



# Marketing Strategy of Agricultural Products in Building Farmers Performance Through Digital System in Mowila Village, Mowila District, Konawe Selatan Regency

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## ABSTRACT

*Problems that cause the marketing system of agricultural products to be inefficient including weak infrastructure and market information, relatively small agricultural scale, lack of knowledge from marketing actors regarding grading and handling, high transaction costs and lack of good marketing policies. Mowila Village is one of the villages in Mowila District, South Konawe Regency. Most of the people in Mowila Village are farmers. The problem faced by the community is the marketing of agricultural products. The low bargaining position of farmers causes the price received by farmers to be low so that it will affect farmers' income. To overcome the problems faced by farmers, farmers need to know the marketing system of agricultural products starting from the procurement of raw materials (inputs) to the marketing of agricultural products. In addition, online marketing (digital marketing) can be used as an alternative in conveying information on the products produced, so that limitations in conducting sales transactions for agricultural products can be overcome, and can create a sales system that is more effective and efficient.*

**Keywords:** Strategy, Marketing, Digital System

## I. INTRODUCTION

The marketing system for food products is closely related to the process of price formation at the farmer level and at the consumer level. For producers and consumers, price takers or resignations to accept prices are the most likely roles to take, while the available market prices are lowered by a number of intermediary traders by playing with prices in them (Susanto, A. 2007).

Problems that cause the marketing system of agricultural products to be inefficient include weak infrastructure and market information, relatively small agricultural scale, lack of knowledge from marketers regarding grading and handling, high transaction costs and lack of good marketing policies (Soekartawi, 2002).

The marketing system is said to be efficient if all marketing activities which include commodity collection activities at the farmer level, commodity packaging, transportation, processing and distribution run with minimum costs. The role of marketing management is needed to overcome agribusiness marketing problems. Good marketing management pays attention to dynamic and complex environmental changes. The development of information and communication technology ranging from the simplest vehicles in the form of radio, television, cellular telephones to global computer network technology have contributed significantly to access globalization as a marketing medium (Yanura 2006).

The contribution of the development of information technology which is currently being developed includes the application of the internet network as a media for promotion and transactions in marketing. The Internet is an example of information and communication technology that exists because of the human need to always move quickly, practically, efficiently, and dynamically.

Mowila Village is located in South Konawe Regency, Southeast Sulawesi, Indonesia. Mowila village is about 70 kilometres from the district capital of South Konawe to the north via Motaha, and about 100 kilometres to Kendari. Prior to the division of the sub-district, this area was the Landono District in 2014.

Mowila Village is one of the twenty villages in Mowila District which has the ability to develop a digitalization system based on the potential of agricultural commodities that already have a high product image such as cassava, sweet potato, pineapple, salak fruit, rambutan, rice, coconut, palm, and pepper. The area of agricultural and plantation land in Mowila Village is 160 hectares (Results of Interview with Mowila Village Head).

The community has played an active role in the success of the agricultural commodity marketing system by promoting socialization to social media, but it is limited by network capacity. To overcome these obstacles, partnerships with students and community groups have been formed to help market farmers' agricultural products online.

### 1.1 Formulation of the problem

The formulation of the problem is how to "Marketing Strategy for Agricultural Products in Building Farmer Performance Through Digital Systems in Mowila Village, Mowila District, South Konawe Regency"?

### 1.2 Research purposes

The purpose of the study was to obtain in-depth information about the Marketing Strategy of Agricultural Products in Building Farmer Performance Through Digital Systems in Mowila Village, Mowila District, South Konawe Regency.

## II. RESEARCH METHODS

### 2.1 Types of research

This type of research is a qualitative study with a *phenomenological-interpretive approach*, to be able to photograph the marketing strategy of agricultural products.

### 2.2 Research Location and Time

The research location is in Mowila Village, Mowila District, South Konawe Regency. The research was conducted from 5 November 2021 to 2 February 2022.

### 2.3 Research Informants

Informants are farmer groups and village-owned enterprises (Bumdes). Then it is strengthened by searching information on key informants, namely: village heads and MSME actors (micro, small and medium enterprises).

## III. RESEARCH RESULT AND DISCUSSION

Farmers in Mowila Village at harvest time have to face the reality of low selling prices and difficulties in marketing their crops. The low selling price at the farm level is partly due to the long distribution chain and farmers' dependence on middlemen. Middlemen are collectors who buy crops from farmers and distribute them to retailers. Middlemen usually buy farmers' crops at a much lower price than the market price, so that the profits for farmers are minimal. It is undeniable that farmers' dependence on middlemen continues to this day. This is partly due to farmers' ignorance of marketing information such as selling prices at the consumer level and how to make it easier for consumers to access farmers' crops.

Seeing these conditions, efforts are needed to improve the bargaining position of farmers by connecting farmers directly to consumers. One way is to use *digital marketing* (digital marketing), namely marketing products *online*. The marketing system for agricultural products using *online media* (Facebook, Instagram, and WhatsApp), seems to be able to help farmers to market their crops directly to consumers. With *online* marketing, it is easier for consumers to know the products offered by sellers, potential consumers can compare with other products before making transactions, promotions are also easier and cheaper, and of course a wider market reach (to outside the region).

The use of *digital marketing* can not necessarily be applied by farmers in general, especially farmers who are old. So, it takes the participation of various parties who can provide assistance to farmers in marketing their crops by utilizing *digital marketing*.

Research informants from farmer groups as many as 5 people, representing 3 farmer groups, with the results of interviews as follows: Interviews were conducted on pepper farmers with informant Ab, on November 21, 2021, as follows:

"I've been doing online sales with the help of my family from Kendari, so I have no trouble selling salak fruit, pineapple, and pepper. Buyers already know my house so there is no need to be tired of going to the city under heavy goods. The cost of the force is also gone." Interviews were conducted on rice farmers with informants Wy, on November 22, 2021, as follows:

"It's difficult to network here, bli. Selling rice to markets. Many people already know them at home."

Interviews were conducted on cassava (cassava) farmers with Pding informants, on 7 December 2021, as follows:

"Indeed, the network is difficult here, bro. But coincidentally, his mother goes around the market every day so that I quickly market the cassava, sweet potato, and pineapple. Sometimes they are also brought to Kendari. But rarely

because the freight is expensive. It is better to sell it in the garden or at home.” Interviews were conducted on oil palm farmers with the informant, on January 15, 2022, as follows:

"Indeed, we sell by telephone or wa. Buyers Ask the market and quality first. We explain everything to bargaining until an agreement is reached. Then we take a photo and send it via wa. If the signal is not good, we come out about 1 kilo, we already get a good signal."

Interviews were conducted with Bumdes management with SI informants, on 5 February 2022, as follows:

"There is a network problem of approximately 5 square kilometres, so using a digital system requires a process, sir. This means that we need to wait a few minutes before sending it if we want to find a good point. For me it's not a problem because it doesn't take hours. Here the yam is already known to people. Just want to be promoted where it is Sablukoa yam. This is why we need people who are experts in online sales."

### 3.2 Discussion

Marketing (Digital Marketing) is marketing that is done through an interactive online computer system, which connects consumers with sellers electronically. The goal of marketing is to reach potential customers through the channels in which they spend time reading, searching, shopping, or socializing online. In this counselling activity, participants in this case farmers will be introduced to forms of online marketing, how to use online marketing and the benefits that will be obtained when using online marketing. (Severin, Tankard. 2007)

Online marketing can be done in four ways: 1) creating a storefront as an electronic store; 2) placing online advertisements; 3) take part in internet forums or web communities (eg mailing lists); 4) using online e-mail (Onggo, Bob Julius. 2005).

The advantages (benefits) obtained if farmers know about online marketing (digital marketing) are as follows: 1) high profit margins: online business competition is tougher than traditional businesses; 2) price, product quality, service quality must be competitive; 3) the product is either the result of our own production or the product of another party but we are the ones who control the product so that it opens the market ; 4) if you don't have a product, you can open the market through product search ; 5) Wherever you start your move, the point is you have to do one or both of them, namely opening the market and/or looking for products. (Onggo, Bob Julius. 2005).

*Online* marketing also needs to pay attention to transportation costs and product quality before reaching consumers, considering that fresh products of plant origin such as vegetables and fruit are perishable products that require special treatment in post-harvest treatment. Farmers need to receive counselling in order to produce quality and continuous products, as well as product packaging techniques that can attract buyers, to how to market products *online*. Farmers also need the availability of market price information for the products they produce, so that in determining the selling price, farmers no longer have a low bargaining position (Indrajit, Richardus Eko. 2000).

The application of online marketing (digital *marketing*) is indeed not as easy as turning the palm of the hand. It takes time and seriousness of all parties to realize the hope of making it easier for farmers to market their harvests so that they can increase farmers' sales results.

## IV. CONCLUSIONS AND SUGGESTIONS

### 4.1 Conclusion

The conclusions of this study are:

1. Online marketing is marketing that is carried out through interactive online computer systems or using smart phones, which connect consumers with sellers electronically.
2. Online marketing needs to pay attention to transportation costs and product quality before reaching consumers, considering that fresh products of plant origin such as vegetables and fruit are perishable products that require special treatment in post-harvest treatment.

### 4.2 Suggestion

Research suggestions are as follows:

1. Farmers need assistance from certain parties in applying online marketing.
2. Farmers need to get counselling to produce quality and continuous products, as well as product packaging techniques that can attract buyers, to how to market products *online*.
3. Farmers also need the availability of market price information for the products they produce, so that in determining the selling price, farmers no longer have a low bargaining position.

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