

Analysis Of Coffee Marketing In Bakadisura Village, Tabang District, Mamasa District, West Sulawesi Province

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Abstract

This study aims 1) To find out the pattern of coffee marketing channels in Bakadisura Village, Tabang sub-district, Mamasa district, 2) To find out the margins and marketing profits of coffee beans in Bakadisura Village, Tabang sub-district, Mamasa district . The location of this research was carried out in Bakadisura Village, Tabang District, Mamasa Regency from March to November 2022. The choice of research location was carried out purposively (purposively) with the consideration that Bakadisura Village is a place with the most coffee production. The population or objects in this study were all coffee farmers in Bakadisura Village, Tabang District, Mamasa Regency, totaling 25 families, as well as 2 collectors and 2 wholesalers. Sampling was determined using the census method, so that all coffee farmers and traders in Bakadisura Village became respondents. The results showed that coffee marketing in Bakadisura Village was running efficiently, this was indicated by the FS value = 80% in channel I FS value = 75.55 and 80.35 in channel II. The total profit earned by traders on channel I is Rp. 4,245,775, the profit earned by collector traders on channel II is Rp. 3,531,999, and wholesalers are Rp. 3,085,730.

Keywords: Marketing analysis; coffee marketing; Bakadisura village

INTRODUCTION

Coffee, as an economic commodity, is known as a familiar beverage ingredient. Its fragrant aroma, distinctive taste, and properties that can provide freshness to the body, make coffee quite familiar to the palate and popular with the public. Indonesia is the world's fourth

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IJETER, Volume 01 Issue 04, 2023



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largest coffee producer after Brazil, Vietnam and Columbia, with quite a large foreign exchange contribution. The promising potential of coffee commodities requires good marketing management, one of which is choosing the right marketing channels (Arifin, 2005).

Efforts to increase the productivity and quality of coffee continue to be made so that the competitiveness of coffee in Indonesia can compete on the world market (Rahardjo, 2012). This is in accordance with the opinion of Reni, (2012), that marketing strategy is a form of plan that breaks down in the field of marketing. To obtain optimal results, this marketing strategy has a broad scope in the field of marketing, including strategies for facing competition, pricing strategies, product strategies, service strategies and so on. Meanwhile, according to Bambang (2015) in Rina (2019), coffee bean production in Indonesia continues to increase significantly, but the quality of the resulting coffee processing is generally still low.

MATERIALS AND METHODS

The location of this research was carried out in Bakadisura Village, Tabang District, Mamasa Regency from March to November 2022. The choice of research location was carried out purposively with the consideration that Bakadisura Village is the place with the most coffee production. The population or objects in this research are all coffee farmers in Bakadisura Village, Tabang District, Mamasa Regency, totaling 25 families, as well as 2 collecting traders and 2 large traders. Sample determination was carried out randomly census method, so that all coffee farmers and traders in Bakadisura became respondents. The data analysis used is Descriptive analysis, namely by explaining, describing and describing problems that are closely related to this research, Marketing margin analysis, namely to present analytical data for market performance of coffee marketing channels in the research location.

To determine the marketing margin, use the following formula according to (Angipora, 2002):

$$M = H_e - H_p$$

Where:

M= Marketing margin

H_e = Product price at retail level (Rp/kg)

H_p = Product price at producer level (Rp/kg)

To find out marketing profits using the formula according to (Surni et al, 2022) namely as following



$$\Pi = M - B$$

Where:

M = Marketing Margin (Rp/Kg)

π = marketing profit (Rp/Kg)

B = Marketing costs in level consumer (Rp/Kg)

π total = sales volume x π / Kg

RESULTS AND DISCUSSION

GENERAL DESCRIPTION OF THE TERRITORY

Population based on age and gender

Based on the 2018 population census, the population of Bakadisura Village, Tabang District, Mamasa Regency based on age and gender can be seen in Table 1

Table 1. population according to age group and gender

No	Age group (Year)	Gender		Amount (Soul)	Percentage (%)
		Man	Woman		
1.	0-5	15	20	35	6
2.	6-16	50	55	105	17
3.	>17	255	213	468	77
	Amount	320	288	608	100

Source: Primary Data Processing, 2022

Characteristics of Farmer Respondents

Age

Age is one of the most important factors, the age of the respondent is the age of the respondent farmer, at the time the research was conducted the average age of respondents at this research location was 45.64 years, where age is one of the indicators in determining work productivity in carrying out business development is age , where producers who are relatively young are stronger at work, easily accept new innovations, are responsive to the surrounding environment when compared to workers who are relatively old and often reject new innovations (Subagjaet *al.*, 2017). This can be seen in Table 2



Table 2. Classification of farmer respondents based on age level in Bakadisura Village, Tabang District, Mamasa Regency

No	Age group (year)	Farmer	
		Soul	Percentage (%)
1.	15-54	21	84
2.	>54	4	16
	Amount	25	100

Source: Primary Data Processing, 2022

Formal Education Level

Education is a factor that influences respondents' mindset in running their business and in making decisions regarding marketing the coffee they produce. Apart from that, education also influences the absorption of innovations that can be applied in their business activities. This can be seen in Table 3

Table 3 Number and Percentage of Respondents Based on Education Level in Bakadisura Village, Tabang District, Mamasa Regency.

No	Level of education	Number of Respondents (Soul)	Percentage (%)
1.	Not finished elementary school yet	7	28
2.	Finished elementary school	11	44
3.	Finished middle school	4	16
4.	Finished high school	2	8
5.	Finished D3	1	4
	Amount	25	100
Source: Primary Data Processing, 2022			

Number of Family Dependents

The average number of family dependents in this research location is 3.96 people. Based on family members, this is one factor socialThe economy plays a role in increasing farmers'

production. Positioned as heads of families and members of society, farmers try to meet the needs of their families. In addition, whether or not there are many family members influences the availability of family labor, so that farmers who have a large number of family dependents will tend to produce production which is more. More details about the size of the family members of respondents in Bakadisura Village, Tabang District, Mamasa Regency can be seen in the following table.

Table 4. Amount of dependents of coffee farming families in Bakadisura District.

No	Family dependents (Soul)	Number (soul)	Percentage (%)
1.	0	1	4
2.	1-4	19	76
3.	>4	5	20
	Amount	25	100

Source: Primary Data Processing, 2022

Characteristics of Trader Respondents

According to Risqina in Wulandari, (2019) states that education can influence a person's mindset in terms of decision making and management in managing a business. Education can make it easier to accept or consider innovations that can help develop a business to be better than before. The identity of coffee traders can be seen in Table 5.

Table 5. Identity of Collecting Traders and Wholesalers of Coffee Beans in Bakadisura Village

Description	Trader status	
	Collector Trader (Soul)	Wholesalers (soul)
Age (Years)		
a. 15-54	2	2
Amount	2	2
Level of education		
a. Finished high school	2	2
Amount	2	2
Trader Experience (Years)		

a. <5	1	-
b. 5-10	1	2
Amount	2	2

Source: Primary Data Processing, 2022

Volume and Marketing Price of Coffee Beans

In coffee marketing activities in Bakadisura village, the volume of coffee sales is determined by the amount of coffee supply that can be produced by farmers in Bakadisura Village. At the wholesaler level, the volume of coffee purchases and sales is determined by the availability of coffee by farmers. More details regarding purchasing volume and sales volume can be seen in Table 6 and Table 7

Table 6 Purchase Volume, Sales Volume, Purchase Price, and Sales Price of Coffee Beans in Marketing Channel I

No	Trader	Purchase volume (Kg)	Purchase price (Rp/Kg)	Sales volume (Kg)	Sales price (Rp/Kg)
1.	Farmer	-	-	2091	22,500
2.	Wholesalers	2091	22,500	2085	28,000

Source: Primary Data Processing, 2022

Based on Table 6, it can be seen that the sales volume for coffee farmers during one period was 2091 Kg with the sales price is IDR 22,500/Kg, the purchase volume to wholesalers is 2091 Kg and the sales volume to wholesalers is 2085 Kg with a purchase price of IDR 22,500/Kg. for the second marketing channel, purchase volume, sales volume, purchase price and coffee sales price can be seen in the following table.

Table 7. Purchase Volume, Sales Volume, Purchase Price and Sales Price of Coffee Beans Marketing Channel II

No	Trader	Purchase volume (Kg)	Purchase price (Rp/Kg)	Sales volume (Kg)	Sales price (Rp/Kg)
1.	Farmer	-	-	1831	17,000

2.	Collector traders	1831	17,000	1531	22,500
3.	Wholesalers	1531	22,500	1527	28,000

Source: Primary Data Processing, 2022

Based on Table 7, it can be seen that the sales volume for coffee farmers as much 1831 Kg with a sales price of IDR 17,000/Kg, purchase volume at collecting traders was 1831 Kg with a purchase price of IDR 17,000/Kg, sales volume was 1531, with a sales price of IDR 22,500/Kg, while for wholesalers at wholesalers had a purchasing volume of 1531 Kg with a purchasing price of IDR 22,500/Kg, and a sales volume of 1527, with a selling price of IDR 28,000/Kg.

Cost, Profit and Marketing Margin

Marketing costs include all costs that occur from the time production occurs and are stored in the warehouse until the product is converted back into cash (Tanjung, 2018). Coffee marketing costs are costs incurred in distributing coffee from manufacturer arrived to consumers, the costs used during the coffee marketing process include transportation costs. Transportation costs are costs incurred during the delivery process.

Marketing margin is the difference between the price received by farmers and the price paid by final consumers. Marketing margin can also be interpreted as the difference between the retail price (H_e) and the cost price. Where the retail price is the sales price of the marketer while the cost price is the purchase price. produced by farmers in Bakadisuran Village for sale to collecting traders and wholesalers, then wholesalers sell to consumers industrial. In the marketing channel process there are costs incurred which are accumulated to find out the profits obtained and the marketing margin. The marketing costs and margins can be seen in Table 8 and Table 9

Table 8 Costs, Marketing Margin, profits and farmer's share Marketing Channels I

No	Description	Trader	
		Collecting traders Rp/Kg	FS (%)
1.	Purchase price	22,500	
2.	Selling price	28,000	
3.	Marketing costs		

	- Transportation costs	478	
	- Labor costs	263	
	- Packaging	100	
	- Tax levy	48	
	- Others (risk)	550	
	- Total marketing costs	1,439	
4.	Profits are earned	4,061	
5.	Marketing margin	5,500	
6.	Farmer's share		80

Source: Primary Data Processing, 2022

Based on Table 8, it shows that the marketing channel I of the relevant institution is only large traders. Taking coffee beans from farmers to wholesalers does not require delivery services because farmers directly deliver the coffee to wholesalers, then wholesalers deliver it themselves to industrial consumers. In marketing channel I, the only costs incurred by wholesalers are transportation, labor and packaging costs. Tax levies, as well as seriko. transportation costs are IDR 479/Kg, then labor costs are IDR 263/Kg, marketing costs are IDR 101/Kg and levy costs are IDR 48/Kg, and a risk of IDR 550/Kg. The marketing margin component consists of marketing costs required by traders to carry out marketing functions and profits obtained by marketing institutions. The marketing margin at the wholesaler level is IDR 5,500/Kg, while the profit at the wholesaler level is IDR 4,061/Kg

Table 9 Costs, Marketing Margin, profits, and Farmer's share Marketing Channel II Coffee in Bakadisura Village.

No	Description	Trader			
		Collecting traders Rp/Kg	FS (%)	Wholesaler Rp/Kg	FS (%)
1.	Purchase price	17,000		22,500	
2.	Selling price	22,500		28,000	
3.	Marketing costs				
	- Transportation costs	464		523	
	- Labor costs	464		229	

	- Packaging	109		102	
	- Tax levy	55		65	
	- Others (risk)	550		550	
	- Total marketing costs	1,642		1,469	
4.	Profits are earned	3,858		4,031	
5.	Marketing margin	5,500		5,500	
6.	Farmer's share		75.55		80.35

Source: Primary Data Processing, 2022

The coffee marketing process in marketing channel II is usually carried out by collecting traders coming to pick up the farmer's coffee directly. The costs incurred include transportation costs of IDR 464/Kg, labor costs of IDR 464/Kg, packaging costs of IDR 109/Kg, retribution costs. IDR 55/Kg, and a risk fee of IDR 550/Kg. So the amount of marketing costs that must be issued by traders/collectors in marketing channel II amounting to IDR 1,642/Kg. In marketing channel II, the costs incurred by wholesalers are transportation costs of IDR 523/Kg, labor costs of IDR 229/Kg, packaging costs incurred as big as IDR 101/Kg, a levy fee of IDR 65/Kg, and a risk fee of IDR 550/Kg. So the total marketing costs of wholesalers in marketing channel II as big as Rp. 1,469/Kg

The marketing margin component consists of marketing costs required by traders to carry out marketing functions and profits obtained by marketing institutions. Price and cost factors will greatly influence marketing margins. Where is the margin marketing at the collecting trader level it is IDR 5,500/Kg, and the marketing margin at the wholesale trader level is IDR 5,500/Kg. Meanwhile the profit at the collecting trader level is IDR 3,858/Kg and the profit at the wholesale trader level is IDR 4,031/Kg

Total Profit

Profit total is the main point the stood up business. The profits obtained are not only used to finance the company's operations, but are also used for company expansion in the future. Then what is more important is that if a company continues to make profits, this means that the company's survival will be guaranteed. The total profits from marketing channels I and II are as follows.

Table 10 Total Profits on Marketing Channels I and II

No	Description	Sales volume (Kg)	Profit (Rp/Kg)	Total profit
1.	Channel I wholesalers	1045.5	4,061	4,245,775
2.	Collector traders II	915.5	3,858	3,531,999
3.	Channel II wholesalers	765.5	4,031	3,085,730

Source: Primary Data Processing, 2022

CONCLUSION

Based on the results of research analyzing coffee marketing channels in Bakadisura Village, Tabang District, Mamasa Regency, it can be concluded:

That the Marketing Channel Pattern I is involved in the marketing process from producer to consumer, namely, Farmers directly sell coffee to wholesalers, then wholesalers sell it to industrial consumers. Meanwhile, channel II Farmers sell coffee to collecting traders by collecting the coffee directly at the farmer's place, then collecting the coffee to wholesalers by delivering it directly to the wholesaler, then the wholesaler buys and then sells it to industrial consumers.

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