

STRATEGIC BUSINESS OF SMALL-SCALE LAYER CHICKEN FARMING IN PONGGOK DISTRICT, BLITAR REGENCY: A SWOT AND IE MATRIX APPROACH

Iyan Izazi Huwaina¹, Lukman M. Baga, Wahyu Budi Priatna

Department of Agribusiness, Faculty of Economics and Management, IPB University
Jl. Agatis, IPB Dramaga Campus, Bogor 16680, Indonesia

Article history:

Received
9 May 2025

Revised
3 June 2025

Accepted
14 August 2025

Available online
28 August 2025

This is an open access article under the CC BY license (<https://creativecommons.org/licenses/by/4.0/>)



OPEN  ACCESS

ABSTRACT

Background: Animal husbandry is vital in Indonesia. On March 2, 2020, Indonesia confirmed its first COVID-19 case. Mobility restrictions disrupted egg distribution in the Blitar District. The Ponggok Subdistrict, a key egg-production area, saw a sharp drop in output. Many poultry farmers have struggled because they continue to incur losses. In 2015, Ponggok had 1,151 poultry farmers. This number fell to 1,021 by 2021, mainly because of the COVID-19 pandemic.

Purpose: This study aims to formulate strategic recommendations to enhance the sustainability of smallholder chicken businesses in Ponggok District. This research involves an in-depth analysis of the agribusiness environment surrounding these enterprises, along with a thorough examination of both internal and external factors that influence their operations and viability. By carefully examining these dynamics, this study provides actionable insights and strategies that will not only support the longevity of these businesses, but also contribute to the overall prosperity of the agricultural sector within the region.

Design/methodology/approach: This study was conducted from January to May 2022, utilizing both qualitative and quantitative data collection methods. Qualitative insights were gathered from in-depth interviews with five key stakeholders from the Blitar Regency Livestock and Fisheries Office, and 20 small-scale poultry farmers in Ponggok. The quantitative component involved structured surveys of the key stakeholders. The data analysis employed SWOT analysis and IE Matrix.

Findings/Result: The analysis positioned small-scale laying chicken businesses in the "Hold and Maintain" quadrant of the IE Matrix. This indicates that these businesses are currently stable but require careful management to enhance their growth potential. Based on the findings of the SWOT Matrix, seven strategic alternatives were developed to guide their development and success. These strategies include enhancing collaboration among farmers, which can lead to the sharing of resources and knowledge; improving self-production of feed to reduce dependency on external suppliers; maintaining accurate financial records for better financial health; and strengthening the capacity of farmers through training and access to resources.

Conclusion: Strategic interventions are critical for the sustainability of smallholder poultry farms, particularly in the aftermath of a crisis. By focusing on improving feed cost efficiency, which constitutes a significant expense for these businesses; promoting group-based operations to leverage collective bargaining and shared infrastructure; and implementing supportive policies that encourage growth and stability, we can significantly enhance the resilience and competitiveness of smallholder poultry farms. These efforts will not only support the farmers themselves but will also contribute to the region's overall food security and agricultural sustainability.

Originality/value (State of the art): This study presents a strategic framework for sustaining smallholder layer chicken farms in the face of crisis impacts, utilizing a combined approach of IE Matrix and SWOT analysis in a post-COVID-19 context.

Keywords: business strategy, livestock, laying hens, price fluctuations, SWOT

How to Cite:

Huwaina, I. I., Baga, L. M., & Priatna, W. B. (2025). Strategic business of small-scale layer chicken farming in Ponggok District, Blitar Regency: A SWOT and IE matrix approach. Business Review and Case Studies, 6(2), 268. <https://doi.org/10.17358/brcs.6.2.268>

¹ Corresponding author:

Email: ianizazi@gmail.com

INTRODUCTION

On March 2, 2020, Indonesia confirmed its first COVID-19 case, marking the beginning of a nationwide public health crisis. This was followed by the World Health Organization's () Declaration of the COVID-19 pandemic on March 11, 2020. This impact was profound, disrupting various sectors of the economy. However, the agricultural sector showed notable resilience, particularly the livestock sector. According to the Central Statistics Agency (BPS Kabupaten Blitar, 2022), livestock significantly contribute to Indonesia's economic growth, maintaining an average annual growth rate of 4%. In 2019, the livestock subsector contributed 1.53% to the national GDP (Ditjen PKH, 2021), highlighting its long-term potential as a driver of the agricultural economy.

Livestock plays a crucial role in national development and serves as a primary source of animal protein through the production of meat, milk, and eggs. It involves a diverse range of activities, from animal husbandry to product processing and distribution (Astuti 2018). Beyond its domestic significance, livestock-based agribusiness also enhances Indonesia's export potential and increases its global competitiveness. Saragih (2018) notes that livestock development raises farmers' incomes and builds a competitive advantage for Indonesian agricultural products.

Among the various sectors within livestock, layer chicken farming stands out, offering promising returns owing to its relatively low entry barriers and strong demand for eggs, both locally and internationally. The Blitar Regency in East Java is a central hub for poultry production, particularly in the Ponggok subdistrict. Pambudy (2013) and Nurlaili and Aulia (2019) identified Ponggok as one of the most productive regions for egg production, supported by its flat topography, which is conducive to poultry house construction. Despite this potential, the sector is dominated by small-scale farmers, with 95% classified as smallholders (Dinas Peternakan dan Perikanan Kabupaten Blitar 2021).

The COVID-19 pandemic has created a multidimensional crisis that severely affected the poultry sector. Disruptions in distribution chains, declining demand, and limited local market absorption (with only 5% of the eggs produced in Ponggok being consumed locally) led to significant market imbalances. According to BPS Kabupaten Blitar (2020–2022), egg

production in Ponggok initially rose in 2020 owing to stable prices and continuous supply. However, by 2021, production sharply declined as farmers were forced to shut down operations owing to declining revenues and logistical constraints. This trend is illustrated in Figure 1, which shows the fluctuations in egg production in Ponggok between 2019 and 2021.

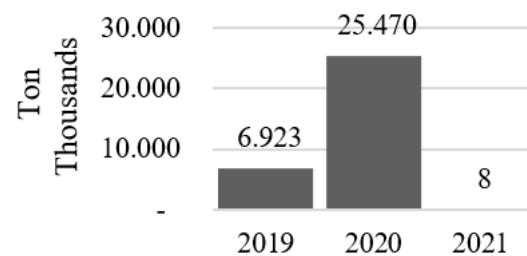


Figure 1. Egg production in Ponggok Subdistrict, 2019–2021

Another challenge is the rising cost of feed, particularly maize, which is a primary component of poultry diets. Maize prices surged to IDR 6,000/kg in September 2021, far exceeding the reference price of IDR 4,500/kg (CNN Indonesia, 2021). Meanwhile, egg prices at the farm level were between IDR 14,500 and IDR 16,000/kg, well below the government benchmark of IDR 19,000 and IDR 21,000/kg (Ditjen PKH, 2021), thereby squeezing farmers' profit margins. As a result, the number of poultry farmers in Ponggok decreased from 1,151 in 2019 to 1,021 in 2021 (Dinas Peternakan dan Perikanan Kabupaten Blitar, 2021).

Layer chicken farming in Ponggok has strong potential, as eggs are a vital source of protein and demand is expected to increase with population growth. To ensure sustainability, it is essential to assess small-scale poultry businesses, understand their environments, and develop resilience strategies to enhance their operations.

Several studies have analyzed the impact of external shocks, such as the COVID-19 pandemic, on livestock agribusiness in Indonesia since March 2020. The pandemic has led to reduced consumption and purchasing power, as well as disruptions in distribution and supply chains. Research by Armelia et al. (2020) and Nisak and Nurohman (2021) found that farmers face rising production costs, reduced labor performance, and increased business uncertainty. Ilham and Haryanto (2020) noted that farmers adopted risk-mitigation strategies, such as diversification and direct-to-consumer sales. However, there is limited research

on smallholder resilience and risk management in high-production areas such as Ponggok, which this study aims to address.

While Ponggok has the potential to become a national center for egg production, the predominance of small-scale farmers makes the sector vulnerable to external shocks. These farmers face several challenges including volatile feed prices, market instability, and limited institutional support. Therefore, a systematic study is required to understand the real conditions on the ground and explore viable strategies for sustainability. This study examines layer chicken farming in the Ponggok Sub-District and its relationship to the business environment. The cost of feed significantly influences the sustainability of these farms, and access to markets and efficient logistics are crucial for small poultry farmers to make a profit. This study also proposes that strategies such as collective marketing and government subsidies for feed can help farmers, especially during challenging economic times. Overall, this research aims to enhance the understanding of risks and resilience in the livestock sector, provide recommendations for policymakers, and develop support strategies for small poultry farmers in the post-pandemic period.

METHODS

This research was conducted in Ponggok District, Blitar Regency, East Java, from January to May 2022. It used both qualitative and quantitative data. The qualitative data provided insights into agribusiness and the environment for laying hens, whereas the quantitative data included figures such as total production and population. Data were collected from primary sources, including interviews and observations, and secondary sources, such as literature studies.

Primary data were collected through interviews with five key stakeholders from the Blitar Regency Livestock and Fisheries Office and 20 small-scale poultry farmers, as well as through field observations. Secondary data relevant to the poultry and agribusiness sectors were obtained from literature reviews.

An Internal Factor Evaluation (IFE) matrix identifies the strengths and weaknesses of smallholder laying hen businesses (David and David, 2017). The External Factor Evaluation (EFE) matrix assesses external influences economic, social, political, and technological

highlighting opportunities and threats to help businesses adapt to their strategies. For strategy formulation, the internal external (IE) Matrix and SWOT framework are utilized. The IE Matrix evaluates strategic positioning by combining the total weighted IFE and EFE scores, identifying distinct strategic actions based on strengths, weaknesses, opportunities, and threats. Based on literature and preliminary observations, this study hypothesizes:

- H1: The sustainability of layer chicken farming in Ponggok is significantly affected by input prices, particularly feed costs.
- H2: Market accessibility and logistics infrastructure are the key determinants of profitability for smallholder poultry farmers.
- H3: Strategic interventions (e.g., collective marketing and government feed subsidies) have a positive impact on farmer susceptibility during economic shocks.

Figure 2 illustrates the research framework. It outlines the flow from data collection (both internal and external factors) to analysis using the IFE, EFE, SWOT, and IE Matrix tools. This framework guides the formulation of appropriate business strategies, based on the strengths, weaknesses, opportunities, and threats identified during the research process.

RESULTS

Overview of Laying Hens Agribusiness

Upstream Subsystem

- Breeding Industry

Blitar Regency depends on external sources for its poultry nursery industry, with seed distribution costs influenced by the distance from supplier locations. Distribution occurs through Technical Sales representatives or agents such as poultry shops. Poultry seed strains, such as Isa Brown and Lohman Platinum, have specific advantages (e.g., productivity, feed conversion, and egg weight), although no strain is universally superior (Sudarmono, 2003). Prices vary depending on the strain and distributor. DOC Isa Brown seed cost, IDR900.00–1,800.00 per head, and Lohman Platinum seeds cost IDR2,000.00–4,000.00 per head. Pullets of the Isa Brown and Lohman Platinum were priced at IDR55,000.00–60,000.00 and IDR56,000.00 per head at 15 weeks of age.

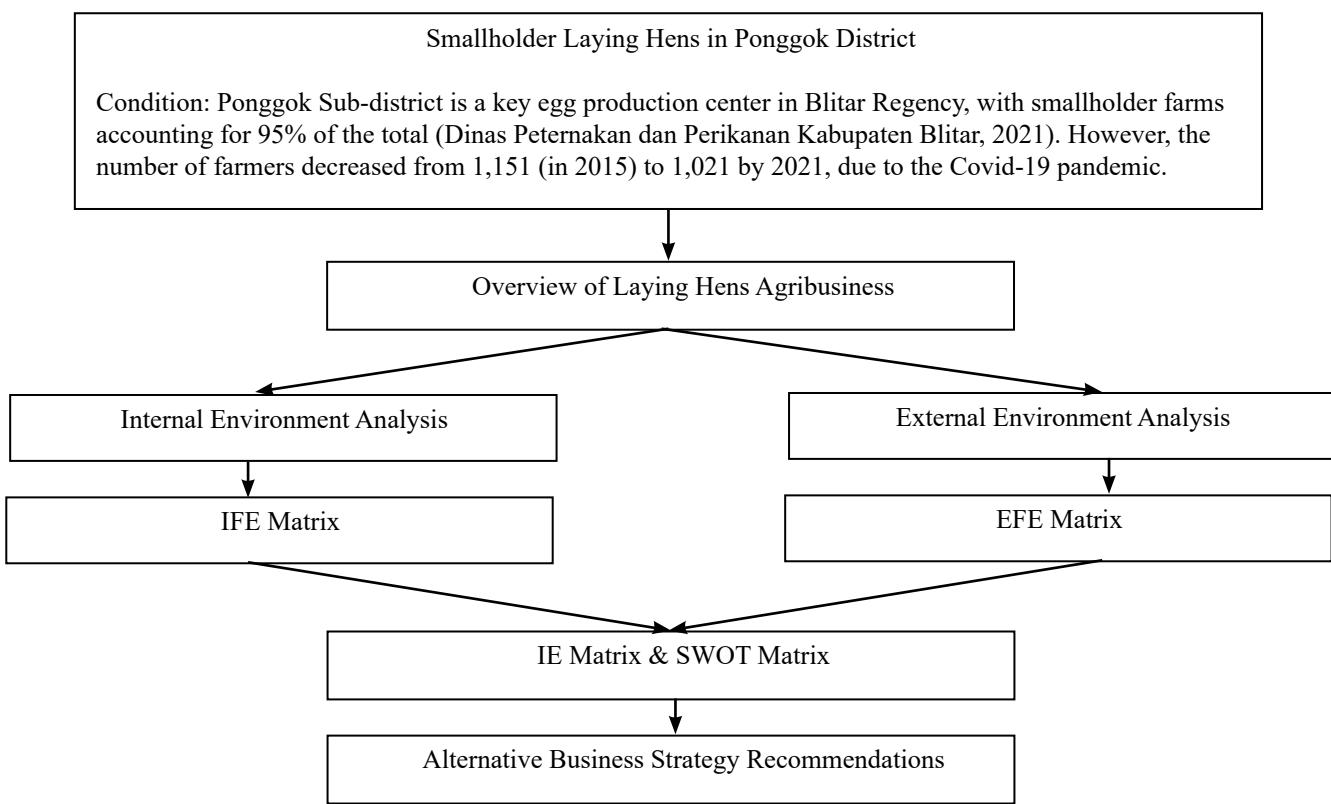


Figure 2. Research framework

- Feed Industry

The feed industry grows in tandem with the breeding industry, and seed companies frequently sell feed products. Corn is a key raw material that accounts for 40–45% of feed prices (Trobos Livestock, 2022). However, the local corn supply meets only a month's demand, with 80% of feed raw materials, including rice bran and concentrate, being imported (Sidik et al. 2006). Between 2011 and 2015, 48.84% of the raw feed materials were imported concentrates (Kemenperin, 2022). Blitar Regency offers feed analysis services through a government-provided laboratory that operates either actively (by visiting farmers) or passively (through on-site testing). However, budget limitations hinder the provision of active services (Laraspati, 2021). Field data show that the maize feed prices at IDR5,000.00–5,600.00/kg, rice bran at IDR4,400.00–4,850.00/kg, and concentrate at IDR450,000.00/bag. Ready-to-eat feed costs ranged from IDR5,600.00 to IDR7,000.00/kg.

- Tool and Equipment Industry

This industry caters to the needs of livestock businesses by providing essential items such as cages, feeding areas, watering areas, lighting, and other necessary

equipment. This industry is easily accessible and readily available in each subdistrict of the Blitar Regency.

Cultivation Subsystem

The cultivation subsystem in the Ponggok Sub-district interconnects the upstream and downstream subsystems. Farmers typically purchase Isa Brown and Lohman Platinum strains, which are dual-purpose chickens that produce eggs and meat. Feed is another crucial factor, as farmers rely on either factory feed or self-mixing feed. Semi-self-mixing feed is preferred because of its cost-effectiveness, although factory feed remains a viable choice for practicality and risk avoidance. Most farmers own chicken coops; however, proximity to settlements (100 m–1 km) is common and generally accepted (Sudarmono, 2003). Farmers primarily raise chickens from Day-Old Chicks (DOC) owing to affordability and control, with production management determining whether DOC or pullets are used. In addition to eggs, by-products include discarded chickens, manure, and feed sacks. Weather changes pose disease risks such as respiratory illnesses, which can potentially lead to production losses of up to 90–100 percent (Suharno, 2012). Preventive measures include vaccination, vitamin intake, and weekly disinfectant sprays.

Downstream Subsystem

- Processing Industry

Eggs in Blitar Regency are primarily sold for household consumption, and processing is largely carried out on a small scale to meet the needs of the food industry. The region has a Processing Cooperative that focuses on egg product processing. In 2021, President Jokowi proposed establishing an egg flour factory in the Blitar Regency to enhance the added value of eggs (Werdiono, 2021).

- Trading Activities

Smallholder farmers in the Ponggok District have five primary channels for selling eggs: poultry shops, collectors, livestock groups, brokers, and direct sales to final consumers, with most opting to sell to collectors. The egg prices observed from February to March 2022 ranged from Rp. 15,500.00 to Rp. 20,000.00 per kg, reaching the lowest average of Rp. 15,500.00, on January 26, and the highest was Rp. 22,750.00 on January 2. The price began to rise again on March 24. Daily price updates are issued by wholesalers and poultry associations, typically between 1:00 p.m. and 3:00 p.m. To prevent price manipulation by collectors, smallholder farmers actively seek market price information, primarily through WhatsApp groups (72%), apps (11%), online sources (11%), and Facebook groups (6%). Conventionally, some also gather information from fellow breeders or traders. Marketing margins increase when actors add value, such as by sorting broken, cracked, or dirty eggs. Some farmers in Ponggok also separate eggs by color and size, although many rely on collectors for detailed grading and quality control.

Supporting Subsystem

- Infrastructure

In Blitar Regency, road conditions are challenging, with 32 percent of the roads being dirt and 18 percent gravel or macadam (Nurlaili and Aulia, 2019). Although major roads in the Ponggok District are accessible, many are damaged, and roads leading to livestock pens are not suitable for large trucks. Egg transportation is typically performed using a collector's vehicle, while smallholder farmers use private vehicles (such as pick-

ups or motorbikes) for input material purchases or rely on seller deliveries.

- Credit and Capital

Regarding capital, 34 percent of farmers use the Kredit Usaha Rakyat (KUR) program for financing. However, financial management issues, including poor financial administration and the non-payment of loans, contribute to challenges in the capital sector.

- Insurance

There are no insurance institutions in Ponggok District or Blitar Regency. Farmers must carefully assess their business risks to mitigate potential losses because insurance options are often unavailable for livestock businesses (Srirahayu and Adi, 2021).

- Research and Development

Blitar Regency benefits from facilities such as accredited feed laboratories and animal health centers. Community-based development of smallholder farmers is growing, supported by farmer group cooperatives, although cooperatives face challenges such as inefficiency and perceptions that they benefit only large breeders (Laraspati, 2021; Srirahayu and Adi, 2021).

- Government Policy

Government policies, such as the 2020 Minister of Trade Regulation on reference prices and the inclusion of eggs in social programs like PKH and BPNT, aim to stabilize egg prices and boost demand. These policies positively influence the egg-farming industry by increasing market demand (Ilham and Saptana, 2019) data of the study were collected by interviewing officers from related agencies, breeders, associations and egg traders in West Java Province. Price fluctuation was estimated using coefficient of variation. Factors influencing egg price fluctuation was analyzed descriptively. Egg price for the last five years kept increasing. Average egg price in 2018 was higher than those in last four years. High egg price at farm level affected its retail price in Jakarta. Increased egg price was due to increases in feed and DOC prices, and decreased egg production affected by disease attacks. At the same time the demand for egg enhanced along with National Religious holidays, school vacations, and foot ball world cup shows. Biosecurity, hygienic

pens, and response to disease attack need improvement. Prohibition of AGP (Antibiotic Growth Promoters).

Environmental Identification

- Internal Environment Identification

The identification of the internal environment focuses on the strengths and weaknesses of the layer chicken farming business in the Ponggok District (Table 1).

Strengths

1. Farmers of productive age: Most farmers are in their productive years, which influences motivation and ease of technology adoption, thus supporting business sustainability (Hartono et al. 2021).
2. Educated farmers: Farmers generally have formal education up to junior high school, fostering forward-thinking capabilities (Viana, 2012).
3. Ownership of land, cages, and equipment: Farmers own key production factors, such as land and equipment, offering flexibility and reducing rental expenses.
4. Awareness of information needs: Farmers actively seek information through WhatsApp groups and online platforms, highlighting the importance of this information for their business sustainability.

Weaknesses

1. Simple management and operation system: Management and operations are still traditional, using basic tools, such as hoes and bamboo cages.
2. Limited value-added activities: Activities such as sorting and grading eggs are not fully optimized and are often seen as the responsibility of collectors.
3. Simple financial records: Most farmers do not maintain detailed financial records, which increases the risk of inefficiency and bankruptcy.
4. Semi-self-mixing feed: Dependence on imported concentrate for semi-self-mixed feed makes costs highly sensitive to global price fluctuations (Pambudy, 2013; Sidik et al. 2006).
5. Limited capital: Farmers rely on personal funds, which are often insufficient and hinder business performance and activities.

- External Environment Identification

The identification of external factors highlights the opportunities and threats faced by smallholder laying hens in Ponggok District (Table 2). This identification was based on interviews, observations, and literature.

Opportunities

1. Indonesia in the PEN Period: The National Economic Recovery (PEN) program, initiated to mitigate the economic impact of COVID-19, is set to continue for several years (Prasetyo, 2022). In 2021, household consumption increased by 2.02 percentage points from a decline of 2.63 percentage points, and the global economy is projected to grow by 4.4 percent by 2022 (Bank Indonesia, 2022). Economic growth creates opportunities for smallholder businesses to expand and thrive.
2. Population Growth in Indonesia: Indonesia's population, currently 273 million, is expected to grow by 0.94 percent annually between 2020 and 2025 (BPS, 2018). This growth has increased the demand for food products, including eggs, presenting a market opportunity for livestock businesses.
3. Regulations Supporting Fair Business Competition: Law No. 11 of 2020 on Job Creation amends previous regulations to promote fair business practices by prohibiting monopolistic behavior and unfair competition. This creates a more conducive environment for smallholder farmers, who often have low bargaining power and are vulnerable to cartel practices.
4. Advances in Science and Technology: The development of science and technology (IPTEK) offers solutions to various challenges in the livestock sector.
5. Tools such as AKUVet, financial record applications, and e-commerce platforms can enhance efficiency and problem-solving capabilities, thereby creating opportunities for growth and innovation.

Threats

1. Adoption of Closed House Cages: Modern closed house cage systems improve production performance and operational income (Mukminah and Purwasih, 2020; Pakage et al. 2020). However, the high capital required to adopt this technology poses a threat to smallholder farmers who may

struggle to compete with large-scale operations.

- Influence of Government Policies: Policies such as Minister of Trade Regulation No. 7 of 2020 on reference prices and programs such as PKH and BPNT can impact the laying hen business. Additionally, rules outside the sector, such as Hatching Egg regulations, may indirectly affect farmers. Not all policies benefit all stakeholders, which poses challenges for smallholders.
- Emergence of New Competitors: The poultry sector's profitability attracts new entrants,

particularly in regions such as East Java, which currently contributes 32.55 percent of national egg production. The expansion of laying hen businesses in non-producing areas could reduce the market share of farmers in the Ponggok District.

- Uncertainty in Selling Prices: Daily price fluctuations for eggs create uncertainty for smallholder farmers who cannot control the market prices. High prices increase income, whereas low prices reduce profitability, leading to challenges in financial stability and planning.

Table 1. IFE Matrix analysis results

Factors	Weight (a)	Rating (b)	Score (a x b)
Strengths - S			
Most of the farmers are of productive age	0.12	3.33	0.413
Educated farmers	0.11	3.00	0.333
Ownership status of own land, cages, and equipment	0.10	3.67	0.356
Farmers are aware of the need for information	0.12	3.00	0.347
Weaknesses - W			
Simple management and operation system	0.09	1.67	0.154
The creation of added value has not been maximized (sorting and grading)	0.12	1.33	0.160
Simple financial records	0.10	1.83	0.189
Feed semi self-mixing	0.13	1.83	0.229
Limited capital	0.11	2.17	0.241
Total	1.00		2.423

Table 2. EFE Matrix analysis results

Factors	Weight (a)	Rating (b)	Score (a x b)
Opportunities – O			
Indonesia in the PEN period	0.15	3.83	0.582
Indonesia's population growth grows by 0.94 percent in the 2020-2025 period	0.13	3.17	0.424
Regulations prohibiting unfair business competition	0.13	3.33	0.437
The development of science and technology that supports livestock business	0.11	3.67	0.404
Threats – T			
Application of closed house cage	0.10	1.33	0.127
Influence of government policy	0.12	1.33	0.157
The emergence of new competitors	0.13	1.67	0.211
Uncertainty when selling	0.13	2.00	0.268
Total	1.00		2.609

Livestock Business Strategy

IE Matrix

The IFE and EFE matrices indicated that the total IFE score was 2.423, while the total EFE score was 2.609. Below is the formulation of the IE Matrix for the smallholder layer chicken farming business in the Ponggok District. Based on the results of the IE Matrix formulation, the position of the smallholder layer chicken farming business falls into quadrant V, categorized as Hold and Maintain (Figure 3). This position indicates that a business can adopt strategies such as market penetration and product development.

SWOT Matrix

The SWOT Matrix helps formulate alternative strategies by analyzing internal strengths and weaknesses, as well as external opportunities and threats. Table 3 presents the alternative strategies.

SO Strategy

Leveraging existing facilities and adopting technology to boost productivity by utilizing strengths such as productive-age breeders, educated farmers, and self-owned resources. These strengths align with opportunities, such as advancing technology, which significantly impacts productivity (Fauzan, 2017; Matandra, 2018). Collaboration among farmers and stakeholders (e.g., government and universities) strengthens market positioning, addresses challenges

such as low bargaining power, and fosters sustainable business outcomes (Raharja, 2009; Srirahayu and Adi, 2021).

WO Strategy

Maintain detailed financial records to address weaknesses such as limited capital and simple financial systems. This approach facilitates efficient financial management by leveraging technological advancements to enhance business decision-making (Cahyo, 2019; Kementrian Koperasi dan UKM, 2022) by understanding the business owner profile to analyse SWOT (strength, weakness, opportunity, threat). Additionally, product quality can be enhanced through sorting, grading, and using quality feed to tap into expanding markets, as consumer preferences for eggs rely on quality standards (Herawati, 2014; Tumion et al. 2017).

ST Strategy

Enhance human resource quality through continuous training and counseling, leveraging strengths such as farmers' productive age, education, and openness to information. It mitigates threats from competitors and enhances entrepreneurial competence (Aji, 2018; Pelafu et al. 2018). Furthermore, optimizing policies that support smallholder farmers can help counter challenges, such as unfair competition and policy uncertainty, thereby ensuring a conducive business environment (Saptana et al. 2002; Yusdja et al. 2004).

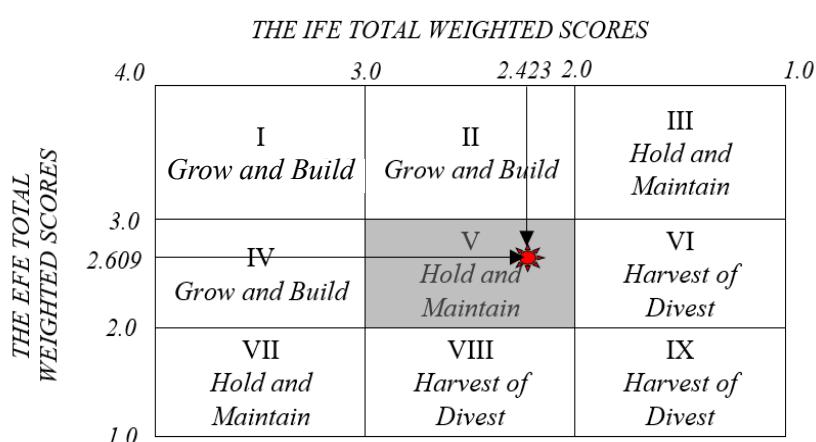


Figure 3. IE Matrix Analysis

Table 3. SWOT Matrix analysis results

SWOT Analysis	Strategic Recommendation
SO Strategy (Strength–Opportunity)	<ul style="list-style-type: none"> Use existing land and facilities to adopt low-cost tech tools. Strengthen farmer–stakeholder collaboration to seize growing egg market opportunities.
WO Strategy (Weakness–Opportunity)	<ul style="list-style-type: none"> Improve financial literacy and regular bookkeeping. Improve egg product quality through sorting and standard feed usage.
ST Strategy (Strength–Threat)	<ul style="list-style-type: none"> Provide ongoing training to enhance human resource quality and innovation. Advocate for policies that promote fair market access and pricing for smallholders.
WT Strategy (Weakness–Threat)	<ul style="list-style-type: none"> Optimize use of limited capital by focusing on collective feed production. Adopt digital tools to reduce operational inefficiencies and market uncertainty.

WT Strategy

Optimize capital use to address inefficiencies caused by simple operational systems and limited resources. The efficient allocation of production factors, such as labor and capital, significantly improves production value, enabling sustainable business development despite external threats (Wakhidati et al. 2017).

Managerial Implications

Laying hen farmers should encourage group-based self-production of feed to reduce costs and address capital limitations, while simultaneously enhancing their capacity to improve operational efficiency. Furthermore, it is essential to strengthen communication and collaboration among farmers through farmer groups, as well as with government authorities, to establish a fair business environment through rigorous monitoring and enforcement of unfair practices. By adopting a hold-and-maintain strategy and capitalizing on opportunities arising from national economic recovery, farmers can ensure the sustainability of their businesses amid prevailing market uncertainty.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

The layer chicken agribusiness in the Ponggok District faces structural challenges across all subsystems. Key issues include rising feed prices, limited working capital, basic production management, and unstable egg market price. Internally, most farmers are of productive age and possess production facilities, but they are constrained by limited capital and traditional management practices. Externally, economic recovery

and population growth present opportunities, whereas market price fluctuations and technological competition pose threats.

The IE Matrix positioned the business in the “Hold and Maintain” quadrant, indicating a need for focused improvements rather than expansion. The SWOT analysis identifies seven strategic recommendations aimed at improving financial resilience, technological adaptation, and collaborative networks.

Recommendations

Internal Empowerment: Farmer groups should be encouraged to produce their own mixed feed to reduce dependency on external suppliers and increase cost efficiency. Provide capacity-building programs for financial record keeping and business planning.

Government Support: Establish structured communication forums between farmers and local governments to ensure inclusive policymaking. Implement monitoring mechanisms to address unfair pricing practices and ensure the protection of smallholders from market competition.

Market Adaptation: Promote value-added practices (such as grading, packaging, and sorting) to enhance product competitiveness. Supporting the adoption of digital platforms for marketing, coordination, and price updates.

FUNDING STATEMENT: This research did not receive any specific grants from funding agencies in the public, commercial, or not-for-profit sectors.

CONFLICTS OF INTEREST: The authors declare no conflict of interest.

REFERENCES

Aji, V. P. (2018). Perilaku penemuan informasi di kalangan peternak ayam petelur di Kabupaten Blitar (Skripsi). Universitas Airlangga.

Armelia, V., Arkan, N. D. and Setianto, N. A. (2020), "Dampak sosial ekonomi covid-19 terhadap usaha peternakan broiler di Indonesia", Universitas Jenderal Soedirman, pp. 161–167.

Astiti, N. M. A. G. R. (2018). Ilmu peternakan (B. M. Yamin, Ed.). Denpasar: Penerbit Universitas Warmadewa.

Bank Indonesia. (2022). Laporan Tahunan 2021. Jakarta.

BPS. (2018). Statistik harga produsen pertanian tahun 2018. Jakarta: BPS.

BPS Kabupaten Blitar. (2020). Kabupaten Blitar dalam Angka 2020.

BPS Kabupaten Blitar. (2021). Kabupaten Blitar dalam Angka 2021.

BPS Kabupaten Blitar. (2022). Kabupaten Blitar dalam Angka 2022.

Cahyo, A. D. (2019). Strategi pengembangan agribisnis peternakan ayam petelur di Kabupaten Kediri. Manajemen Agribisnis: Jurnal Agribisnis, 19(2), 1. <https://doi.org/10.32503/agribisnis.v19i2.647>

CNN Indonesia. (2021). Kisruh data stok jagung 2,3 juta ton Kementan vs Kemendag. <https://www.cnnindonesia.com>

David, F. R., & David, F. R. (2017). Strategic management: A competitive advantage approach, concepts and cases (16th ed.). England: Pearson Education Limited. <https://doi.org/10.1007/978-3-322-84457-6>

Disnakan Kabupaten Blitar. (2021). Laporan hasil analisis pendataan peternakan tahun 2021.

Ditjen PKH. (2021). Laporan Kinerja 2020. Jakarta: Kementerian Pertanian.

Fauzan, A. (2017). Uji beda pendapatan peternak ayam ras petelur dengan pemberian kredit perbankan di Kabupaten Langkat (Tesis). Universitas Sumatera Utara.

Hartono, B., Febrianto, N., & Akhiroh, P. (2021). Socio-economic profile of small-scale laying chicken farmers in Blitar Regency Indonesia. IOP Conference Series: Earth and Environmental Science, 788(1). <https://doi.org/10.1088/1755-1315/788/1/012210>

Herawati, D. Y. (2014). Preferensi konsumen terhadap pembelian telur ayam ras di Kota Mojokerto (Skripsi). Universitas Brawijaya.

Ilham, N., & Haryanto, G. (2020). Dampak Pandemi Covid-19 pada produksi dan kapasitas peternak. (3):193–214.

Ilham, N., & Saptana. (2019). Fluktuasi harga telur ayam ras dan faktor penyebabnya. Analisis Kebijakan Pertanian, 17(1), 27–38. <https://doi.org/10.21082/akp.v17n1.2019.27-38>

Kemenperin. (2022). RI incar perluasan ekspor CPO dan minyak goreng ke Pakistan. <https://kemenperin.go.id/artikel/23358>

Kementerian Koperasi dan UKM. (2022). Pentingnya pencatatan keuangan pada bisnis Anda – SMEsta. <https://smesta.kemenkopukm.go.id>

Laraspati, A. (2021). Jadi penghasil telur ayam nasional, Blitar dapat ragam fasilitas ini. <https://news.detik.com>

Matandra, Z. (2018). Pengaruh teknologi informasi terhadap produktivitas dan kinerja karyawan UMKM di wilayah Kota Makassar (Skripsi). UIN Alauddin Makassar.

Mukminah, N., & Purwasih, R. (2020). Profitabilitas usaha peternakan ayam broiler dengan tipe kandang yang berbeda. Jurnal Ilmiah Ilmu dan Teknologi Rekayasa, 2(1), 1–6. <https://doi.org/10.31962/jiitr.v2i1.54>

Nisak, I., & Nurohman, D. (2021). Strategi bertahan peternak ayam pullet dalam menghadapi Pandemi Covid-19 di Plosoklaten Kediri. Juremi J Ris Ekon. 1(3):203–212.

Nurlaili, R., & Aulia, U. (2019). Penentuan lokasi sentra produksi komoditas. Jurnal Teknik ITS, 8(2), C207–C212.

Pakage, S., et al. (2020). Production performance measurement of broiler in closed house system and open house system in Kabupaten Malang Jawa Timur Indonesia. Jurnal Sain Peternakan Indonesia, 15(4), 383–389.

Pelafu, F., Najoan, M., & Elly, F. H. (2018). Potensi pengembangan peternakan ayam ras petelur di Kabupaten Halmahera Barat. Jurnal Zootek, 38(1), 209–219.

Pambudy, R. (2013). Pengkajian ulang ... agribisnis ayam ras pedaging dan petelur di Indonesia. Dalam Penelitian Unggulan Departemen Agribisnis (hlm. 151–176). Bogor: IPB University.

Prasetyo. (2022). Tahun 2022 pemulihan ekonomi jalan terus, Millennials kontribusi yuk! <https://djikp.kominfo.go.id>

Raharja, S. (2009). Kolaborasi sebagai strategi bisnis masa depan. Jurnal Administrasi Bisnis, 5(1),

44–53.

Saptana, Sayuti, R., & Noekman, K. M. (2002). Industri perunggasan: memadukan pertumbuhan dan pemerataan. *Forum Penelitian Agro Ekonomi*, 20(1), 50–64.

Saragih, B. (2018). Agribisnis: Paradigma baru pembangunan ekonomi berbasis pertanian. Bogor: IPB Press.

Sidik, M. A., et al. (2006). Pembangunan kawasan industri peternakan (KINAK) ayam ras petelur di Kabupaten Blitar. Bappeda Blitar.

Srirahayu, D., & Adi, I. R. (2021). Pengembangan ekonomi lokal dan peran koneksi global lokal dalam peningkatan wawasan peternak ayam layer di Kabupaten Blitar. *Jurnal Kajian Wilayah*, 12(1), 61–82. <https://doi.org/10.14203/jkw.v11i2.890>

Sudarmono. (2003). Pedoman pemeliharaan ayam ras petelur (5th ed.). Yogyakarta: Kanisius.

Suharno, B. (2012). Agribisnis ayam ras (T. Kamal, Ed., 1st ed.). Jakarta: Penebar Swadaya.

Trobos Livestock. (2022). Peternak layer menjerit.

Trobos Livestock, Edisi Maret.

Tumion, B., et al. (2017). Pengaruh biaya pakan dan tenaga kerja terhadap keuntungan usaha ayam ras petelur milik Vony Kanaga di Kelurahan Tawaan Kota Bitung (studi kasus). *Zootec*, 37(2), 207–215. <https://doi.org/10.35792/zot.37.2.2017.15800>

Viana, N. L. (2012). Analisis faktor-faktor yang berhubungan dengan motivasi peternak dalam usaha beternak ayam ras petelur di Kecamatan Srengat Kabupaten Blitar (Skripsi). Universitas Brawijaya.

Wakhidati, Y.N., et al. (2017). Efisiensi usaha peternakan ayam broiler di Kabupaten Magelang. Prosiding Seminar Teknologi dan Agribisnis Peternakan V, 396–403.

Werdiono, D. (2021). Peternak ayam Blitar tunggu realisasi janji presiden. *Kompas.id*.

Yusdja, Y., Ilham, N., & Sayuti, R. (2004). Tinjauan penerapan kebijakan industri ayam ras. *Forum Penelitian Agro Ekonomi*, 22(1), 22–36.