. While other regions are under 4 percent.

Results of External and Internal Environmental Analysis.

The stage of "input" in the three-stage analysis of this formulation is to analyze the external and internal environment, namely the IFE Matrix (Internal Factor Evaluation) approach

and the EFE Matrix (External Factor Evaluation) which are then obtained by Weight (%), Rating, Score and Conclusion Priority / Ranking as follows.

Matrix IFE (Internal Factor Evaluation)

Strength factor		Weight (%)	Rating	Score	Rank
1	Farmer Institution	0.083	3.000	0.249	IX
2	Extension	0.093	3.000	0.279	VII
3	Capital Banking Credit	0.084	3.000	0.252	VIII
4	Owner's equity	0.101	3.000	0.303	III
5	Forage Potential (HMT)	0.098	3.000	0.294	V
6	Potential of Agricultural Waste	0.096	3.000	0.288	VI
7	Artificial inseminatio	0.114	3.000	0.333	II
8	Natural Marriage	0.096	3.000	0.288	VI
9	Beef Processed Industry	0.119	3.000	0.357	I
10	Beef Culinary Industry	0.100	3.000	0.300	IV
Sub Total				2.943	

Weakness Factor		Weight (%)	Rating	Score	Rank
1	Traditional Livestock Business	0.090	1.000	0.090	IX
2	Limitations of Business Capital	0.094	1.000	0.094	VI
3	Land Limitations	0.092	1.000	0.092	VII
4	Natural reproduction	0.091	1.000	0.091	VIII
5	Livestock is used as agricultural labor	0.107	1.000	0.107	III
6	Limitations on Beef Cattle Farming Knowledge	0.111	1.000	0.111	II
7	Farmers Group Not Effective	0.122	1.000	0.122	I
8	Unfulfilled Marketing Infrastructure	0.097	1.000	0.097	V
9	Not yet fully Utilizing Artificial Insemination Technology and Feed Technology	0.100	1.000	0.100	IV
10	Not available Beef Food Industry Investment	0.090	1.000	0.090	IX
Sub Total				0.994	
Total Score (Strength + Weakness)				**3.937**	

Based on the results of the IFE analysis, an important strength factor for building beef cattle farms in North Sulawesi is how to build a beef processing industry, then followed by the development of reproduction with "artificial insemination", it is important to obtain livestock seeds so that they are no longer dependent on imported production facilities. then followed by relying on own capital, where this is one of the important things in the traditional pattern, farmers feel comfortable and safe in this way.

The next strength is related to marketing, namely the existence of a culinary industry (informal traders who sell food with beef cattle commodity raw materials). While the next strength is related to production, namely the potential forage of livestock food, the potential of agricultural waste as animal feed, still relying on natural mating processes, livestock extension activities, the role of banks in providing loan capital and the existence of farmer institutions in the countryside.

Meanwhile for weakness factors, based on ratings, namely; farmer groups have not been effective in carrying out their roles and functions, farmers are still limited in their knowledge about raising beef cattle especially for intensive maintenance (fattening livestock), kept beef cattle are still used as agricultural labor so that growth is slow with poor meat quality, farmers have not utilized reproductive technology (artificial insemination) and animal feed technology related to the regulation of feed availability to deal with seasonal phenomena, marketing infrastructure facilities (livestock market, TPH, RPH) are not yet available adequately, farmers still experience limited business capital so that small-scale businesses (average the

average maintenance of livestock is 2-3 animals), livestock grazing land is increasingly limited due to the conversion of land from agricultural land into settlements as well as beef cattle farms into agricultural, plantation and industrial land.

The reproductive system is still natural because the business is still traditional so the development of beef cattle population is slow.

Matrix EFE (*Eksternal Factor Evaluation*)

Opportunity Factor		Weight (%)	Rating	Score	Rank
1	The government's commitment through the program for fulfilling livestock origin and agribusiness of people's livestock.	0.091	1.000	0.091	VII
2	Increased Investment in Beef Cattle Business	0.082	3.000	0.246	II
3	Product Market and Potential Demand for Beef Locally, Nationally and Globally	0.103	3.000	0.309	I
4	Strengthening Infrastructure and Technical Services	0.098	2.000	0.196	IV
5	Development of Information Technology	0.098	2.000	0.196	IV
6	Availability of farmer resources	0.112	2.000	0.224	III
7	Agroecosystem Condition Support	0.098	2.000	0.196	IV
8	Law of the Republic of Indonesia number 16 of 2006 concerning Agricultural, Fisheries and Forestry Extension Systems.	0.103	1.000	0.103	VI
9	UU.RI.No.19 tahun 2013 Tentang Perlindungan dan Pemberdayaan Petani	0.103	1.000	0.103	VI
10	Regulation of the Minister of Agriculture of the Republic of Indonesia number 13 / Permentan / PK.240 / 5/2017 About Livestock Business Partnerships	0.113	1.000	0.113	V
TOTAL				1.777	

Threat Factor		Weight (%)	Rating	Score	Rank
1	Low Competitiveness Products	0.084	2.000	0.168	II
2	Competition and liberalization	0.091	2.000	0.182	III
3	Decreasing Work Force in the Livestock Sector	0.097	2.000	0.194	IV
4	Competition in Land Use and Land Transfer Functions	0.110	2.000	0.220	VIII
5	Climate Change that Is Influential on Feed Procurement and Animal Health	0.102	2.000	0.204	V
6	Dependence on Import Production Facilities	0.112	2.000	0.224	IX
7	Breeders Are Not Interested In Intensive System Maintenance	0.106	2.000	0.212	VI
8	Potential of Fishery Products	0.079	2.000	0.158	I
9	Low Farmer's Bargaining Power	0.113	2.000	0.226	X

10	Reproduction of Inbreeding	0.107	2.000	0.214	VII
TOTAL				2.002	
Total Score (Opportunity + Threat)				**3.779**	

Based on the results of the EFE analysis, the opportunities for developing beef cattle farms in North Sulawesi based on rankings are; the existence of a product market and high demand for beef cattle commodities both locally, nationally and globally, increasing investment in beef cattle farming business, rural human resources are sufficiently available, the condition of agroecosystems in North Sulawesi is very supportive, there is a positive policy from the government towards strengthening infrastructure and services technical, information technology development, regulation and strong government commitment to build beef cattle farms.
While the threats that need to be watched out according to the ranking are; The potential of fishery products whose demand for consumption is quite high because it is always available at affordable prices, low competitive products, competition and liberalization, decreasing labor force in the livestock sector, climate change that threatens the health and procurement of animal feed, farmers are not interested in developing business intensive due to considerations of capital and infrastructure, inbreeding is still ongoing due to the process of natural mating, competition in land use and land conversion, still dependent on imported production facilities, especially for livestock breeds, farmers have a low ability to bargain products. Next is the "matching" stage using the Strength-Weaknesses-Opportunities-Threats (SWOT) Matrix approach and the Internal External Matrix (IE).

Results of the Strength-Weaknesses-Opportunities-Threats (SWOT) Matrix Analysis

IFE / **EFE**	**(Strenghts-S)**	**(Weaknesses-W)**
	1. Farmer Institution 2. Extension 3. Capital Banking Credit 4. Own capital 5. Green Food Potential 6. Potential of Agricultural Waste 7. Artificial Inseminasai 8. Natural Marriage 9. Processed Beef Industry 10. Beef Culinary Industry	1. Traditional Livestock Business 2. Limited Business Capital 3. Land Limitations 4. Natural reproduction 5. Livestock is used as agricultural labor 6. Limitations on Beef Cattle Farming Knowledge 7. Farmers' Groups Are Not Effective 8. Unmet Marketing Infrastructure 9. Not fully implementing artificial insemination technology and feed technology 10. There is no Investment in the Beef Food Industry
(Opportunities-O)	**Strategy SO (aggressive / growing)**	**Strategiy WO (diversification)**

1. Government commitment through a program for fulfilling livestock origin and livestock agribusiness. 2. Increased Investment in Beef Cattle Business 3. National and Global Product Markets and Demand for Beef 4. Strengthening Infrastructure and Technical Services 5. Development of Information technology 6. Availability of Farmer Resources 7. Agroecosystem Condition Support 8. Republic of Indonesia Law number 16 of 2006 concerning the Agricultural, Fisheries and Forestry Extension System. 9. Law of the Republic of Indonesia number 19 of 2013 concerning the Protection and Empowerment of Farmers 10. Regulation of the Minister of Agriculture of the Republic of Indonesia number 13 / Permenta / PK.240 / 5/2017. About Livestock Business Partnerships	*1. Towards a commercialization business process that is related to how to conduct full-scale production, set prices, build distribution networks, and promote* *2. Towards a business process in the partnership pattern of stakeholders (farmers, private and government) in a corporate farming* *3. Towards the process of creating reliable HR farmers who master technology and information and management systems* *4. Stimulating investors with various regulations that are easy and not burdensome.* *5. Selling fresh meat products in the form of guaranteed status (safe, healthy, whole and halal)*	*1.Increasing and strengthening the capacity (quality) of animal husbandry and animal health.* *2. Increasing the role of universities in developing technology and breeding HR* *3. Innovate by creating a "brand" of beef products that are competitive (learning from beef wagyu)* *4. The pattern of raising cattle is a combination of traditional and modern (housing and grazing systems)* *5. Build livestock markets and develop traditional livestock markets (blantik) with the support of price regulation and livestock health.*
(Threats-T)	**Strategiy ST (differentiation)**	**Strategi WT (defensive)**
1. Dependence on Import Production Facilities 2. Decreasing the Work Force in the Livestock Sector 3. Competition and liberalization 4. Competition in the Use of Land and Land Transfer Functions 5. Climate Change that Influences Feeding and Animal Health 6. Low Competitiveness Products 7. Breeders Are Not Interested In Intensive System Maintenance 8. Potential of Fishery Products 9. Low Farmer's Bargaining Power 10. Reproduction of peer marriage (inbreeding))	*1. Regulate land governance by providing opportunities for beef cattle breeders to become users of business use rights, especially in production centers.* *2. Make regulations so that all farmers form farmer institutions and cooperatives.* *3. Stimulating investors to build beef processing industries* *4. Building a beef cattle farm business by relying on own capital (capital obtained from farm income)* *5. Increasing the role of local universities in terms of research and counseling.*	*1. Strengthening farmer institutions so that they have high bargaining power* *2. In the short term, it retains traditional business patterns, but begins to be directed at developing commercialization businesses* *3. Developing a beef cattle breeding business by building a "village breeding center (VBC)"* *4. Preserving local livestock (white PO type) as a competitive mainstay product.* *5. Increasing the development of resources for the younger generation of rural farmers through formal education in beef cattle agribusiness*

Furthermore, based on the two dimensions of the total IFE weight score on the x axis and the total EFE weighting score on the y axis, then the business position of beef cattle breeding in North Sulawesi is illustrated in the Internal-External Matrix (IE).

Internal-External (IE) Matrix of Beef Cattle Business in North Sulawesi.

	Total Value IFE			
Total Value EFE	**Strong 3,0-4,0**		**Medium 2,0-2,99**	**Weak 1,0-1,99**
	High 3,0-4,0	**I (Grow and Build)**	II (Grow and Build)	III (Keep and Maintain)
	Medium 2,0-2,99	IV (Grow and Build)	V (Keep and Maintain)	VI (Panen atau Divestasi)
	Low 1,0-1,99	VII (Keep and Maintain)	VIII (Harvest or Divestment)	IX (Harvest or Divestment)

Based on the results of the Internal-External Matrix analysis (IE), it is known that the strategic position of beef cattle breeding business development in North Sulawesi is in quadrant I, which is (Grow and Built), which explains that beef cattle farming in North Sulawesi has high industrial attractiveness and the potential to be developed towards intensive beef cattle farming systems, namely developing with an agribusiness system pattern (consideration of business efficiency and markets) but still utilizing the potential of farming system / family system patterns (consideration of traditional experience and quantity of available farmer resources) .

Based on the state of this position, an alternative strategy was created which was obtained from the results of the analysis which included;

1. *Aggressive / Growing strategy*; where this strategy uses internal power to benefit from opportunities. the points are as follows,

    1) Towards a commercialization business process that is related to how to conduct full-scale production, set prices, build distribution networks and promotions.
    2) Towards a business process in the partnership pattern of stakeholders (farmers, private and government) in a corporate farming.
    3) Towards the process of creating reliable HR farmers who master technology and information and management systems.
    4) Stimulating investors with various regulations that are easy and not burdensome.
    5) Selling fresh meat products in the form of guaranteed status (safe, healthy, whole and halal).
2. *Diversification strategy*; and this strategy is to get benefits by minimizing weaknesses and taking advantage of opportunities. the points are as follows,
    1) Increasing and strengthening the capacity (quality) of animal husbandry and animal health.
    2) Increasing the role of universities in developing technology and breeding HR.
    3) Innovate by creating a "brand" of competitive beef food products (learning from beef wagyu).
    4) Developing a cattle breeding pattern that combines a traditional and modern system (housing and grazing systems).
    5) Build livestock markets and develop traditional livestock markets (blantik) with the support of price regulation and livestock health.
3. *Differentiation strategy*; where this strategy utilizes the power possessed by trying to minimize threats. The points are as follows,
    1) Regulate land governance by providing opportunities for beef cattle breeders to become users of business use rights, especially in production centers.
    2) Make regulations so that all farmers form farmer institutions and cooperatives.
    3) Stimulating investors to build beef processing industries.
    4) Building a beef cattle business by relying on own capital (capital is obtained from farm income).
    5) Increasing the role of local universities in terms of research and counseling.

4. *Defensive strategy*; where this strategy is to minimize weaknesses and threats, with the following points,
    1) Strengthen farmer institutions so that they have high bargaining power.
    2) For the short term, it still maintains traditional business patterns, but begins to be directed at developing commercialization businesses.
    3) Developing a beef cattle breeding business by building a "village breeding center (VBC)".
    4) Preserving local livestock (white PO type) as a competitive mainstay product.
    5) Improving the development of young people in rural areas through formal education in beef cattle agribusiness.

The last stage is the "decision" stage where the QSPM analysis approach (Quantitative Strategy Planning Matrix) is used. QSPM (Quantitative Strategic Planning Matrix) is an analytical tool used to find out the relative attractiveness of various strategies, then rank strategies to obtain a priority list. Calculation of QSPM is based on input from the weight of the external internal matrix, as well as the alternative strategy at the matching stage. Based on the calculations carried out in this study, the following results were obtained.

Results of QSPM Matrix Analysis

Strategy Implementation	Total Attractiveness Scores - TAS	Priority
Increasing competitiveness by making white PO (Ongole Breeds) cattle as a branded product mainstay of North Sulawesi.	14.085	I
Strengthening agricultural institutions and increasing the role of agricultural counseling, with the aim of improving the capabilities of HR cattle breeders, cultivation technology innovations and AI-reproduction technology.	14.084	II
Modernization of beef cattle breeding businesses in rural areas with intensive maintenance patterns (fattening system)	13.475	III
Farmers in rural areas are used as the backbone of beef cattle breeding businesses which are regulated in regulations and government budget support.	13.420	IV
Develop a partnership business pattern by involving elements of farmers, the private sector and the government in a corporate bond in rural beef cattle farms.	13.409	V
Providing space for land use for beef cattle farms which are regulated in regulations.	13.283	VIII
Intense to provide guidance to farmers to foster awareness and motivation to build a beef cattle business.	13.205	VII
Building a network of Beef Cattle product markets along with other supporting infrastructure.	12.974	VI
Building a network of Beef Cattle product markets along with other supporting infrastructure.	12.848	IX
Encouraging the growth of the culinary business of beef cattle products.	12.841	X

The strategy for developing agribusiness for beef cattle in North Sulawesi is a choice of strategies from various alternative strategies obtained from the results of the analysis in this study. The choice or priority and ranking of strategies which are the implementation of the strategy for agribusiness development of beef cattle in North Sulawesi are obtained from the results of QSPM analysis.

CONCLUSION

1. Beef cattle breeding in North Sulawesi is currently in a position to grow and build, which has high industrial attractiveness and has the potential to be developed.
2. The development of beef cattle farming in North Sulawesi is directed at the orientation of agribusiness development by increasing the competitiveness of white cattle PO (Ongole Breeds), strengthening agricultural institutions and modernizing agricultural extension systems, innovating animal feed and reproductive technologies, modernizing businesses with the principle of partnership , playing with farmers in the countryside as the backbone of the development of beef cattle agribusiness and encouraging the growth of the processed industry and the growth of the beef culinary business.

Suggestion

For the Government; that the prime mover of beef cattle agribusiness development in North Sulawesi is farmers (farmers), therefore farmers must be used as the backbone of the development of beef cattle farming business. This means that farmers must be given full responsibility with the support of government regulations and budgets.

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