

ABSTRACT

Rahma Piani (08320170049). Analysis of Factors Affecting Supply of Cayenne Pepper (*Capsicum frutescans* L.) in North Kolaka, North Sulawesi Province (Case Study in Pasampang Village, Central Pakue District). Supervised by St. Rahbiah Busaeri and Tsalis Kurniawan Husain.

During the last five years, the production and price of cayenne pepper in North Kolaka Regency have fluctuated. In 2020 the production of cayenne pepper has increased from the previous year, where production was 1,382 quintals at a price of Rp.45,000, while production in 2021 was 2,085 quintals, at a price of Rp.70,000. Price fluctuations that occur in North Kolaka Regency, apart from being caused by factors that affect the demand side, are also caused by factors that affect the supply side. It can be explained that sometimes the equilibrium price occurs when the quantity supplied is relatively much less than the quantity demanded.

This study aims to (1) identify the supply of cayenne pepper (*Capsicum frutescens* L.) using production data, (2) analyze the factors that affect the supply of cayenne pepper, and (3) analyze the elasticity of the supply of cayenne pepper. This research was conducted in Pasampang Village, Pakue Tengah District, North Kolaka Regency, starting from January 2023 to April 2023. The population in this study were all farmers who carried out cayenne pepper farming in Pasampang Village, Pakue Tengah District, North Kolaka Regency as many as 98 farmer. Determining the number of samples using the Slovin formula, so the number of samples in this study were 31 cayenne pepper farmers. This research uses descriptive analysis, multiple linear regression analysis, and supply elasticity analysis.

The results showed that (1) the supply of cayenne pepper used production data in Pasampang Village, Pakue Tengah District, North Kolaka Regency, namely an average of 6,096.77 kg, and cayenne pepper production per hectare was 7,172.68 kg/ha. As for (2) the factors that influence the supply of cayenne pepper in Pasampang Village, District, Pakue Tengah, North Kolaka Regency are the harvested area of cayenne pepper and the input cost of cayenne pepper. Where the significance value of the harvested area of cayenne pepper is 0.000, and the input cost of cayenne pepper is 0.040 which is smaller than alpha ($\alpha = 0.05$), which means that this variable has a significant effect on the supply of cayenne pepper. (3) The price elasticity value for cayenne pepper is 0.290, which means that the elasticity of supply is inelastic, because the price elasticity value for cayenne pepper is less than one ($E_s < 1$).

Keywords: Cayenne Pepper, Elasticity, Supply