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MARKETING STRATEGY OF BROILERS AT CV CIKLJING FARM, SIDOARJO DISTRICT

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Abstract

Business activities cannot be separated from marketing activities. The importance of marketing causes business actors to try their best to achieve success, namely by carrying out various kinds of marketing strategy steps. The purpose of this study was to determine the marketing strategy used in the broiler business at CV Farm Cikijing. Data collection techniques using survey and interview methods. Based on the results of calculations on the IE matrix which obtained values of 2.79 and 2.81. Then the marketing position of the chicken farm business in CV Farm Cikijing is in Quadrant V, this position is in the growth and stability phase. In this case the implementation of the best strategy development that can be done includes market penetration, market development and diversification of processed chicken products.

Keywords: Strategy, Marketing, Broiler

INTRODUCTION

Poultry is a livestock commodity that is widely consumed by Indonesian people. Poultry has a relatively low price when compared to large livestock such as cows and goats, so it is in demand by various levels of society. In addition, the community has also developed poultry because it has high productivity both from meat and eggs so that it is able to meet the protein needs of the Indonesian people. One of the most widely developed and consumed poultry commodities is broiler chickens.

Broiler chicken or broiler chicken is one of the most popular types of chicken by the people of Indonesia. Broiler chickens are sold at relatively low prices, so they can be reached by all levels of society. Broiler chickens have quite broad business opportunities, businesses that can be developed using broiler chickens as their main commodity are not only limited to the upstream or cultivation industry, but in various businesses such as chicken slaughter, carcass sales, and broiler processing businesses. Broiler chickens can be processed into various kinds of food, both as main ingredients

and complementary ingredients. Culinary businesses in Indonesia, such as restaurants and fast food restaurants, use broiler chicken as their main ingredient because they are considered more profitable and in great demand by consumers.

This commodity is the main driver of national animal protein supply and has a relatively affordable price with easy access for the public.

Professor of Economics at IPB University Prof. Dr. Hermanto Siregar revealed that purebred chicken meat production in 2022 is estimated to reach 4.07 million tons. While the need for 3.19 million tons. The demand for broiler and free-range chicken meat in 2015 was 4.50 kg/capita/year, the next four year period (2016-2019) is projected to continue to increase and experience successive increases in 2016 to 4.61 kg/capita/year, 4.72 kg/capita/ year (2017) and 2018 4.78 kg/capita/year, while in 2019 it was 4.85 kg/capita/year. The average growth in demand for broiler and free-range chicken for the 2015-2019 period was 1.90 percent per year. Increased consumption mainly occurs in urban areas, where there are many restaurants/food stalls/fast food restaurants that provide chicken meat with a variety of flavors/cuisines (Pusdatin 2015).

One of the provinces which is the largest broiler population center in Indonesia is West Java Province. According to data from the Directorate General of Livestock and Animal Health (2016), the largest contribution to the national broiler population comes from four provinces in Java Island which dominate the national contribution of 70.75 percent including the Provinces of West Java, East Java, Central Java and Banten with a contribution size of respectively 45.51 percent, 12.74 percent, 7.79 percent, and 4.71 percent. The next three provinces come from Outside Java and their contributions, namely South Kalimantan (4.27 percent), East Kalimantan (3.69 percent) and North Sumatra (3.36 percent).

CV Farm Cikijing is a broiler chicken farm located in Sidoarjo Regency, East Java. Marketing is an activity of flowing products, from primary producers to final consumers (Asmarantaka 2014). Marketing of broiler chickens at CV Farm Cikijing has high prospects because it is located in the border area of Sidoarjo Regency and Ciamis Regency. Broiler marketing potential at CV Farm Cikijing requires marketing channel information to find out where, how, when and to whom the product will be marketed, as well as marketing efficiency to find out which marketing channels can provide benefits for all marketing agencies involved. Therefore, research is needed to analyze the marketing of broiler chickens at CV Farm Cikijing.

LIBRARY STUDY

Marketing

Marketing is a social process between individuals and groups by creating free offers of a product or service that has value and aims to get what they need and want (Kotler, 2005). Marketing or commonly referred to as marketing is a key concept to success in a business where marketing must pay attention to the desires and fulfillment of customer needs to achieve predetermined sales targets (Triyanto, 2014). In marketing there are four important variables, namely:

- a. *Product* are goods or services of value that are distributed by companies to be traded with the aim of making a profit and being able to meet the needs and desires of customers (Wijayanti, 2017). Meanwhile, according to Anisah (2020) a product is everything that is offered by producers to be noticed, requested, searched for, purchased, used or consumed by the market according to the needs and desires of consumers.
- b. *Price* is the amount paid by individuals or groups to be exchanged for the desired product or service (Musfar, 2020). Meanwhile, according to Kotler and Armstrong (2008) price is the value paid by customers which is then exchanged to own or obtain these goods and services.
- c. *Place* is a location used to provide products or services (Aditama and Rofiudin 2020). In addition, Aditama and Rofiudin (2020) also explain that there are four benefits in restoring the right place, namely:
 - 1) Prospective customers will find it easier to find product needs offered by a company because they are easily accessible to potential customers.
 - 2) *Availability*, with an extensive business network, it is possible for these products to be closer to customers.
 - 3) *Impulsive buying*, sometimes customers need or want an item suddenly. With an extensive business network, it will be easier for customers to get products
 - 4) It can make it easier for business people or manufacturers to move and store products at business network locations, so that this can reduce or reduce the cost of renting a storage warehouse.
- d. *Promotion* or promotion is a type of communication used by producers or marketers (Anisah, 2020). According to Kotler and Armstrong (2008) marketing consists of sales promotion, advertising, sales force, public relations (PR), and direct marketing. According to Kotler and Armstrong (2008) there are five main processes in marketing, namely:

- 1) *Advertising*, is a non-personal promotion of goods, services or ideas by an individual or an agency that is determined by getting paid.
- 2) *Sales promotion* is a set of short-term incentives designed to encourage the use and purchase of a good or service.
- 3) *Public relation and publicity* is a step taken to promote and protect the image of a company or product it produces.
- 4) *Personal selling* is the activity of interacting directly with customers to obtain sales.
- 5) *Direct marketing* is a promotional technique that is carried out by communicating directly with customers to get a response using communication tools, such as letters, telephones, and so on.

Broiler Chicken

Broiler chickens are meat-producing chickens that are raised until the age of 6-7 weeks with a weight of 1.5-2 kg and a conversion of 1.9-2.25 (Yuwanta, 2004). Broiler chickens are used for their meat as a source of animal protein. Broiler is a term to refer to technologically-cultivated chicken strains that have economical characteristics, with the characteristics of fast growth as a meat producer, economical feed conversion, ready to be slaughtered at a relatively young age, and producing quality soft fiber meat (Rasidi, 2000). Well-known broiler strains in Indonesia, including Cobb, Ross, Lohman meat, Hubbard, Hubbard JA 57, Hubbard, Hybro PG+; AA plus. Due to the relatively short harvest time, this type of chicken requires fast growth, a wide chest accompanied by good fat deposits, and a preferred coat color, usually white (Kartasudjana and Suprijatna, 2010).

The purpose of raising broiler chickens is to produce meat. Some of the characteristics that must be considered in raising broiler chickens are the nature and quality of good meat (meatness), high rate of growth and body weight (rate of gain), yellow skin color, white feather color, low feed conversion, free from cannibalism, healthy and healthy. strong, legs do not bend easily, not temperamental and tend to be lazy with slow movements, high vitality (95%) but low mortality rate, and high ability to form carcasses. Characteristics of broiler type chickens are calm, large body shape, fast growth, feathers close to the body of the animal, white chicken skin, and low egg production (Suprijatna et al., 2008).

RESEARCH METHODS

The type of data used is primary and secondary while the method of data collection is obtained by use Field Research methods, Interviews, Documentation and Observations. The method used in this research is a case study on broiler entrepreneurs at CV Farm Cikijing. While the data collection method used is a survey method and interviews directly with respondents and make observations at the place of business.

Data analysis method

In this study, the process of preparing strategic planning went through three stages of analysis, namely: (1) data collection stage (evaluation of internal and external factors), (2) analysis stage (IFAS analysis, EFAS and SWOT matrix) and (3) decision-making stage. The data collection stage is a stage that is basically not just a data collection activity but also a classifying and pre-analyzing activity where at this stage the data is divided into two parts, namely internal data and external data.

The analysis stage is after collecting all the information that affects the continuity of the company, the next step is to utilize all this information in quantitative models of strategy formulation, namely the TWOT matrix or SWOT matrix and Internal Matrix and External Matrix or called IFAS and EFAS then from the results obtained If there is then the right decision is determined.

RESULTS AND DISCUSSION

Broiler Business Marketing Mix

1. Product (product)

Broiler chicken business is a business engaged in poultry farming, the type of poultry cultivated is broiler chickens. The products produced are used by entrepreneurs to serve the community around the place of business and market demand in the RegencySidoarjo and Ciamis.

From the results of interviews with informants, the strategy they use in maintaining product quality so that it is fit for sale is by giving feed 2-3 times a day, for chickens aged 0-1 months they are given pur, bran, while those aged 1 month-harvest are given alternative feeds. such as corn, cassava, soybean meal or grain. In addition, the sorting process was also carried out 2 times, namely when the chickens were 1-20 days old, and the second when they were

20-50 days old. The process of cleaning the cage is also carried out 2 times a day so that the cage is kept clean.

2. *Price* (price)

Pricing in the broiler business is based on a cooperation agreement between the entrepreneur and the company and a third party (agent) at the beginning of the business period, this is because only a small part of the production is sold directly to consumers by the entrepreneur and almost all of it is sold through the company, this is due to the existence of a cooperative bond and an agreement on the price of production with the company. Direct sales can only be carried out by chicken entrepreneurs who have a DO (Delivery Order) for their business, while entrepreneurs who are bound by a partnership with a company and do not have a DO (Delivery Order) cannot carry out direct sales. However, in general, the determination of the price per kilo of chicken by chicken entrepreneurs is based on market conditions.

3. *Place* (Distribution channel)

The activity of selling livestock products carried out by CV Farm Cikijing is making agreements with customers. The cages of partner breeders are widespread and not in one place, so when the harvest arrives CV Farm Cikijing will provide information to customers where the broiler harvest location will soon be harvested, and how many tonnages of broiler chickens will be sold or offered. This is because when the harvest season arrives and the customer wants to buy the broiler chickens, the customer will take the broiler chickens directly to the partner breeder's cage.

4. *Promotion* (Promotion)

The marketing activities carried out by CV Farm Cikijing have been very good. This is because a good relationship between the marketing manager and the customers keeps the company from looking for customers. Customers will come if the company provides information when the chickens are ready to be harvested. Payment will be made immediately when the chicken is taken, so there is no billing activity and the risk faced by the company for not paying for the chicken is very low.

Internal Factor Evaluation Matrix (Matrik IFE)

The IFE matrix strategy is a formula for internal environmental analysis. This matrix provides a summary and evaluation of the main strengths and weaknesses in various functional areas of a business. The IFE Matrix also provides a basis for identifying and evaluating the relationships between these functional areas. The strengths and weaknesses of the broiler business at CV Farm Cikijing can be seen in the following IFE Matrix:

Table 1 *Matrix Internal Factor Evaluation (WE)*

Internal Strategic Factors	Weight	Rating	x-weight Rating
Strength			
a. Affordable chicken prices	0,17	4	0,68
b. High product quality (has nutrients, nutrients and high protein)	0,17	4	0,68
c. The location is close to the target market	0,15	2	0,3
d. Good and promising business prospects	0,16	2	0,32
Weakness			
a. Lack of support from local government	0,06	3	0,18
b. Limited capital to develop the business	0,07	2	0,14
c. Marketing via the Internet is not maximized	0,07	2	0,14
d. Not yet able to reach a wider market	0,08	1	0,08
e. There are still very few processed innovations from chicken	0,09	2	0,18
Amount	1		2,70

In the table of strengths in the internal strategy factor, it can be concluded that those that have the highest weight are affordable prices and high product quality, both of which have a weight of 0.68, both of which are interrelated factors. In addition, the high weight indicates that these two factors are the most important among other factors. In the table of weaknesses in the internal strategy factor, it can be concluded that those with the highest weight are the few processed innovations from chicken and the lack of support from the local government with a weight of 0.18. In the weakness factor, the one with the least weight is the biggest weakness. If you add up the overall weighting factors in the IFE matrix, you get a score of 2.7.

Eksternal Factor Evaluation Matrix (Matrik EFE)

The EFE matrix is used to summarize the opportunities and threats in a business. The EFE matrix analysis is carried out in the same way as the IFE matrix, namely the calculation of the weights and the rating of each factor.

Table 2 Matrix External Factor Evaluation (EFE)

Internal Strategic Factors	Weight	Rating	x-weight Rating
Opportunity			
a. Advances in marketing technology are growing	0,13	3	0,39
b. High market demand	0,15	4	0,58
c. Good relations with market participants	0,11	4	0,45
d. Procurement of seeds that are easy to obtain	0,10	3	0,29
Threat			
a. The price of chicken in the market is not fixed (changes)	0,13	3	0,39
b. Increase in feed prices	0,11	3	0,34
c. Threats from predators and the weather	0,10	2	0,19
d. Existence of a substance product	0,10	1	0,10
e. Climate change and unpredictable weather	0,08	1	0,08
Amount	1		2,81

Based on table 2 it can be seen, in the opportunity table, the highest opportunity factor is high market demand which has a weight of 0.58. In the threat table, the biggest threat is the variable market price of chicken which has a weight of 0.39. These factors have a relationship where the price of feed which is increasingly expensive makes farmers overwhelmed by the selling price that is not fixed in the market. The desire of the breeders is that the increasing price of feed should increase the selling price so that profits can still be obtained, but what can be done from this problem is to innovate by making alternative feeds that are much cheaper. From the external strategic factors which consist of opportunity and threat factors, the sum of the overall weighting in the EFE Matrix gets a total score of 2.81.

Matric Internal External (IE Matrix)

From the IFE and EFE matrices, it is known that the total score for internal strategic factors on the horizontal line is 2.7. As for external strategic factors on the vertical line, a total score of 2.81 was obtained. Based on the results of the identification

of the two matrices, the position of Livestock Business Marketing at CV Farm Cikijing is in cell V with conditions that are experiencing growth and stability. Positions that are in divisions that are included in cells III, V, or VII can be managed in the best way using the guard and maintain strategy (*hold and maintain*). The right strategy for this type is market penetration, market development and product development. This can be analyzed based on the following table:

Table 3 Matrik IFE and EFE

	Strong 3,0 - 4,0	Rate-rate 2,0 - 2,9	Weak 1,0 - 1,99
Strong 3,0 - 4,0	I (Growth and build)	II (Growth and build)	II (Hold and Maintain)
Rate-rate 2,0 - 2,9	IV (Growth and build)	IN (Hold and Maintain)	WE (Harvest of Divest)
Weak 1,0-1,99	VII (Hold and Maintain)	VII (Harvest of Divest)	IX (Harvest of Divest)

SWOT matrix

There are several alternative strategies that have been formulated based on the identification results of internal and external factors. The results of the formulation are made using the SWOT matrix analysis. The SWOT matrix produces 4 strategies, namely SO, WO, ST and WT strategies. The SWOT matrix for marketing chicken farms is as follows:

Table 4 SWOT Analysis Matrix

<p style="text-align: center;">Internal</p> <p style="text-align: center;">Eksternal</p>	<p>Strengths (S)</p> <ol style="list-style-type: none"> 1. Affordable chicken prices 2. High product quality 3. The location is close to the target market 4. Good business prospects and promising 	<p>Weakness (W)</p> <ol style="list-style-type: none"> 1. Lack of support from local government 2. Limited capital in developing the business 3. Marketing via the internet is not optimal 4. Not yet able to reach wider 5. There are still at least processed chicken innovations
<p>Opportunities (O)</p> <ol style="list-style-type: none"> 1. Advances in marketing technology are growing 2. High market demand 3. Good relationship with market behavior 4. Procurement of seeds that are easy to obtain 	<p>Strategy S-O</p> <ol style="list-style-type: none"> 1. Conduct promotions on social media about the existence of chicken businesses and inform product quality. 2. Building cooperation with various partners 3. Expanding the information technology-based marketing network 	<p>Stategi W-O</p> <ol style="list-style-type: none"> 1. Submit a business proposal to the local regional government for additional capital 2. Collaborate with the village government, fisheries service in expanding the marketing network. 3. Carry out innovation and creation in chicken processing
<p>Threats (T)</p> <ol style="list-style-type: none"> 1. The price of chicken in the 	<p>Strategi S-T</p> <ol style="list-style-type: none"> 1. Making alternative feeds by utilizing alternative feeds 	<p>W-T strategy</p> <ol style="list-style-type: none"> 1. Improving the business management system and building an

<p>market is not fixed (changes)</p> <ol style="list-style-type: none"> 2. Increase in feed prices 3. Threats of predators/wild animals such as snakes 4. Existence of substitute products 5. Climate change and unpredictable weather 	<p>that are easier to obtain</p> <ol style="list-style-type: none"> 2. Maintain and maintain the quality of the chicken, and perform maintenance on the cage 3. Make flyers at sales points so that people know about chicken sales 	<p>extensive network in marketing chicken products</p>
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From the results of determining alternative strategies that can be carried out, there are several important things that must be done, namely:

1. Promote on social media about the existence of a broiler business and inform product quality.
2. Expanding the marketing network by utilizing information technology.
3. Making alternative feed by utilizing corn that is easy to get.
4. Maintain and maintain the quality of the chicken, and perform maintenance on the cage.
5. Make flyers at sales points so that people know about chicken sales.
6. Collaborate with the village government, livestock service in expanding the marketing network.
7. Carry out innovation and creation in chicken processing.

If the results of the IE and SWOT matrix analysis are linked, the most appropriate market development strategy is market penetration and market development by utilizing information technology and being able to promote it through print media. In addition, the development of processed chicken products can also be a factor that can increase product sales.

CONCLUSION

Based on the results of calculations on the IE matrix which obtained values of 2.79 and 2.81. Then the marketing position of the chicken farm business in CV Farm Cikijing is in Quadrant V, this position is in the growth and stability phase. In this case the implementation of the best strategy development that can be done includes market penetration, market development and diversification of processed chicken products.

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