



Strategic Development of Local Coffee SMEs: A Force Field Analysis of Growth Drivers and Constraints

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Abstrak: Penelitian ini bertujuan untuk menganalisis pengembangan strategis UKM kopi lokal di Balikpapan dengan menggunakan pendekatan *Force Field Analysis* (FFA) untuk mengidentifikasi faktor pendorong dan penghambat pertumbuhan. Penelitian ini menggunakan desain deskriptif kualitatif dengan teknik pengumpulan data melalui wawancara mendalam, observasi, dan dokumentasi terhadap pelaku UKM serta pemangku kepentingan terkait. Hasil analisis menunjukkan bahwa total skor tertimbang faktor pendorong (6,87) lebih tinggi dibandingkan faktor penghambat (5,58), yang mengindikasikan kondisi pertumbuhan yang cenderung positif namun masih rentan. Faktor pendorong utama meliputi meningkatnya konsumsi kopi dan pemanfaatan platform digital, sedangkan faktor penghambat utama adalah keterbatasan akses modal dan lemahnya kemampuan manajerial. Temuan ini mengungkap adanya kesenjangan antara peluang pertumbuhan dan kapasitas internal, di mana potensi pasar yang kuat belum sepenuhnya didukung oleh kesiapan internal UKM. Penelitian ini berkontribusi dalam menunjukkan bahwa FFA mampu menangkap interaksi dinamis antara faktor pendorong dan penghambat secara lebih komprehensif. Implikasi penelitian menekankan pentingnya penguatan kapasitas internal dan optimalisasi digitalisasi untuk mencapai pertumbuhan yang berkelanjutan..

Kata kunci: Force Field Analysis, Pengembangan UKM, Industri Kopi, Faktor Pendorong, Faktor Penghambat.

Abstract: This study aims to analyze the strategic development of local coffee SMEs in Balikpapan using a *Force Field Analysis* (FFA) approach to identify growth drivers and constraints. A qualitative-descriptive design was employed, with data collected through in-depth interviews, observations, and documentation from selected SME actors and stakeholders. The analysis reveals that the total weighted score of driving forces (6.87) exceeds restraining forces (5.58), indicating a positively inclined but fragile growth condition. Key driving forces include increasing coffee consumption and the availability of digital marketing platforms, while major constraints consist of limited access to capital and weak managerial capability. The findings highlight a critical growth-capability gap, where strong market opportunities are not fully supported by internal readiness. This study contributes by demonstrating the usefulness of FFA in capturing the dynamic interaction between enabling and constraining factors, offering more actionable insights compared to linear approaches. The results suggest that strengthening internal capabilities and optimizing digital adoption are essential to achieving sustainable growth. The study provides practical implications for SME actors and policymakers in formulating targeted development strategies.

Keywords: Force Field Analysis, SME Development, Coffee Industry, Growth Drivers, Business Constraints.

INTRODUCTION

The development of Small and Medium Enterprises (SMEs) has long been recognized as a critical driver of economic growth, employment generation, and regional development, particularly in emerging economies such as Indonesia ([Halik & Halik, 2024](#); [Roreng et al., 2024](#)). Within this sector, coffee-based SMEs have gained increasing attention due to the rapid growth of coffee consumption, the rise of specialty coffee culture, and the expansion of local coffee brands. Indonesia, as one of the world's largest coffee producers, possesses significant potential to strengthen local coffee SMEs as part of its creative economy ecosystem ([Halik et al., 2023](#); [Lukitaningsih, 2021](#)).

However, despite this promising potential, many local coffee SMEs struggle to achieve sustainable growth and scalability. Previous studies highlight that SME growth is often constrained by multiple internal and external factors, including limited access to capital, weak managerial capabilities, low technological adoption, and intense market competition ([Abu et al., 2025](#); [Akbar & Hartono, 2024](#); [Halik et al., 2026](#)). In the context of coffee SMEs, these challenges are further intensified by fluctuating raw material prices, inconsistent supply chains, and shifting consumer preferences toward digital and experiential consumption patterns (Wirawan, Andi Andika, Sjahruddin, Herman, Razak, 2019).

Balikpapan, as one of the key economic hubs in East Kalimantan, presents a unique context for examining the development of local coffee SMEs. The city has experienced a steady increase in coffee-related businesses, driven by urban lifestyle changes and growing demand for coffee consumption. Nevertheless, preliminary observations indicate that many local coffee SMEs in Balikpapan remain stagnant in terms of business expansion, market penetration, and innovation capacity ([Nainggolan, 2022](#); [Nurlia et al., 2024](#)). This condition suggests the presence of both enabling and constraining forces that influence their development trajectory.

To illustrate the phenomenon, the following table presents indicative issues faced by local coffee SMEs in Balikpapan based on recent trends and supporting literature:

Table 1. Key Issues in the Development of Local Coffee SMEs

No	Identified Issue	Description	Supporting Evidence
1	Limited Access to Capital	Difficulty in scaling operations and investing in technology	(Unusida et al., 2025)
2	Weak Digital Adoption	Low utilization of digital marketing and e-commerce platforms	(Faiz et al., 2024)
3	Supply Chain Instability	Fluctuating coffee bean prices and inconsistent supply	(Lenasari et al., 2024)
4	Intense Market Competition	Increasing number of coffee shops and brands	(Halik et al., 2023)
5	Managerial Capability Gaps	Lack of strategic planning and business development skills	(Irdawati & Nurlia, 2025)

Source: Previous research (2026)

While prior research has extensively examined SME performance and growth determinants, most studies tend to focus on linear relationships between variables, often overlooking the dynamic interaction between driving and restraining forces within a specific business ecosystem. This creates a gap in understanding how various factors simultaneously promote and hinder SME development, particularly in localized contexts such as Balikpapan.

To address this limitation, this study adopts **Force Field Analysis (FFA)** as an analytical framework. Originally developed by Lewin, FFA provides a systematic approach to identifying, analyzing, and balancing driving forces (factors that support change) and restraining forces (factors that inhibit change) in organizational development ([Burnes, 2020](#); [Swanson & Creed, 2014](#)). By applying this approach, the study aims to generate a more comprehensive understanding of the strategic conditions influencing the growth of local coffee SMEs.

This research is urgent as it responds to the growing need for context-specific and actionable strategies to support the sustainable development of local coffee SMEs in emerging urban economies. In the case of Balikpapan, the expansion of coffee businesses has not been accompanied by proportional improvements in

competitiveness and scalability. Without a clear identification of the forces that drive and constrain growth, policy interventions and managerial decisions risk being ineffective or misaligned. Therefore, this study provides practical and theoretical contributions by offering a structured analysis that can inform strategic decision-making, enhance SME resilience, and support regional economic development.

Research Problems

Based on the background and identified gaps, the research problems are formulated as follows:

1. What are the key driving forces that support the growth of local coffee SMEs in Balikpapan?
2. What are the main restraining forces that hinder the development of local coffee SMEs in Balikpapan?
3. How do these driving and restraining forces interact in shaping the strategic development of local coffee SMEs?
4. What strategic recommendations can be formulated based on the Force Field Analysis to enhance the growth and competitiveness of local coffee SMEs?

LITERATURE REVIEW

Small and Medium Enterprises (SMEs) Development

Small and Medium Enterprises (SMEs) play a pivotal role in fostering economic resilience, innovation, and employment generation, particularly in developing countries. SME development refers to the process through which small businesses enhance their capacity to grow, compete, and sustain their operations over time (HALIK et al., 2023; Ollivaud, 2021). Growth in SMEs is commonly reflected in increased sales, market expansion, innovation capability, and organizational scalability.

Recent studies emphasize that SME development is influenced by a combination of internal and external factors. Internal factors include managerial capability, entrepreneurial orientation, and resource availability, while external factors involve market conditions, institutional support, and technological change (Cera & Abbas, 2023; Samosir et al., 2025). In the context of coffee SMEs, these factors become more complex due to the integration of

agriculture, processing, branding, and retail within the same value chain (Halik et al., 2023).

Operationally, this study defines **SME development** as the ability of local coffee SMEs to achieve sustainable growth through improved competitiveness, innovation, and market expansion (Audretsch et al., 2023).

Strategic Development in SMEs

Strategic development refers to the formulation and implementation of long-term actions that enable organizations to achieve competitive advantage and adapt to environmental changes. According to contemporary strategic management literature, SMEs require adaptive and flexible strategies due to their limited resources and high exposure to market uncertainty (Kraus et al., 2022).

Dynamic capability theory suggests that firms must continuously integrate, build, and reconfigure internal and external competencies to respond to rapidly changing environments (Rizana et al., 2025). This perspective is particularly relevant for coffee SMEs, where trends such as digital marketing, specialty coffee demand, and experiential consumption require continuous strategic adaptation (Halik et al., 2023).

In this study, **strategic development** is operationalized as the ability of coffee SMEs to design and implement strategies that enhance their growth, competitiveness, and sustainability (Viljamaa et al., 2025).

Force Field Analysis (FFA)

Force Field Analysis (FFA), originally introduced by Lewin, is a decision-making and change management tool used to identify and analyze forces that influence a particular situation. These forces are categorized into driving forces, which support change, and restraining forces, which hinder change (Burnes, 2020).

Recent applications of FFA highlight its usefulness in analyzing complex organizational and socio-economic problems, particularly where multiple interacting factors exist (Swanson & Creed, 2014). Unlike traditional linear models, FFA provides a holistic framework that captures the dynamic balance between opposing forces, making it suitable for analyzing SME development challenges (Swanson & Creed, 2014).

In this research, **driving forces** are defined as factors that facilitate the growth of local coffee

SMEs (e.g., increasing demand, digital platforms, government support), while **restraining forces** refer to barriers that inhibit growth (e.g., limited capital, weak managerial skills, market competition).

Growth Drivers and Constraints in SMEs

The literature identifies several key drivers of SME growth, including access to finance, innovation capability, digital adoption, and market orientation ([Brodny & Tutak, 2022](#)). Digital transformation, in particular, has been recognized as a critical enabler for SMEs to expand market reach and improve operational efficiency ([Roreng et al., 2024](#)).

Conversely, SMEs also face significant constraints. Financial limitations remain one of the most persistent barriers, restricting investment and scalability ([Golda et al., 2024](#)). Additionally, human capital constraints, such as lack of managerial expertise, often hinder strategic decision-making ([Onkelinx et al., 2016](#)).

In the coffee sector, these challenges are compounded by supply chain volatility and intense competition. [Rono & Palame \(2024\)](#) found that local coffee businesses often struggle to maintain consistent quality and differentiate their products in increasingly saturated markets.

Thus, this study conceptualizes growth drivers and constraints as the set of enabling and inhibiting factors that simultaneously influence the development trajectory of local coffee SMEs.

Previous Studies

Several empirical studies have explored SME development from different perspectives. [Halik & Halik \(2024\)](#) found that managerial capability and innovation significantly influence SME performance, highlighting the importance of internal resources. Similarly, [Bruce et al. \(2023\)](#) demonstrated that digital marketing adoption positively affects SME competitiveness and growth.

In the Indonesian context, [Halik et al. \(2026\)](#) examined the role of market orientation and innovation in improving the performance of SMEs in the food and beverage sector, including coffee businesses. Their findings indicate that customer-focused strategies are essential for sustaining competitiveness.

However, not all findings are consistent. Some studies argue that external support, such as government policies and financial assistance, does not always translate into improved SME

performance due to implementation gaps and lack of absorptive capacity ([Phiri, 2024](#)). This suggests that the effectiveness of growth drivers depends on the interaction with internal organizational factors ([Audretsch et al., 2023](#)).

Furthermore, most existing studies rely on regression-based or structural models that examine causal relationships between variables. While these approaches provide valuable insights, they often fail to capture the dynamic interplay between enabling and constraining forces ([Swanson & Creed, 2014](#)).

Research Gap

Based on the literature review, several gaps can be identified:

1. Methodological Gap

Most previous studies employ linear quantitative approaches, which do not adequately capture the dynamic interaction between multiple influencing factors. The application of Force Field Analysis in SME research, particularly in the coffee sector, remains limited.

2. Contextual Gap

There is a lack of context-specific studies focusing on local coffee SMEs in emerging urban areas such as Balikpapan. Existing research tends to generalize SME behavior without considering regional characteristics.

3. Practical Gap

Prior studies often emphasize theoretical relationships but provide limited actionable strategies for SME development. There is a need for research that produces practical insights for decision-making.

Positioning of the Study

This study positions itself by addressing the identified gaps through the application of Force Field Analysis to examine the strategic development of local coffee SMEs in Balikpapan. By identifying and analyzing both driving and restraining forces, this research offers a more comprehensive and actionable understanding of SME growth dynamics.

METHODS

Research Design

This study employs a qualitative-descriptive research design with a case study

approach to explore the strategic development of local coffee SMEs. The qualitative approach is considered appropriate as it enables an in-depth understanding of the complex interaction between factors that drive and hinder business growth (Sugiyono, 2020).

The study adopts Force Field Analysis (FFA) as the primary analytical framework to systematically identify, categorize, and evaluate driving and restraining forces influencing SME development. This approach allows the researcher to move beyond linear causality and instead capture the dynamic balance between enabling and constraining factors within the business environment (Swanson & Creed, 2014).

Research Location and Period

The research is conducted in Balikpapan, East Kalimantan, Indonesia, which represents a growing urban area with increasing coffee consumption and a rapidly expanding number of local coffee businesses. This location is selected due to its strategic economic position and the emerging dynamics of coffee SMEs within the city.

The study is carried out over a period of approximately 3–4 months from November 2025 until February 2026 which covering stages of data collection, data validation, analysis, and interpretation.

Population and Sample

Population

The population of this study consists of all local coffee SMEs operating in Balikpapan, including coffee shops, roasteries, and small-scale coffee producers. These businesses are characterized by independent ownership, limited scale of operation, and involvement in the local coffee value chain.

Sample

Given the qualitative nature of the study, a purposive sampling technique is employed to select respondents who possess relevant knowledge and experience related to the research topic. The sample includes:

- Owners or managers of local coffee SMEs
- Baristas with operational insights
- Local stakeholders (e.g., SME facilitators, community leaders, or government representatives)

The number of informants are 15 participants, depending on data saturation.

Sampling Criteria

The selection of participants is based on the following criteria:

1. The business has been operating for at least one year
2. The business is categorized as a local SME (not a national chain or franchise)
3. The respondent has direct involvement in strategic or operational decision-making

This approach ensures that the data collected reflects practical insights into the growth dynamics of local coffee SMEs.

Data Collection Techniques

Data are collected using multiple techniques to enhance validity and reliability:

1. In-depth Interviews
Semi-structured interviews are conducted to explore participants' perspectives on factors influencing SME growth. This method allows flexibility in probing deeper into relevant issues.
2. Observation
Direct observation is carried out to understand business operations, customer interactions, and environmental conditions.
3. Documentation
Supporting documents such as business records, promotional materials, and digital presence (e.g., social media) are analyzed to complement primary data.

Data Analysis Technique

This study utilizes Force Field Analysis (FFA) as the main analytical technique, supported by qualitative data analysis procedures (Burnes, 2020).

Step 1: Identification of Forces

All relevant factors influencing SME development are identified from interview transcripts and observations. These factors are then classified into:

- Driving Forces (supporting growth)
- Restraining Forces (hindering growth)

Step 2: Categorization and Coding

The identified factors are coded and grouped into thematic categories such as financial, managerial, technological, and market-related factors.

Step 3: Weighting and Scoring

Each force is assigned a score based on its relative strength and influence, typically using a scale (e.g., 1–5). The scoring process is informed by:

- Frequency of occurrence in the data
- Perceived importance by respondents
- Researcher interpretation

Step 4: Force Field Diagram Construction

The results are visualized in a Force Field Diagram, illustrating the balance between driving and restraining forces. This diagram helps identify whether the current condition supports or inhibits SME growth.

Step 5: Strategic Interpretation

The final stage involves interpreting the balance of forces to formulate strategic recommendations. Strategies are developed by:

- Strengthening key driving forces
- Reducing or eliminating major restraining forces

Validity and Reliability

To ensure the trustworthiness of the findings, this study applies several validation techniques (Miles et al., 2021):

- Triangulation: Combining multiple data sources (interviews, observations, documentation)
- Member Checking: Confirming findings with selected participants
- Peer Debriefing: Discussing interpretations with fellow researchers or experts

Ethical Considerations

All participants are informed about the purpose of the study and their consent is obtained prior to data collection. Confidentiality and anonymity are maintained throughout the research process.

RESULTS AND DISCUSSION

Identification of Driving and Restraining Forces

Based on in-depth interviews, observations, and document analysis, this study identifies a set of key forces influencing the strategic development of local coffee SMEs in Balikpapan. These forces are categorized into driving forces and restraining forces, reflecting the enabling and constraining conditions faced by the businesses.

Table 2. Driving Forces in Local Coffee SME Development

No	Driving Forces	Description	Score (1–5)
D1	Increasing Coffee Consumption	Growing urban lifestyle and coffee culture	5
D2	Digital Marketing Platforms	Availability of social media and online delivery services	4
D3	Government Support Programs	Training and SME development initiatives	3
D4	Local Identity and Branding	Unique local coffee characteristics and storytelling	4
D5	Youth Entrepreneurship	Rising interest among young entrepreneurs in coffee business	4
Total Score			20

Table 3. Restraining Forces in Local Coffee SME Development

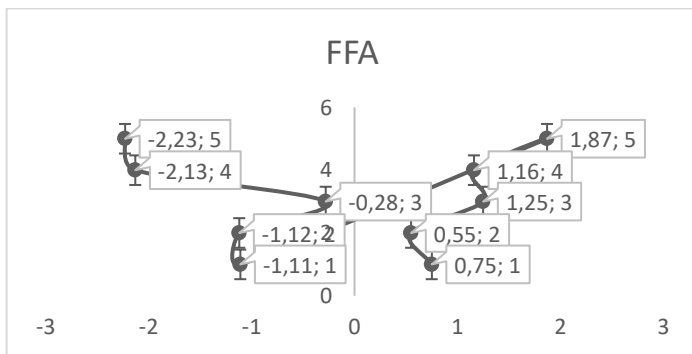
No	Restraining Forces	Description	Score (1–5)
R1	Limited Access to Capital	Difficulty in business expansion and investment	5
R2	Intense Market Competition	High number of competitors in coffee sector	4
R3	Weak Managerial Capability	Lack of strategic planning and business skills	4
R4	Supply Chain Instability	Fluctuating raw material prices and availability	3
R5	Low Technological Adoption	Limited use of advanced digital tools	3
Total Score			19

Based on the calculated weights, each force is evaluated using its magnitude (X), importance (Y), and resulting weighted score, providing a more robust analytical foundation.

Table 4. Weighted Driving and Restraining Forces

Code	Factor	X Value	Importance (Y)	Weighted Score
D1	Increasing Coffee Consumption	-2.23	5	2.23
D2	Digital Marketing Platforms	-2.13	4	2.13
D3	Government Support Programs	-0.28	3	0.28
D4	Local Identity and Branding	-1.12	2	1.12
D5	Youth Entrepreneurship	-1.11	1	1.11
Total Driving Forces				6.87
R1	Limited Access to Capital	1.87	5	1.87
R2	Intense Market Competition	1.16	4	1.16
R3	Weak Managerial Capability	1.25	3	1.25
R4	Supply Chain Instability	0.55	2	0.55
R5	Low Technological Adoption	0.75	1	0.75
Total Restraining Forces				5.58

Source: Data processed (2026)



Source: Processed data (2025)

Figure 1. Force Field Analysis

The total weighted score of driving forces (6.87) exceeds that of restraining forces (5.58), indicating that local coffee SMEs in Balikpapan operate in a positively inclined growth environment. However, the margin between the two remains relatively narrow, suggesting that growth is not yet structurally stable.

While opportunities such as increasing demand and digital platforms provide strong momentum, internal weaknesses—particularly limited capital and managerial capability—continue to hinder sustainable expansion.

This finding aligns with previous studies emphasizing that SME growth is not solely

determined by external opportunities but also by the firm's ability to manage internal constraints effectively (Cera & Abbas, 2023).

Key Findings and Thematic Discussion

1. Dominance of Market-Driven Growth

The strongest driving force identified is the increasing coffee consumption trend (D1). This indicates that market demand is not the primary issue; instead, the challenge lies in how SMEs capitalize on this opportunity.

However, relying solely on demand-driven growth can be misleading. Without strategic capability, SMEs may experience short-term gains but struggle to sustain long-term competitiveness (Grant, 1996).

2. Structural Weakness in Internal Capabilities

The most critical restraining force is limited access to capital (R1), followed by weak managerial capability (R3). These findings suggest that internal organizational factors play a decisive role in constraining growth.

This supports the argument from the resource-based view that firms must possess adequate internal resources and capabilities to achieve competitive advantage (Barney, 1991; Gerhart & Feng, 2021).

3. Digitalization as an Untapped Opportunity

Although digital platforms (D2) are recognized as a driving force, their impact is not fully optimized due to low technological adoption (R5). This indicates a **capability gap**, where tools are available but not effectively utilized.

4. Competitive Pressure without Differentiation

High competition (R2) is a significant barrier, especially in an increasingly saturated coffee market. Many SMEs lack clear differentiation strategies, which limits their ability to build a strong market position.

Strategic Matrix for SME Development

Based on the Force Field Analysis, a strategic matrix is developed to provide actionable recommendations by linking driving and restraining forces.

Table 5. Strategic Development Matrix Based on FFA

Strategy Type	Strategic Focus	Recommended Actions
SO Strategy (Strength–Opportunity)	Leveraging strong drivers	○ Utilize digital platforms to expand market reach ○ Strengthen local branding and storytelling
WO Strategy (Weakness–Opportunity)	Overcoming weaknesses using opportunities	○ Improve managerial skills through training programs ○ Adopt simple digital tools for business operations
ST Strategy (Strength–Threat)	Using strengths to reduce threats	○ Differentiate products through unique coffee identity ○ Enhance customer experience to compete effectively
WT Strategy (Weakness–Threat)	Minimizing risks and constraints	○ Seek collaborative financing (partnerships, cooperatives) ○ Improve supply chain management

Source: Data processed (2026)

Strategic Implications

The findings suggest that the strategic development of local coffee SMEs requires a balanced approach that simultaneously strengthens driving forces and reduces restraining forces.

First, SMEs should prioritize capacity building, particularly in managerial and financial aspects. Without strengthening internal capabilities, external opportunities cannot be fully leveraged.

Second, there is a need to enhance digital transformation readiness, not only by adopting technology but also by developing the skills required to use it effectively.

Third, policy interventions should focus on targeted support, such as facilitating access to financing and providing practical business training tailored to the needs of coffee SMEs.

Discussion

The results of this study are consistent with (Crema et al., 2014; Naruetharadhol et al., 2022), who highlight the importance of managerial capability in SME performance. Similarly, the role of digital marketing as a growth driver aligns with findings from Londong (2024).

However, this study extends previous research by demonstrating that these factors do not operate independently (Halik et al., 2026; HALIK et al., 2023). Instead, they interact dynamically, where the presence of strong driving forces does not automatically lead to growth if restraining forces remain unaddressed.

This reinforces the value of Force Field Analysis as a holistic tool for understanding SME development.

CONCLUSION

Three key findings emerge from this study.

- (1) The growth of local coffee SMEs in Balikpapan is primarily **market-driven rather than capability-driven**, as reflected in the dominance of external driving forces such as increasing coffee consumption and the availability of digital platforms. While these factors create strong growth opportunities, they do not automatically translate into sustainable development.
- (2) A critical **growth–capability gap** exists, where internal constraints—particularly limited access to capital and weak managerial capability—significantly hinder the ability of SMEs to leverage existing opportunities. This imbalance indicates that internal readiness remains a decisive factor in determining long-term competitiveness.
- (3) The interaction between driving and restraining forces reveals a **fragile**

growth equilibrium, in which positive momentum is present but highly vulnerable to disruption. This condition underscores the importance of not only strengthening enabling factors but also systematically reducing structural barriers.

Research Limitations

This study is subject to several limitations. **First**, the use of a qualitative approach with a relatively limited number of informants may restrict the generalizability of the findings beyond the context of Balikpapan. **Second**, the weighting and scoring process in the Force Field Analysis relies partly on subjective judgments, which may introduce potential bias despite efforts to ensure data triangulation. **Third**, the study focuses primarily on internal and immediate external factors, without extensively incorporating broader macroeconomic or policy-level dynamics that may also influence SME development.

Suggestions for Future Research

Future studies are encouraged to adopt a mixed-method approach by integrating quantitative techniques to validate and generalize the findings obtained from Force Field Analysis. Expanding the research scope to include comparative studies across regions or cities would also provide a more comprehensive understanding of SME development patterns. In addition, further research could explore the integration of FFA with established theoretical frameworks, such as the resource-based view or dynamic capability theory, to strengthen the theoretical contribution. Investigating the role of digital transformation readiness and financial innovation in reducing structural constraints would also offer valuable insights for both academia and practice.

Closing Statement

Ultimately, the development of local coffee SMEs is not constrained by a lack of opportunity, but by the imbalance between opportunity and capability. Without deliberate efforts to strengthen internal capacity and reduce structural barriers, growth will remain situational rather than sustainable. Therefore, achieving long-term competitiveness requires a strategic shift—from merely responding to market trends toward building resilient and adaptive business foundations.

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