

**Marketing Strategies of Chicken Eggs in the Era of Disruption
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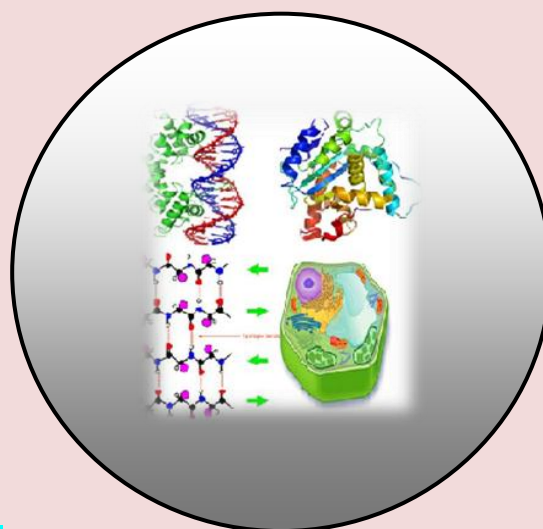
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RESEARCH PAPER

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Marketing Strategies of Chicken Eggs in the Era of Disruption (Case study in Pesedahan Village, Bali, Indonesia)

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ABSTRACT

This study aims to explore the marketing strategies of chicken eggs in the era of disruption. This research is expected to be able to produce appropriate strategy recommendations to be applied in laying chicken farms in Pesedahan Village, sub-district of Manggis, Karangasem Regency to be able to increase farmers' income. This research was conducted in Pesedahan Village, sub-district of Manggis, Karangasem Regency from October to December 2018 by using the survey method. The location of the study was determined by purposive sampling method. This study used 78 respondents consisting of 15 farmer respondents, 60 consumer respondents, and 3 expert respondents. The results of the IFE-EFE analysis explains that an internal factor value of 2.39 and an external factor value of 2.83 that show the position of laying chicken farms in Pesedahan Village in the quadrant V in the IE matrix that is division of preserving and maintaining. There are five alternative strategies are generated, they are 1) conduct socialization of Si Telur application to laying chicken farmers in Pesedahan Village and conduct socialization about the era of disruption; 2) implementing the usage of Si Telur application that managed by PUTAR; 3) conducting socialization Si Telur to the chicken eggs consumers; 4) socialization about marketing management; 5) forming the laying chicken farmers association "Persatuan Usaha Telur Ayam Ras" (PUTAR). Socialization about marketing management is a priority strategy with a TAS of 3.95.

Keywords: Bali Pig, Financial Feasibility and Nusa Penida Island.

INTRODUCTION

Poultry farm sector is an important sector, because this sector is the majority of animal protein for human needs are met, they are eggs and meat (Henry, 2014; Mohammed *et al.*, 2013; Pasiakos *et al.*, 2015). The main production of poultry farm is egg, with a product of meat of culled hens. (Memon *et al.* 2015; Swiatkiewicz *et al.*, 2010). The main goal of laying chicken farms is for entrepreneurs who run it to get sustainable profits (Triana *et al.*, 2007). The main factor for the success of laying chicken farms is the application of appropriate management, both maintenance management and marketing management. Determining the proper marketing strategy is closely associated with consumer behavior. Consumers are all individuals and households who buy or obtain goods or services for personal consumption (Kotler, 2000). When consumer behavior is increasingly unpredictable. Moreover, in the era of technology utilization that is increasingly growing, now all consumers on average want to be fast, easy, practical and instant. This condition applies in all sectors including the livestock sector, both in marketing processed products and livestock products such as milk, meat and eggs. And this is one of the consumer behaviors in the era of disruption. Pesedahan Village is one of the villages in Sub District of Manggis, Karangasem Regency, with the majority of the population working as laying chicken farmers. The chicken population owned by farmers varies from 1,500 to 55,000 laying chickens.

During this time the eggs produced by the farms in Pesedahan Village are sold wholesale to collectors and resold to every small trader until they arrive at consumers. For shipping eggs are usually sent to Denpasar City, Nusa Penida and West Nusa Tenggara Province. Price fluctuations have always been a problem for farmers in Pesedahan Village, in accordance with previous studies, from Widyantara (2017) in his research entitled Analysis of Marketing Strategies for Chicken Eggs in Pesedahan Village. Threat factor in the farm consists of: Chicken farms are easily affected by price fluctuations, the existence of new farmer's who are more agile, customers who are selective about egg quality, customers easily move to other farmers and chicken farms often experience disease problems and chicken egg marketing strategies which is applied in Pesedahan Village.

Based on the above conditions, it is necessary to do more in-depth research on the marketing strategies of chicken eggs in the era of disruption. This research is expected to be able to produce appropriate strategy recommendations to be applied on laying chicken farms in Pesedahan Village, Sub District of Manggis, Karangasem Regency which is able to increase farmers' income.

MATERIALS AND METHODS

This research was conducted in Pesedahan Village, Sub-District of Manggis, Karangasem Regency from October to December 2018. The location of the study was determined by purposive sampling method. This research is a survey research, which uses a mixed method between quantitative and qualitative which aims to obtain clear and complete data as possible from chicken egg seller in Pesedahan Village.

Internal and external data were analyzed as a key factor in the business of chicken eggs in Pesedahan Village in the face of a disruption era. The data obtained is then analyzed using Internal Factor Evaluation (IFE), External Factor Evaluation (EFE), Internal-External (IE), Strength-Weaknesses-Opportunities-Threats (SWOT), and Quantitative Strategic Planning Matrix (QSPM).

The environmental conditions of chicken farms are determined based on Internal Factor Analysis and External Factor Analysis, in order to obtain strengths, weaknesses, opportunities, and threats in the development of chicken farming businesses. Each factor is weighted and ranked using the Paired Comparison method (Kinnear dan Tylor, 1996). David (2002) said, ratings are analyzed based on the importance of each factor, on a scale of 1 (low / bad), 2 (average), 3 (high / above average), 4 (very high), with the following formula: (Putri, 2018).

$$\alpha_i = \frac{X_i}{\sum_{i=1}^n X_i}$$

Explanation: X_i

α_i = Weight of 1st variabel

X_i = Value of 1st variabel

i = 1, 2, 3, ..., n

n = Number of factors

SWOT analysis is an evaluation of the overall strengths, weaknesses, opportunities, and threats of the company. SWOT analysis is a way to observe the internal and external marketing environment (Kotler dan Keller, 2017). Rangkuti (2006) argues that a SWOT analysis is a systematic identification of various factors to formulate a company's strategy. This analysis is based on logic that can maximize strength and opportunity but simultaneously can minimize weaknesses and threats.

QSPM analysis is a recommended tool for strategists to objectively evaluate an alternative choice of strategies *key success factor internal-external* that has been identified before. So conceptually, the purpose of the QSPM is to determine the relative attractiveness of the various strategies that have been chosen and to determine which strategies are considered the best to implement (Putri, 2014 and Dewi, 2018).

RESULT AND DISCUSSION

The results of processing data obtained from respondents gave sub total strength values of 3.05, sub total weakness values of 0.67 and total internal factor values were 2.39 (Table 1). This total value shows that marketing has strength factors that are quite good compared to the weakness factors (Table 1).

Based on the results of data processing carried out, it was obtained sub value of total opportunity factors of 3.33 and sub-total threats of 0.55 (Table 2). The total EFE value of 2.83 (Table 2) shows that the marketing of chicken egg in Pesedahan Village generally has a sufficiently good ability to respond to existing opportunities and avoid existing threats.

On the IE Matrix the marketing of chicken eggs in Pesedahan Village is in the fifth cell (Figure 2) with an EFI value of 2.39 (Table 1) and EFE value of 2.83 (Table 2). into the second group, namely preserving and maintaining strategies, with alternative strategies: market penetration and product development.

Tabel 1. Determination of internal strategy factor scores.

No	Defining factors	Weight	Rating	Score
Strength				
1	Farmers already have a long time experience of farming for an average of 19 years	0,16	4	0,65
2	The cages owned by farmers (respondents) on average have good road access	0,13	4	0,53
3	Most farmers are in the range of productive age with those who are quite good at using the internet	0,06	3	0,18
4	Already have a regular customer	0,16	4	0,65
5	Continuity of production is good	0,16	4	0,65
6	The maintenance management has implemented properly	0,10	4	0,39
Sub Total Strength				3,05
Weakness				
1	Long distribution paths for selling chicken eggs	0,10	3	0,29
2	Most farmers have not been able to sell chicken eggs directly to consumers	0,06	3	0,18
3	Haven't been applied a good marketing strategy	0,03	3	0,10
4	Farms Limitation on increasing the scale of laying chicken farms business	0,03	3	0,10
Sub total weakness				0,67
Total				2,39

Table 2. Determination of external strategy factor scores.

No	Defining factor	Weight	Rating	Score
Opportunity				
1	The market is in the era of disruption	0,33	4	1,33
2	There is a change in behavior of people who prefer shopping online	0,25	4	1,00
3	Many food industries now have basic ingredients made from eggs	0,25	4	1,00
Sub total opportunity				3,33
Threat				
1	Feed prices are unstable and sometimes more expensive than the selling price of eggs	0,08	3	0,25
2	Began to develop laying chicken farms in eastern Indonesia	0,08	3	0,25
Sub Total Threat				0,50
Total				2,83

Strategy Recommendation

The formulation strategy through identification and analysis of internal factors consists of strengths and weaknesses, and external factor analysis consists of opportunities and threats. Strength is special compensation that provides a comparative advantage for marketing of chicken eggs in Pesedahan Village, a weakness is the limitations or shortcomings of marketing efforts, opportunities are desired situations or opportunities that are

owned by marketing efforts, and unwanted or threatening threats to security and business continuity marketing of chicken eggs in Pesedahan village. The formulation strategy is carried out by combining various factors that have been identified and grouped. The results of this formulation strategy are grouped into four group formulation strategies consisting of power-opportunity strategy (SO), threat-power (ST), opportunity-weak (WO), and threat-weakness (WT). The SWOT analysis of the strategy formulation needs to be implemented in the Nusa Penida balicalfat marketing strategy formulation policy. The recommended alternative strategies are: 1) conduct socialization of Si Telur application to laying chicken farmers in Pesedahan Village and conduct socialization about the era of disruption; 2) implementing the usage of Si Telur application that managed by PUTAR; 3) conducting socialization Si Telur to the chicken egg consumers; 4) socialization about marketing management; 5) forming the laying chicken farmers association "Persatuan Usaha Telur Ayam Ras" (PUTAR).

Matrix IE

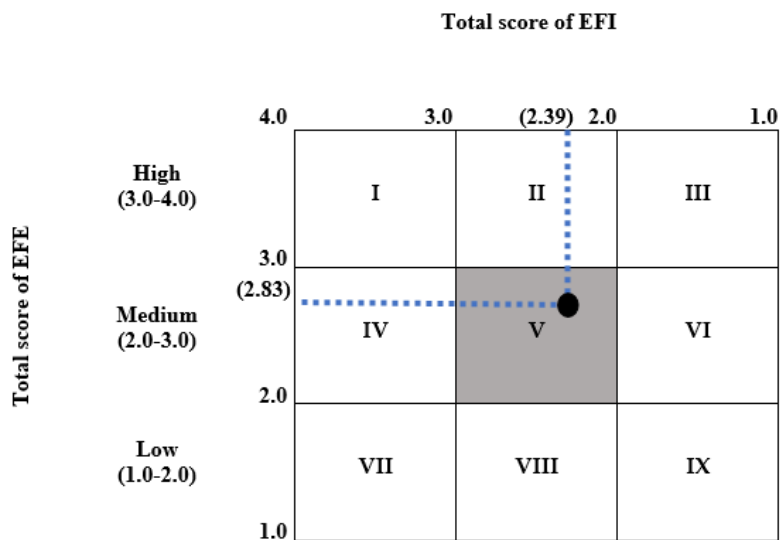


Figure 1. IE matrix marketing chicken eggs in Pesedahan Village

Based on the results of QSPM analysis that has been carried out that socialization about marketing management with a TAS value of 3.95 is a priority strategy where this strategy must be carried out first before the main strategy is implemented conduct socialization of Si Telur application to laying chicken farmers in Pesedahan Village and conduct socialization about the era of disruption is the second strategy with a TAS value of 3.53. Forming the laying chicken farmers association "Persatuan Usaha Telur Ayam Ras" (PUTAR) is a strategy in third place with a TAS value of 3.41. The fourth strategy is conducting socialization Si Telur to the chicken egg consumers with a TAS value of 3.40. And the fifth strategy is to implementing the usage of Si Telur application that managed by PUTAR with a TAS value of 2.85.

CONCLUSION

Based on the analysis that has been carried out in this study, it can be concluded that marketing management that has been applied to laying chicken farmers in Pesedahan Village is still very simple and farmers have not read the industrial opportunities that occur at this time, the position of laying chicken farms in Pesedahan Village on quadrant V in the IE matrix, with the internal factor score of 2.39 and the external factor score of 2.83, there are five alternative marketing strategies recommended for marketing of laying chicken in disruption era, they are; 1) conduct socialization of Si Telur application to laying chicken farmers in Pesedahan Village and conduct socialization about the era of disruption; 2) implementing the usage of Si Telur application that managed by PUTAR; 3) conducting socialization Si Telur to the chicken egg consumers; 4) socialization about marketing management; 5) forming the laying chicken farms association "Persatuan Usaha Telur Ayam Ras" (PUTAR).

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