## **ABSTRACT**

This research is motivated by the intense level of global competition in the coffee shop business industry. Indonesia is the 4th highest producer in the world, which means it has high potential for the coffee industry. Indonesia's coffee consumption growth is 2% higher than international consumption growth. That makes it tough competition among coffee shop business owners. Kozi Coffee Company has problems in seeking competitive advantage with 10 branches spread across four cities in Indonesia. Inadequate internal constraints make Kozi Coffee not have the right business strategy for its business. This study aims to analyze the internal, external conditions of the Kozi Coffee Company, and formulate an appropriate business strategy to achieve competitive advantage using a SWOT analysis.

This study, uses internal and external analysis of the company to strive for competitive advantage. By using descriptive and quantitative methods, this research uses IFE and EFE inputs, using SWOT tools. Decision stage uses QSPM analysis.

Sampling was done by purposive sampling method with the number of speakers as many as 2 people who came from the owner and manager, 1 person from the line manager, and 2 people were coffee experts. In this study the credibility test was used through triangulation and member checking to test the interview instrument.

The results of this study explain the internal conditions of the Kozi Coffee Company using the IFE matrix with a weighting of 3.241, the external conditions of the Kozi Coffee Company using the EFE matrix with a weighting of 3.458, with the organization's position supporting an aggressive strategy, and producing 5 strategies from the SWOT analysis. The recommended strategy for using QSPM is a strategy to innovate unique products on a regular basis with multi-segment and multi-variants with a weight of 3.694.

Later it will be given as a recommendation for Kozi Coffee Company in facing increasingly fierce business competition by undertaking aggressive strategies in the form of market penetration, product development, and market development.

Keywords: Coffee Shop, EFE, IFE, SWOT, QSPM