



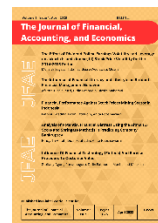
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From Bean to Brand: Innovative Strategies for Enhancing the Economic Value of Coffee in Watutau Village, Lore Peore Subdistrict, Poso Regency, Central Sulawesi Province

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ARTICLE INFO	ABSTRACT
<p><i>Article History:</i> Submitted: 17 February 2024 Reviewed: 21 March 2024 Revision : 14 April 2024 Accepted : 25 May 2024 Available online: 26 July 2024</p> <hr/> <p><i>Keywords:</i> product innovation, Watutau coffee, UMKM, post-harvest processing, branding</p> <hr/> <p><i>Corresponding Author:</i> Indra Setiawan email: indrsetiawan8@gmail.com</p>	<p>Indonesia is one of the largest coffee producers in the world, but the country's contribution to global coffee exports has declined significantly, mainly due to the low added value of coffee products that are still sold in raw form. Meanwhile, domestic coffee consumption continues to increase, providing opportunities for Micro, Small, and Medium Enterprises (MSMEs) to develop coffee products with higher added value. This study focuses on Watutau Village, which is famous for its high-quality coffee, but has not been optimal in utilizing this potential. The majority of coffee farmers in Watutau Village still sell raw coffee beans, which results in low product sales value and farmer welfare. Therefore, this study explores the potential for innovation in processing, packaging, and branding to increase the competitiveness and income of coffee MSMEs in the village.</p> <p>Through a qualitative approach and case studies, this study identifies the challenges faced by farmers and MSMEs in increasing the added value of coffee, and develops innovative strategies involving post-harvest processing, attractive packaging, and building a strong brand identity. This study also aims to strengthen the local coffee MSME sector and increase farmers' income. The results of the study are expected to provide theoretical contributions in the field of entrepreneurship and agribusiness product innovation, as well as practical guidance for business actors and local governments in designing economic empowerment programs based on local potential.</p>

INTRODUCTION

Indonesia has a strong reputation as one of the world's largest coffee producers, integrating tradition, culture, and agribusiness into the global supply chain. Despite having a variety of coffee types with unique flavors originating from various regions, there is a real push to increase the added value of coffee products that are still widely sold in their raw state (Adithia & Jaya, 2021; Hanafie et al., 2020). The decline in Indonesia's contribution to global coffee exports may be related to low processing and innovation in products, which often makes Indonesian coffee products unable to compete in an increasingly competitive global market. This indicates the need to strengthen the

coffee processing sector, so that it can increase the competitiveness of Indonesian coffee products in the international market (Fitria et al., 2022; Rachmasari & Suprapti, 2022). Therefore, the development of innovative coffee processing techniques and attractive packaging is an important step in facing the challenges of the globalization of the coffee market.

MSMEs in Indonesia, especially in rural areas, often face various obstacles, including limited capital and market access, as well as challenges in product innovation (Dewi et al., 2021). Product innovation includes processing and packaging techniques, as well as the development of marketing strategies that are adaptive to changing market trends. In addition, MSMEs also need to pay attention to how to deal with changing market dynamics, which requires an understanding of consumer demand and the latest technological developments (Fitria et al., 2022; Puspitasari et al., 2022). In this context, a structured training and mentoring approach is essential to equip MSMEs with the skills needed to increase their competitiveness. Training that focuses on strengthening branding and effective marketing strategies, for example, will have a significant impact on strengthening product positions in local and international markets (Khair et al., 2020; Prihatiningsih et al., 2020). Therefore, it is important for MSMEs to get the right support to maximize their potential and overcome challenges in facing market competition.

Watutau Village, located in the conservation area of Lore Lindu National Park, has great potential in developing local coffee. Although known for its quality coffee products, many farmers in this village still sell coffee in raw form, so that its economic value decreases (Hanafie et al., 2020; Puspitasari et al., 2022). Problems faced by coffee farmers in this village include a lack of knowledge about the importance of branding and marketing, which are the main factors in the suboptimal quality of coffee products from the area. With increasing global competition, coffee farmers in Watutau need new strategies to increase the selling value of their products. Therefore, efforts are needed to educate farmers about the importance of innovation in product processing and marketing in order to increase the competitiveness of Watutau coffee (Prihatiningsih et al., 2020; Ramadhan et al., 2024). Innovative strategies involving better processing, attractive packaging, and effective marketing will be key for coffee MSMEs in Watutau to create high-value products that can compete in both local and international markets (Dewi et al., 2021; Setyawan & Utami, 2023).

In this research effort, it is expected to identify strategic steps that can be adopted by MSMEs to improve their business performance through product innovation and branding. With an in-depth qualitative approach, this study aims to explore innovative practices that can be applied in the village, considering the existing local cultural and economic context. This study also aims to provide deeper insight into creative ways that can be used to increase the productivity and competitiveness of local coffee products. Not only focusing on identifying strategies, this study will also create an economic empowerment model that can be used as a reference for other areas with similar characteristics. Thus, the results of this study are expected to provide a significant contribution to economic empowerment efforts in rural areas, especially in the coffee sector (Nursetiawan et al., 2023). In addition, this study also aims to enrich the existing literature on product innovation in the agribusiness and entrepreneurship sectors.

Overall, this study is expected to contribute to the development of literature in the field of entrepreneurship and agribusiness product innovation, as well as offer practical guidance for business actors and local governments in facing the challenges faced by the local coffee MSME sector. It is also expected to provide concrete suggestions that can be implemented by business actors to develop their products and expand markets, both locally and globally. In addition, it is important for local governments to provide policy support that can encourage innovation in the processing and marketing of local coffee products. Thus, this study has the potential to create a positive impact on the coffee sector in Indonesia, which in turn can improve people's welfare (Fitria et al., 2022; Rachmasari & Suprapti, 2022). The government and MSME actors need to work together to create a climate that supports innovation and economic empowerment in the coffee sector.

The concept of added value is a key element in improving the economy of coffee products, the significance of which cannot be ignored in the context of agribusiness. Added value can be achieved through various means, including efficient processing, innovative packaging, and effective marketing strategies. Good coffee processing not only improves product quality but can also extend the shelf life of coffee and increase its appeal to consumers. Proper coffee processing can produce a richer flavor, which will make the product superior to conventionally produced coffees (Aprianto & Ekowati, 2024; Prihatiningsih et al., 2020). Attractive and functional packaging also plays an important role in increasing the selling value of coffee, where packaging not only protects the product but also becomes a communication tool to convey the quality and image of the product to consumers. Therefore, the development of appropriate post-harvest techniques is expected to increase the income of coffee farmers and strengthen the competitiveness of products in the market, contributing to improving the economic welfare of the community (Soengkono & Sari, 2015).

Innovation in processing and packaging is also very important in this context. For example, the transformation of raw coffee into premium ground coffee products that are well packaged is a real example of creating added value. Attractive packaging innovation can strengthen the product image and provide more value to consumers, which will expand the market potential for the coffee product. Good packaging also functions to maintain the freshness of the coffee, reduce damage, and increase the attractiveness of the product in the eyes of consumers (Rohaenah et al., 2023). In coffee development, attractive packaging can strengthen the product image and increase purchasing interest, which is very important in a competitive market. Therefore, investment in product packaging development is a strategic step that should not be missed by business actors in the coffee sector, because packaging is not only a protector but also an important element in product marketing (Putra et al., 2023). With the right packaging, coffee products can be more easily accepted by consumers and create higher loyalty.

Branding is also an important aspect in creating the sustainability of local products. The branding process includes developing a strong and authentic product identity, including elements such as the name, logo, and product narrative related to the value and quality offered (Kustyawati et al., 2022; Maharani, 2019). A successful branding process can help local coffee products gain a place in the hearts of consumers and create a clear differentiation from competing products. The success of branding in the coffee industry depends heavily on how the product image and story are communicated to consumers, which in turn can create customer loyalty and open up new market access. Good branding can transform ordinary coffee products into a brand that has a unique story and consistent quality, making it more recognizable in the market (Karya et al., 2023; Safara et al., 2024). In Watutau Village, building strong branding for local coffee products is a crucial step to increase competitiveness at the national and global levels, as well as attracting the attention of consumers who are increasingly selective and diverse in their preferences (Sunarharum et al., 2023).

Thus, to optimize its economy, coffee MSMEs in Watutau Village need to implement innovative strategies in processing, packaging, and branding to increase the economic value of their products. An approach that integrates these three elements can bring positive synergy effects, create wider market opportunities, and increase local community income. Innovation in processing can produce better quality products, attractive packaging can strengthen product appeal, and strong branding can create consumer loyalty. These three elements, if implemented properly, will help coffee MSMEs in Watutau to grow and compete in an increasingly dynamic market (Ahnaf, 2023; Putra et al., 2023).

This study is based on relevant theories to understand the dynamics of innovation and value-added strategies. (Fitra et al., 2024; Permana, 2024) Rogers (2003) diffusion of innovation theory explains how new ideas and technologies spread in society, which in this context relates to the adoption of innovative coffee processing and packaging. This is supported by research that shows

the importance of technology adoption in increasing the efficiency of coffee production and innovation in accelerating the transformation of coffee from raw fruit to high-value-added products, such as premium packaged ground coffee (Fitra et al., 2024; Permana, 2024). Meanwhile, Porter's (1985) value chain theory provides a framework for analyzing how each stage in the production to distribution process can generate greater value. A study on the comparative advantage of coffee exports in Indonesia recommends developing a strategy that includes improving product quality and diversity, which is in line with the value chain framework (Ramadhana et al., 2024; Ramadhani & Husen, 2024).

By integrating these two theories, we can design strategies that are applicable and appropriate to local needs. Research exploring inclusive business models in coffee production in Bali provides concrete examples of how increasing the capacity of farmers and MSMEs in terms of technical and marketing strategies can increase the economic value of local coffee, strengthen product competitiveness in the global market, and contribute to farmer welfare (Rosmeli, 2019; Sedana & Astawa, 2019). In this context, strengthening farmer capacity is an important key in creating a product development model that not only strengthens the market position of Watutau coffee but also provides broad social and economic impacts.

It is hoped that through this research, a product development model will emerge that is in line with the challenges faced by coffee players in Watutau. Previous research has shown that involving local communities in product development and branding is very important to create a sustainable coffee industry based on innovation and empowerment. The transformation of coffee from fruit to branding is a symbol of a paradigm shift in local business management based on innovation and empowerment (Amrulloh et al., 2021; Fakhruddin & Roidah, 2023). This research is an initial step in answering challenges and opening up opportunities for Watutau coffee to penetrate a wider market with higher value (Ibnu, 2022; Rahman et al., 2024).

RESEARCH METHODOLOGY

This research methodology uses a descriptive qualitative approach with a case study method, which functions to explore innovative strategies in increasing the economic value of coffee in Watutau Village. The selection of this approach is very appropriate to understand complex and contextual phenomena, especially in the processing, packaging, and branding of local coffee by village-based MSMEs. Watutau Village, located in Sigi Regency, Central Sulawesi, is famous for the quality of the coffee it produces, but faces major challenges in terms of product development and marketing. A qualitative approach allows researchers to more deeply understand the social and cultural dynamics that influence coffee production, as well as the innovations that need to be made to increase its competitiveness. This study aims to provide insight into how MSMEs in this village can create significant added value through innovative strategies that are relevant to their local context. This research is also expected to contribute to the development of more sustainable local coffee products that can compete in the global market (Pahleviannur et al., 2022).

Data collection in this study was carried out using a variety of complementary techniques, namely in-depth interviews, participant observation, and documentation. Interviews were conducted with various parties directly involved in the coffee production process, such as coffee farmers, MSME actors, community leaders, and other related parties, including institutions that have influence in the coffee industry. Through these interviews, researchers can gain a rich perspective on the challenges and opportunities faced by coffee farmers and MSME actors in developing their coffee products. In addition, participant observation was used to directly understand the coffee processing process, as well as to identify innovative steps that have been implemented by the local community. Documentation techniques, such as data collection related to MSME activity reports and marketing documents, were also used to obtain a more comprehensive picture of the strategies that have been implemented. The triangulation of sources

and methods in this study aims to ensure the validity and reliability of the data obtained, as well as to minimize bias in the data collection process (Iryana, 2019; Wahyudi, 2019).

The data analysis process in this study follows the interactive model developed by Miles and Huberman, which includes three main steps: data reduction, data presentation, and continuous drawing of conclusions. Data reduction is done by organizing and filtering the data that has been collected to focus on relevant and important information to answer the research questions. Data presentation is done by arranging the data in a form that is easy to understand and analyze, either in narrative form or tables that describe the main findings of each data collection technique. Drawing conclusions is done after the data has been analyzed in depth, ensuring that the conclusions drawn reflect valid realities and are in accordance with the local context. This analytical approach allows researchers to explore patterns that emerge in the data and make appropriate interpretations regarding innovative strategies that need to be implemented by the Watutau Village community. This analysis model has proven effective in previous studies that examine the social and economic dynamics of communities in various regions (Junaidi & Assya'bani, 2022; Okviosa, 2022). In addition, similar techniques can also be applied in research aimed at developing coffee products that are more adaptive to the needs and desires of local communities (Setiawan & Lufina, 2024).

Through this methodology, it is expected that the research can provide a deep understanding of innovative strategies that can be adopted by the Watutau Village community in increasing the added value of their coffee products. One of the main objectives of this study is to identify best practices that can be applied in coffee processing, packaging, and marketing of local coffee that are in accordance with the characteristics of the local community. In addition, this study aims to encourage active participation from the community in the product innovation process, which has been proven to have a positive impact in many other communities. Community involvement in the innovation process not only enriches the products produced, but also strengthens the sense of ownership and responsibility for the sustainability of the product. The findings of this study are also expected to be a useful reference for the development of local government policies in supporting local coffee product innovation. Thus, this research is expected to make a significant contribution to the development of the local economy, as well as improving the welfare of coffee farmers and MSMEs in Watutau Village (Citra & Pitana, 2023; Hakim & Amalia, 2023).

By using a systematic qualitative approach and in-depth analysis techniques, this study is expected to provide important contributions to the development of literature on product innovation and entrepreneurship in the context of agribusiness. The results of this study can enrich insights into how innovation in coffee products can be carried out in a relevant and effective manner, and in accordance with local and global market demands. On the other hand, this study can also serve as a model or reference for other regions that have similar potential in developing coffee products. Given the challenges faced by coffee farmers and MSMEs in marketing their products, the findings of this study can also provide valuable insights for related parties in increasing support for the MSME sector, both in terms of training, mentoring, and market access. Therefore, the results of this study are expected to not only have a positive impact on the people of Watutau Village, but also provide inspiration for other regions in increasing the added value of their coffee products.

RESULTS AND DISCUSSION

Results

Analysis of Coffee Farmer Conditions in Watutau Village and Potential for Packaging Product Innovation

Current conditions show that the majority of coffee farmers in Watutau Village still sell coffee beans in raw form. This reflects that post-harvest processes, such as grinding or roasting coffee beans, are not yet common at the farmer level. As a result, farmers only get relatively low and

unstable selling prices. This condition has the potential to cause significant negative impacts on the income and economic welfare of farmer households.

Price instability makes it difficult for farmers to plan sustainable income. Low selling prices also make it difficult for farmers to meet basic needs and improve their standard of living. This situation is emphasized by the statement of one of the informants as follows:

“The majority of farmers here are still focused on selling raw coffee beans. Further coffee processing such as grinding or roasting coffee beans is not yet common. One of the reasons is due to limited resources and technical knowledge. Further coffee processing requires additional investment and skills that not all farmers have.”

— Interview results with Farmers -St-, 2023

To increase income and stability of farmers' businesses, systematic efforts are needed to create added value for coffee products through post-harvest processing. Processes such as grinding, roasting, and packaging coffee can open farmers' access to markets with higher economic value. In addition, training and mentoring in aspects of business management and marketing are very crucial. This was also emphasized by other informants:

“I think education and training on coffee processing techniques and assistance in terms of marketing and access to markets would be very helpful. In addition, investment in agricultural infrastructure is also important to increase productivity and quality of coffee beans.”

— Interview with Farmers -ND-, 2023

Identification of Problem Factors

The main problems that cause limitations in further coffee processing in Watutau Village include:

1. Lack of access to technology and coffee processing facilities.
2. Lack of training and technical knowledge regarding post-harvest coffee processing.
3. Limited infrastructure and market access, which also affect the selling price of coffee.
4. Dependence on local markets and middlemen, so that farmers' bargaining position becomes weak.

To address these challenges, strategic steps are needed that involve technical training, infrastructure strengthening, government policy support, and collaboration between stakeholders.

Potential for Product Packaging Innovation

One promising strategic approach is innovation in coffee packaging products. This innovation can provide direct added value to coffee products while expanding market reach. Awareness of the importance of packaging is starting to grow among Watutau farmers, as seen from the following statement:

“Of course. I personally realize that product packaging plays an important role in increasing the added value of our coffee products. Attractive and functional packaging can help our products be more competitive in the market and increase consumer interest.”

— Interview with Farmer -Lm-, 2023

However, the process of experimenting with packaging innovation also faces challenges:

“We have experimented with different types of packaging, including paper packaging, aluminum foil, and vacuum packaging. We wanted to see how these packaging would affect the quality and appeal of our coffee products. However, none of them worked out well.”

— Interview results with Farmers -St-, 2023

In this context, the literature mentions several main benefits of coffee packaging product innovation (Wahyurini et al., 2019; Noviadji, 2015; Royyan & Pujiastuti, 2024), namely:

- Increase product appeal: Attractive and innovative packaging gives a professional and exclusive impression, thereby increasing consumer interest.
- Maintaining product quality: Vacuum packaging or aluminum foil can maintain freshness and extend the shelf life of coffee beans.

- Differentiating products: Unique designs and attractive labels allow Watutau coffee products to stand out from competitors' products.
- Expanding market access: Durable packaging supports distribution to more distant regions, including potential export markets.

Strategic Recommendations

Based on the analysis results, the following are strategic recommendations for increasing the economic value of coffee through packaging innovation:

Table 1. Recommendations for Increasing the Economic Value of Coffee Fruit Through Innovation Packaging Products in Watutau Village

Recommendation	Strategic Steps
Training and Education	Regular training on packaging techniques, eco-friendly design and branding strategies.
Access to Packaging Materials	Provision of quality packaging materials at affordable prices through cooperation between government, NGOs, or the private sector.
Government and Institutional Support	a) Technical and financial assistance. b) Collaboration with ministries and research institutions.
Collaboration and Networking	a) Collaboration between local farmers, craftsmen and traders. b) Partnership with large coffee producers.
Marketing and Branding	Marketing strategies through social media, attractive product labels, and participation in coffee festivals.
Monitoring and Evaluation	Periodic evaluation to measure the impact of packaging innovation and strategy improvements.
Recommendation	Strategic Steps

Source: Summary of analysis results, 2024

Impact of Implementing Packaging Innovation

The implementation of packaging innovation has proven to have a significant impact, not only economically but also socially and environmentally. Increased income occurs because the selling price of coffee in attractive and professional packaging tends to be higher. In addition, collaboration between farmers, packaging craftsmen, traders, and other stakeholders strengthens the local coffee business network.

Overall, packaging innovation is a potential and realistic strategy in encouraging the improvement of coffee farmers' welfare in Watutau Village. With the right support, this village can be an example of the success of developing a local community-based agribusiness through a value-added approach and product innovation.

DISCUSSION

The discussion of the results of this study describes the conditions of coffee farmers in Watutau Village, the majority of whom still sell coffee beans in raw form, without further processing. This condition causes low and unstable coffee selling prices, which in turn has an impact on farmers' difficulties in planning sustainable income. Farmers in Watutau Village realize that further processing, such as grinding and roasting coffee, can increase the selling value, but they are constrained by limited investment and technical skills. Knowledge of better post-harvest processing techniques and limited resources are the main obstacles in coffee processing efforts. This is also in line with the findings expressed by (Olasari et al., 2023), which shows that low knowledge of coffee processing is one of the biggest obstacles to increasing the selling value of local coffee. Farmers really need support to overcome this obstacle, both in the form of training and technical assistance, in order to utilize the full potential of their coffee farming products (Tye & Grinspan, 2020).

Therefore, it is important to provide training and mentoring to improve farmers' knowledge regarding coffee processing and marketing. One solution that can be implemented to help farmers is through a community-based training approach that has proven successful in various places, such

as in Kenya (Waspiah et al., 2024) and Ethiopia (Harahap et al., 2024). A community-based approach allows farmers to learn from the experiences and knowledge of fellow community members who are more experienced in processing and marketing coffee products. In addition, training can also introduce farmers to more sophisticated and environmentally friendly coffee processing techniques, as well as increase their understanding of the importance of proper marketing. One step that can increase farmers' income is through innovation in coffee packaging products. Attractive and functional packaging can provide direct added value to coffee products, which not only increases their attractiveness in the market but can also extend the shelf life of the product (Oktoyoki et al., 2024). Several farmers in Watutau Village have begun to realize the importance of packaging in increasing the value of their products, although they still face obstacles in trying various types of packaging (Eliyin et al., 2024).

The right packaging can differentiate Watutau coffee products from competitors, open up wider market opportunities, and even facilitate distribution to international markets. However, experiments conducted by local farmers have not been fully successful, so further assistance is needed regarding the design and selection of appropriate packaging materials for their coffee products (Luna et al., 2022). One of the biggest challenges is not knowing what type of packaging best suits the characteristics of Watutau coffee and the needs of the wider market. Good packaging design can attract consumer interest, but it must also consider factors such as sustainability and ease of distribution. In further analysis, it was found that several main factors hinder further coffee processing in this village. First, farmers lack access to adequate coffee processing technology and facilities, which are important factors in producing quality coffee products that can compete in the market (Nemenzo-Calica et al., 2024). Better coffee processing technology can help farmers improve coffee efficiency and quality, as well as reduce losses due to suboptimal processing processes.

Second, the lack of training and technical knowledge causes farmers to lack sufficient skills to process post-harvest coffee properly. Third, limited infrastructure and limited market access also make it difficult to maintain coffee selling prices and often fall. Many farmers rely on middlemen as intermediaries to sell their products, resulting in them not having full control over the selling price and getting a much lower price than they should. This dependence also causes farmers' bargaining position to be very weak. Collaborative efforts between farmers, packaging craftsmen, and local traders can help strengthen distribution and marketing networks, and create more efficient distribution channels. This collaboration can expand market access for coffee farmers and increase their income by reducing dependence on middlemen, as well as providing greater control over the supply chain.

In addition, to overcome this problem, policy support from the government and cooperation with various parties are needed to improve access to technology, training, and strengthening the infrastructure needed by coffee farmers. Policies that support infrastructure development and access to technology can help farmers optimize the coffee processing process and minimize losses due to inefficiencies in processing. In this case, collaboration with government institutions, non-governmental organizations (NGOs), and the private sector is very important to create an ecosystem that supports the development of the local coffee industry. Based on these findings, several strategic recommendations were formulated to increase the economic value of coffee through better packaging innovation. Training on packaging techniques that are in accordance with market needs and environmentally friendly designs needs to be carried out routinely to strengthen farmers' abilities in creating more attractive and more competitive coffee products. One important aspect of this training is an introduction to the selection of appropriate and sustainable packaging materials, as well as the use of attractive designs to attract consumers.

Marketing coffee products using the right strategy, including effective branding and participation in coffee events, can expand the market and increase the competitiveness of Watutau coffee products. Integrated marketing with a product value-based approach can provide significant

competitive advantages. Through packaging innovation, coffee products can appear more attractive and more accessible to a wider range of consumers, even in the international market. The implementation of packaging innovation has been shown to have significant positive impacts, both economically and socially. From an economic perspective, the selling price of coffee that is attractively and professionally packaged tends to be higher, which directly impacts the increase in farmers' income (Kaido et al., 2021). Professional packaging also gives the impression of high quality to the product, which in turn can attract more consumers, as well as provide opportunities for farmers to sell their products at better prices.

Socially, collaboration between farmers, packaging craftsmen, and traders strengthens local business networks, which supports the overall economic growth of the village. The involvement of various parties in the coffee production and distribution process strengthens the sense of togetherness and strengthens social ties among community members. Overall, the implementation of packaging innovation can be an effective strategy in encouraging improved welfare of coffee farmers in Watutau Village, making it an example of successful community-based agribusiness with a value-added approach and product innovation. By developing this model, Watutau Village can become a renowned coffee center at the national and international levels, providing significant economic benefits for farmers and the local community (Fardinatri et al., 2024; Rosalina, 2025).

CONCLUSION

The conclusion of this study shows that Watutau Village has great potential to increase the economic value of coffee through innovation in processing, packaging, and branding. Currently, most coffee farmers in Watutau still sell coffee beans in raw form, which causes low selling prices and income instability. Therefore, increasing knowledge and skills in post-harvest coffee processing and access to a wider market are very important to increase the competitiveness of local coffee products. Innovation in attractive packaging and the development of a strong Watutau coffee brand can help improve consumer perceptions of the product, create loyalty, and open up new market opportunities.

In addition, this study also identified various challenges faced by farmers and coffee MSMEs in Watutau, such as limited access to technology, infrastructure, and technical training. Therefore, strategic steps are needed, such as training, investment in infrastructure, and government policy support, to strengthen the capacity of farmers and MSMEs in improving coffee products. With a holistic and sustainable approach, Watutau coffee has the potential to compete in national and global markets, which in turn can improve the economic welfare of rural communities.

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