

MARKETING ANALYSIS OF DUCK EGGS IN PUURODA VILLAGE, BAULA DISTRICT, KOLAKA REGENCY

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ABSTRACT

This study aimed to determine the channel and efficiency of marketing duck eggs in Puuroda Village, Baula District, Kolaka Regency. The research and data collection methods were surveys, observations, and interviews using a questionnaire. There are three marketing channels for duck eggs in Puuroda Village, Baula District, Kolaka Regency. Based on the farmer's share analysis results, the highest is retailer marketing channel I, with a farmer's share value of 100%. In contrast, the lowest is in marketing channel III, with a farmer share value of 71.42%. Based on the study results, it is recommended to lay duck breeders in Puuroda Village, Baula District, Kolaka Regency to sell duck eggs directly to consumers or directly to duck egg retailers.

Keywords: Duck Eggs, Marketing Channels, Efficiency.

INTRODUCTION

Agricultural development is directed at increasing agricultural production to increase food and domestic industrial needs, increase exports, increase farmers' income, expand employment opportunities, and encourage business opportunities (Soekartawi, 2002). Duck farming is one of the livestock businesses that play a significant role in the economy. Duck eggs and meat can be consumed and are in great demand by the public (Kurnianingrum, 2008). Duck eggs have become an alternative to meet the needs of

cheap protein for the community because duck eggs have protein levels with a complete amino acid structure to be an excellent source of nutrition for the body (Gumay, 2009).

The duck farming business is increasingly in demand as an alternative profitable livestock business. Many people choose to raise ducks, both in rural and urban areas. The advantages of raising ducks are disease resistance and easy maintenance, so many prefer to raise ducks compared to raising other poultry such as chickens (Kurnianingrum, 2008). It will get good results with good maintenance,

and it is undeniable that many want to open a duck farming business because the opportunities for investment in the duck farming business are pretty good. By opening a duck farming business, the breeders hope that their business can provide satisfactory results to provide significant income and achieve economic needs. In Kolaka Regency, the population of ducks is almost spread out in every sub-district with a total population of 22 517 heads with duck egg production of 131,558 Kg in 2015 (Central Bureau of Statistics of Southeast Sulawesi Province). One of the sub-districts in Kolaka regency that produces duck eggs is Baula District, precisely in the village of Puuroda.

MATERIALS AND METHODS

Study Site

The research and data collection methods were surveys, observations, and interviews using a questionnaire. Respondents are duck breeders in Puuroda Village, Baula District, who have made transactions with commercial institutions in Kolaka Regency. Traders who are respondents are traders involved in the sale, purchase, and distribution of duck eggs from Puuroda Village. The variables observed were marketing, marketing, and price margins used in each marketing agency to consumers of duck eggs during the immediate trading process of duck eggs.

This research was carried out from April to July 2021. This research was conducted in Puuroda Village, Baula District, Kolaka Regency, Southeast Sulawesi. The selection of the research site was made intentionally because Puuroda Village is one of the villages that are active in producing duck eggs in the Baula District.

Types and Sources of Data

This study uses primary data and secondary data. Primary data were obtained from interviews with duck farmers in Puuroda Village, Baula District, Kolaka Regency. Primary data were also

obtained from interviews with duck egg collectors and traders. Meanwhile, secondary data were obtained from the Kolaka Regency BPS, the Internet, and related institutions and agencies.

Sampling Method

As many as five respondents were selected with multistage sampling method (in stages). First, Bula sub-district was chosen as the center for producing duck eggs in Kolaka Regency and then taken from a village that has the potential to produce duck eggs, namely Puuroda Village.

Data analysis method

The analytical method used was descriptive analysis. The analysis is based on primary data sourced from farmer respondents, complemented by quantitative data derived from calculating trading margins and farmer's share. The pattern of trade system channels is identified by categorizing each trade system that appears. Based on the pattern of the trading system, the value of the trade system margin and farmer's share is calculated.

The trade system functions are analyzed qualitatively at each trading system institution through the measurement of 3 aspects of the trade system functions carried out at each trade system institution, namely the exchange function, physical function, and facility function. This analysis is carried out by describing each trading system institution on the trade system functions carried out.

According to Sudiyono (2002), in principle, the marketing function is divided into 3, namely:

1. Exchange Function

The exchange function is transferring ownership from one hand to another in the marketing channel system. The exchange function consists of selling and buying. In the sales function, producers must pay attention to several things, such as the quality and quantity of a product. Determination of market prices

is one of the determinants of exchange. In comparison, the purchase function itself is to find the desired product according to needs.

2. Physical Function

Physical functions are activities carried out directly for the transportation and storage of goods in the marketing channel process. Storage function is an activity that aims to make the product always available at the desired time. At the same time, the function of transportation is the storage of appropriate goods. This function can work well if by doing alternatives and the type of transportation used.

3. Facilitating Function

Providing facilities is essentially a process of facilitating the two functions, namely the exchange function and the physical function. The function of providing facilities is to improve the marketing system to make price fixers more efficient.

Marketing Margin

Margin is a reward obtained or the price for the results of the sale of an item or product. When viewed from the marketing of services, the margin becomes an essential element in a marketing strategy. The concept of margin is one of the payments or distributors that have a logical basis for added value. Margin can be defined as the difference between purchase and selling prices (Swastha, 1996). Marketing margin is the difference between the different prices paid by consumers and the prices received by producers (Prihantini, 2015). Marketing margin calculations can be done to know the activities of marketing institutions in carrying out marketing functions that result in price differences between consumers and the producers themselves (Sudiyon 2004, Prihantini and Lutfiyanto, 2019).

According to Sudiyono (2002), the marketing margin is the price difference between what consumers pay and the price received from farmers, which can be systematically formulated as follows:

$$MP = Pr - Pf \dots\dots\dots (1)$$

Where:

MP = Margin

Pr = Price at the consumer level

Pf = Price at the producer level

Factors that affect marketing margins are prices at the level of traders and consumers, handling costs, transportation costs, production input costs, product forms, and information received by the market. According to Sudiyono (2002), which states that the value of the marketing margin can be seen from two parts including:

1. Marketing costs (marketing costs) are the costs incurred for production factors used in product processing until marketing reaches consumers' hands. This marketing cost is also called the cost of income obtained from the sale of production goods, including wages and profits.
2. Marketing charges are fees or service fees taken from various marketing institutions involved in product marketing, such as wholesalers, collectors, retailers, and processors. These marketing fees are referred to as the activities of the institutions in the marketing channels involved.

Farmer's Share

Marketing channel analysis was conducted to see and analyze the marketing channels that smallholder salt farmers in Padelegan Village have faced. In addition, this analysis of marketing channels also identifies the function of each marketing agency involved in it. Marketing efficiency analysis needs to be done to see how much efficiency level of marketing channel faced by smallholder salt farmers by using two analytical tools, namely marketing margin and farmer's share.

The concept of marketing margin needs to know about the price received by smallholder salt farmers (Pf) and the price prevailing at the middleman level (Pr). The

marketing margin value is mathematically calculated by equation (1) above. The second marketing channel efficiency analysis tool is farmer's share. The farmer's share concept is an advanced analysis of the marketing margin concept. This concept compares the price received at the farmer level with the price received at the middleman level. Mathematically it can be formulated with the following equation:

$$FS = (Pf/Pr) \times 100 \% \dots \dots \dots (2)$$

Where :

- MP = Marketing Margin (Rupiah)
- FS = Amount of Farmer's Share (in percent (%))
- Pr = Price at the final consumer level (Rupiah/Rack)
- Pf = Price at farm level (Rupiah/Rack).

RESULTS AND DISCUSSION

Duck Egg Trading Channel.

Institutions and marketing channels are business entities or individuals that carry out marketing activities for products from producers to consumers. Specifically, marketing is defined as products' physical and economic flow from producers through intermediaries to consumers (Priangani, 2013). Based on research conducted in Puuroda Village, it can be seen that the duck egg marketing

institutions from consumer producers are as follows:

Collecting Merchants

Collector traders are traders who buy duck eggs from producers. The results from the duck eggs purchased will be collected and resold to retailers and buyers who come to their place.

Retailer Merchant

Retailers are traders who buy duck eggs to sell them to final consumers. Retailers usually buy eggs from collectors and farmers for resale.

The duck egg marketing channel involves several interrelated activities. Based on the research that has been done, there are three marketing channels in Puuroda Village, Baula District, Kolaka Regency, namely as follows:

1. Manufacturers sell directly to consumers.
2. Producers sell duck eggs to retailers and retailers to final consumers.
3. Producers sell duck eggs to collectors, then collectors to retailers and retailers to final consumers.

The longer the marketing channel, the more expensive the product price received by consumers due to the large costs incurred. Products marketed must reach consumers effectively and efficiently.

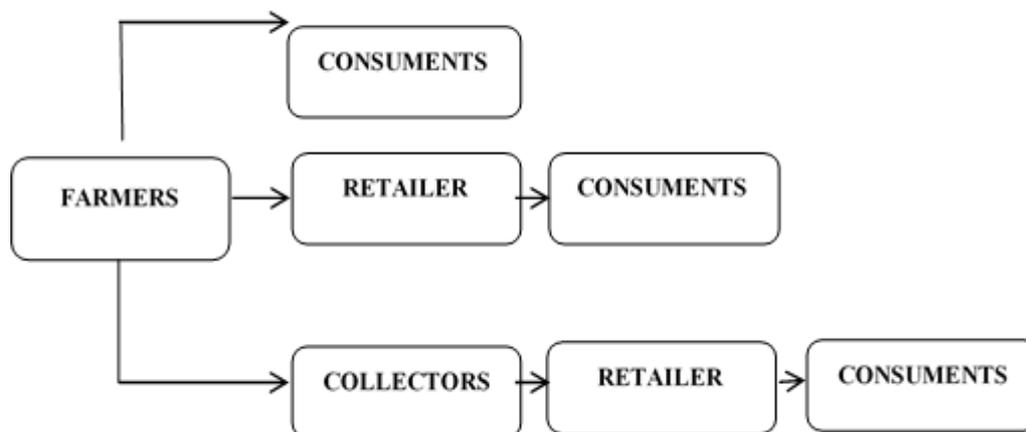


Figure 1. Marketing Channels of Duck Eggs in Puuroda Village, Baula District. Source: Primary data.

Marketing Channel I

In Marketing Channel I, duck producers/breeders directly sell duck eggs to consumers around their homes and consumers who go directly to the cage, such as martabak sellers who come to the house or the cage but are not retailers or collectors. In general, in this marketing channel I, the selling price for farmers is the highest, which is Rp. 55,000/shelf.

Marketing Channel II

In this channel, producers sell their products to retailers once a week, and there are also once every two weeks, where retailers pick up directly from producers (duck farmers) with an agreed amount and a purchase price of Rp. 62,000, so retailers need transportation costs to pick up duck eggs and place eggs that have been provided.

Marketing Channel III

In this channel, breeders do not directly sell duck eggs to consumers through two marketing institutions, namely collectors and retailers. The buying and selling of duck eggs in this channel are when traders visit the farmer's cage once a week. Previously, collecting traders asked farmers about the availability of duck eggs through telephone communication. Then the collectors pick up the duck eggs for Rp. 52,000 per shelf. Collecting traders only sort eggs that are damaged, such as cracked or broken. Sort the size of eggs is not done because the price of eggs is the

same. After buying and selling occurs at the farmer's place, the collectors take them to the retailers, and most of the collectors with retailers have subscribed so that it is not difficult for collectors to sell duck eggs. The selling price of collecting traders to retailers is Rp. 62,000. After that, the duck eggs will be sold by retailers to consumers for IDR 70,000/rack. This channel is the longest in the marketing of duck eggs. Collecting traders have to incur many transportation costs, namely the transportation costs of purchasing and selling transportation costs, while retailers do not incur any costs.

Functions of Marketing Agencies

Marketing channel analysis also analyzes the function of each marketing agency. Each institution in each marketing channel is seen and analyzed for its function in marketing duck eggs to the consumer level. The marketing channel function consists of three main functions: the exchange function, the physical function, and the facility function. The exchange function includes a sell function and a buy function. Physical functions include transport functions, packaging functions, and storage functions. And facility functions include sorting function, risk function, cost function, and market information function. The analysis of the marketing function of duck eggs in Puuroda Village, Baula District, is generally listed in Table 1

Table 1. Functions of Duck Egg Marketing Institutions in Puuroda Village, Baula District, Kolaka Regency.

Institution	Function of Marketing								
	Exchange		Physical			Facility			
	Sell	Buy	Pack	Transport	Store	Sort	Risk	Cost	Market Information
Farmer	✓		✓	✓	✓	✓	✓	✓	✓
Collector	✓	✓	-	✓	-	✓	✓	✓	✓
Retailer	✓	✓	-	-	✓	-	✓	-	✓

Source: Primary Data (2021)

✓ : Perform marketing function

- : Does not perform marketing function

Table 2 Marketing Margin of Duck Eggs in Puuroda Village, Baula District, Kolaka Regency

No	Cost Component	I	II	III
Duck Farmer				
1	Selling price		Rp 55,000	Rp 53,000
Middleman				
1	Purchase price	-	-	Rp 50,000
2	Selling price	-	-	Rp 62,000
3	Marketing Margin	-	-	Rp 8,000
Retailer				
1	Purchase price	-	Rp 53,000	Rp 62,000
2	Selling price	-	Rp 69,000	Rp 70,000
3	Marketing Margin	-	Rp 10,000	Rp10,000
Total Marketing Margin (Rp/Rack)			Rp 10,000	Rp 18,000

Source: Primary data after analyzed, 2021.

Table 3 Farmer's Share Pattern of Duck Egg Marketing Channels in Puuroda Village, Baula District, Kolaka Regency.

Marketing channel pattern	Selling price at farmer level (Rp/ Rak)	Selling price at the final consumer level (Rp/ Rak)	Farmer's share (%)
I	55,000	55,000	100,00
II	53,000	69,000	76,81
III	50,000	70,000	71,42

Source: Primary data after analyzed, 2021

Marketing Margin Analysis

The marketing margin is the difference in the price level at the end consumer level. According to Kohls and Uhl (2002), marketing margin is the portion of consumer spending enjoyed by trading institutions, including marketing costs and profits received by marketing agencies. The existence of differences in the value of marketing margins indicates differences in the treatment given to products in the marketing channel. So that the marketing of one product can produce different marketing margin values depending on the selected marketing channel and the treatment is given to the product. Marketing margin can determine the price paid by the final consumer to the farmer (farm retail price-spread). The marketing margin of duck eggs in Puuroda Village, Baula District, Kolaka Regency for each marketing agency can be seen in Table 2.

From Table 2 it can be seen that the more considerable marketing margin is in channel III, which is Rp. 70,000/Rack of eggs. The large marketing margin in

channel III is due to the number of marketing agencies involved in distributing products from producers to consumers. With so many marketing agencies involved resulting in large marketing margins. The marketing margins and distribution margins at this marketing agency are collectors and retailers. According to Daniel (2002), the longer the trading system (the more commercial institutions involved), the greater the margin of the trading system.

Farmer Share Analysis

The amount of the price received by the farmer to the final consumer is done by farmer's share. Farmer's share is the difference between the price at the retail level and the marketing margin (for food and fiber products). The value of the farmer's share is the percentage of the price received by the farmer to the final consumer. The value of the farmer's share is opposite to the value of the marketing margin, the greater the value of the farmer's share, the smaller the value of the

marketing margin. The farmer share marketing of duck eggs in Puuroda Village, Baula District, Kolaka Regency can be seen in Table 3. Based on Table 3, it can be seen that the highest farmer share is the retailer of marketing channel I with a farmer share value of 100%. In comparison, the lowest is in marketing channel III, with a farmer share value of 71.42%. According to Kohls and Uhl (2002), if an agricultural product produced by primary producers or farmers experiences a significant value-added by farmers, then the value of the farmer's share will be more excellent. On the other hand, if marketing institutions carry out the value-added or the treatment of commercial functions after the farmers, the value of the farmer's share will be smaller.

CONCLUSION

The institutions marketing duck eggs in Puuroda Village, Baula District, Kolaka Regency are collectors (middlemen) and retailers. Based on the research results, it is recommended to lay duck breeders in Puuroda Village, Baula District, Kolaka Regency to sell duck eggs directly to consumers or directly to duck egg retailers.

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