Analysis of Salt Marketing Strategy of Local Farmer Groups (Case Study of Labuhan Bontong Village, Tarano District)

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Article Info	Abstract
Article history:	Labuhan Bontong Village, Tarano Sub-District is one of the largest salt-producing villages
Received: 5 July 2024	in Sumbawa Regency. However, marketing issues such as limited market access,
Published: 16 July 2024	competition with imported salt, and unstable prices continue to hinder the local salt industry in this area. This research aims to determine the marketing strategies carried out by the local farmer group in Labuhan Bontong Village, Tarano Sub-District. The research uses a qualitative descriptive approach with data collection techniques including observation, interviews, and documentation. The theory used in this research is the Marketing Mix 7P
Keywords:	theory. The results of the research show that the marketing strategy of salt by the local
Marketing Strategy, Local Farmer Group, Salt Marketing, Marketing Mix 7P	farmer group only shows a few strategies such as salt production carried out near the coast and the presence of physical evidence in the form of machine technology that can lift seawater into salt plots, while some do not show any strategies yet, such as pricing that still depends on time/season, promotion still through word of mouth, and the marketing process still uses sacks.
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1. INTRODUCTION

With a coastline of 81,000 km, Indonesia is an archipelagic country that has a diversity of marine and coastal resources, both biological and non-biological. 70%, where much of the sea's potential has not been exploited (Widiyanto L & Ambariyanto, 2023), one of which is salt. In Indonesia, the promising salt industry emerged as a people's business, shaped by the socio-economic conditions of the surrounding coastal communities. Apart from being needed for eating, salt is also used in the industrial sector as a combination of chemicals and preservatives (Prasetyo Nugroho, 2020). Natural salt contains magnesium chloride, magnesium sulfate and other trace compounds. In its development, salt is a product that can be diversified into two groups, namely, consumption salt with a NaCI content of 94.7% and industrial salt with a NaCI content. *Sodium Chloride(NaCI)* 95-97% (Asriyanti Syarif, 2023). Based on data taken from the Indonesian Central Statistics Agency (BPS), 46.3% of Indonesians consume less than five grams of salt per day.

Labuhan Bontong Village, Tarano District, Bajo Village, Utan District, Labuhan Kuris Village, Lape District, and Sepayung Village, Plampang District are one of the salt producing areas in Sumbawa Regency. Rahmat Hidayat (2023) reports that NTB, head of the Sumbawa Regency Maritime and Fisheries Service (DKP), produces up to 4000-6000 tons of salt per year on potential land of around 339.49 hectares, with 210 salt farmers. Labuhan Bontong Village is a coastal village located in the Tarano District, Sumbawa Regency, West Nusa Tenggara Province. Labuhan Bontong Village is one of the salt producing villages in the Sumbawa region which is produced by the Labuhan Bontong Village farmer group with a production of 3,000 to 5,000 tons of salt per year.

Even though it has a potential land area of 700 hectares, only 224.7 hectares have been utilized (Sumbawa Regency Maritime Affairs and Fisheries Service, 2023). The salt farmer group is a company that operates in the field of salt processing. According to data from Labuhan Bontong village, Tarano sub-district, there are 22 groups of salt farmers in

1995 | Analysis of Salt Marketing Strategy of Local Farmer Groups (Case Study of Labuhan Bontong Village, Tarano District) (Nuhidayatun Nisa)

Labuhan Bontong village, one of which is a group called "Saling Gayong" with 10 members and chaired by M. Adam, which was founded in 2012. Salt farmer group "Saling Gayong" is capable of producing an average of 50 tons of salt per year depending on the weather. The lowest selling price for salt is 500 rupiah per kilogram, 40 thousand rupiah per bag weighing 50 kg, and 800 to 1 million per ton. Due to their ability to produce salt during the rainless dry season, salt producers continue to have low incomes. Apart from that, the low selling price of local salt compared to the price of imported salt and the quality of local salt which is still inferior to the quality of imported salt are other reasons causing low farmer incomes.

This, which exceeds existing market demand, of course causes salt stocks to accumulate among local farmer groups who sell their products, where the buildup of salt stocks becomes a marketing strategy that must be resolved. Salt buildup can be a problem for local farming groups because it results in a decrease in selling prices. This of course has a huge impact on the local economy and the welfare of salt farmers, as well as creating an imbalance of supply and demand in the salt market. Therefore, it is important for farmer groups to manage salt production wisely and consider appropriate marketing strategies to avoid detrimental accumulation problems. The accumulation of salt that occurs shows the need for an effective marketing strategy to sell excess salt stock. With the addition of salt, the company continues to think of ways to attract consumer interest so that salt stocks can be sold quickly.

The right marketing strategy can help increase sales and reduce the risk of losses due to accumulation of goods. By understanding the market and consumer needs, companies can create attractive promotions and competitive pricing strategies to sell salt stocks more effectively. Marketing strategy is the marketing effectiveness of a company's products which is very dependent on its marketing strategy (Hanif & Widyastuti, 2022). In a business unit, marketing strategy is used as an excuse to make money from interactions with customers (Indrawati, 2019). One of the tools that businesses use to combat market competition is their marketing plan. In order for the marketed product to be successful, the marketing strategy basically consists of matching internal capabilities with external opportunities that exist in the market. To do this, companies must use marketing concepts such as benefits, quality, or satisfaction of needs and wants. As a result, companies must be able to influence consumers in order to create demand for their products (Haryono, 2014).

Based on the problems that have been described, the Labuhan Bontong Village salt farmer group needs a good marketing strategy to optimize sales to local farmer groups. So, researchers are interested in knowing and researching more deeply regarding the marketing strategies used by the Labuhan Bontong Village salt farmer group, as well as providing solutions on how to implement good strategies in the salt business.

2. METHOD

The type of research used is qualitative research methods. Qualitative research is research conducted in a real world (natural) environment with the aim of examining and understanding phenomena: what happened, why did it happen, and how did it happen? This means that qualitative research is the idea of conducting exploration, which requires comprehensive and case-oriented analysis, one case or several cases (Chariri, 2009: 9).

According to Denzin & Lincoln in 1944, qualitative research is defined as research conducted in a natural setting using several existing methods with the aim of explaining a phenomenon that occurs. Qualitative research seeks to discover and describe narratively the behavior carried out and the impact of these actions on their lives(Muhammad Rijal

Fadli, 2021). So, it can be concluded that qualitative research is research that collects and analyzes data without calculating or analyzing numbers. Therefore, in this study the researcher attempted to understand the salt marketing strategy of local farmer groups.

3. RESULTS AND DISCUSSION

1. Results

M. Adam as chairman stated that:

"We, a group of salt farmers, "mutually cooperate" in making salt, the quality and taste of which must be guaranteed so that consumers do not feel cheated. Even then, we make salt to focus on the resulting quality in terms of taste, shape and durability."

Based on the results of an interview with the head of the "mutual gayong" farmer group, it can be concluded that the salt produced by the farmer group must pay attention to the quality of the product being marketed (salt). If quality is guaranteed, consumers will come to buy the product (salt).

1. *Price*(price)

Price is the amount of money (plus some products if possible) needed to get some combination of goods and services. Price is an amount of money that functions as a medium of exchange to obtain a product or service. Price can also be interpreted as determining the value of a product in the minds of consumers.

Kamaruddin S stated that:

"The way we determine the price of salt depends on the time or season. Because during the rainy season we only produce a little salt, so the price of salt rises by around 5-10% per kilogram. Meanwhile, in the summer, prices fall because many salt competitors make salt, so the price of salt in the summer reaches 500-1000 kilograms. The price per bag reaches 40 thousand rupiah and the price per ton reaches 500-1 million."

Based on the results of interviews with members of farmer groups, it can be concluded that determining the price of salt is by adjusting the price according to the time or season, because during the rainy season salt production is low, so the price rises. Meanwhile, in the summer the price drops because many other salt competitors produce salt. "The price of salt in summer is estimated to reach 500-1000 per kilogram, the price per bag reaches around 40,000 and the price per ton reaches 500-1 million."

2. *Place*(place)

The place in the marketing mix is usually called the distribution channel, the channel through which the product reaches consumers. Distribution channels are channels used by producers to distribute the product from the producer to the consumer or industrial user. The place that is attractive to consumers is the most strategic, pleasant and efficient place. A marketing channel is a group of interdependent organizations that help make a product or service available for use or consumption by consumers or business users.

M. Adam stated that:

"For the location, we use a large area of land and the location is close to the coast, which makes it easier for us to produce salt."

Based on the results of interviews with salt farmer groups, the goods produced are

not directly distributed to retailers first. However, several salt farming groups sell directly to consumers. When harvesting, farmers collect salt from ponds and take the results to the warehouse to be sorted into salt that is ready to be sold and salt that is not ready to be sold.

To distribute their products to consumers, salt farming groups use a direct distribution channel system. This means that the salt is brought directly to the market and taken by retailers and even purchased by consumers directly. This method can be more effective in limiting distribution channels and limiting costs incurred, and the price is also affordable.

3. *Promotion*(promotion)

Promotion is an activity carried out by a company to communicate the benefits of its products and to convince target consumers to buy its products. The promotion mix, also called a company's marketing communications mix, is a specific mix of advertising, sales promotions, public relations, personal selling, and direct marketing tools that a company uses to communicate customer value persuasively and build customer relationships. For promotional activities, "mutually gayong" members still use simple methods, namely direct promotion or word of mouth to introduce their products to consumers.

Zainuddin stated that:

"For promotion, we use direct promotion to consumers or face to face with consumers, that way we introduce salt products. We also don't have social media to use to promote salt products."

Based on the results of interviews with members of the salt farmers "saling gayong" it can be concluded that the promotional activities carried out still use direct promotional methods in the field or by word of mouth. This is a method used by mutual salt groups to introduce their products, prices and product quality. This method is used so that consumers know about the existence of the salt product and consumers will come by themselves to look for it.

4. *People*(person)

People are people who have a role in providing or demonstrating the services provided to consumers when purchasing goods. In this research, members of farmer groups play an active role in providing services to consumers during purchases. This people factor plays an active role and can have a positive influence on purchasing decisions. People are all actors who play a role in presenting services or products so that they can influence purchases. The elements of people are company employees, consumers and other consumers in the service environment.

M. Adam stated that:

"This "mutually gayong" salt farmer group has ten members consisting of a chairman, secretary, treasurer and other members. We have the same job, namely making salt."

Based on the results of interviews with salt entrepreneurs, it can be concluded that this salt farmer group has ten workers or members, where the members have the same job, namely making salt. "Mr M. Adam as chairman plays a very active role in promoting salt products so that salt products can be recognized by the wider community (consumers)."

5. Process(process)

Process strategy is also related to the spatial layout of the production flow and product sales flow. Layout is an important decision that determines the efficiency of an operation in the long term. Layout has many strategic impacts because layout determines a company's competitiveness in terms of capacity, processes, flexibility and costs as well as the quality of the work environment, customer contact and company image. An effective layout can help an organization achieve a strategy that supports differentiation, low costs, or rapid response.

Kamaruddin and Zainuddin stated that:

- The manufacturing process in producing salt is the initial process of making a salt table, then plowing and leveling the salt table, then pounding it using a wooden tool, then putting sea water into the salt table, after that, wait 3-5 days for the salt to become.
- The sales process carried out by the salt farmer group "saling gayong" is carried out by selling the produce to the cooperative with packaging still using sacks. And farmers rarely sell salt per kilogram.

Based on the results of interviews with salt farmer groups, there are several steps as follows:

- 1. Making a salt table
- 2. Next plow and level the salt table
- 3. Then mash it using a wooden tool
- 4. Then put sea water into the salt table
- 5. After that, wait 3-5 days for the salt to become salt

After the salt making process is complete, the marketing process continues. The marketing process is carried out by selling the produce to cooperatives, retailers and consumers directly, and the packaging still uses sacks. Farmers rarely sell salt per kilogram. However, there are also farmer groups that sell salt per kilogram.

6. *Physical Evidence* (physical evidence)

Supporting facilities are part of service marketing which has quite an important role. Because services delivered to customers often require supporting facilities in delivery." This will further strengthen the existence of the service, because with physical supporting facilities, the service will be understood by customers. Marketers in creating quality services need to pay attention to the elements of quality service. They need to pay attention to the physical service elements as follows: "Infrastructure related to customer service must also be paid attention to by company management. A magnificent building with cooling facilities, sophisticated telecommunications equipment or quality office furniture and so on are considerations for customers when choosing a product/service.

Zainuddin stated that:

"This salt production place is quite close to the sea and the land is also large. The land is still illuminated by sunlight, apart from that, we have also used technology that can help raise sea water into the salt patches. In our product packaging we still use sacks or plastic." Based on the results of interviews with members of the salt group, it can be concluded that as physical evidence the salt farmer group already has a good production site and uses good machine technology and only relies on sunlight to make salt. "For packaging, we still use sacks or plastic when packaging products because we haven't found a new idea for packaging salt products."

2. Discussion

Based on the results of research and interviews with informants regarding the salt marketing strategy of local farmer groups in Labuhan Bontong Village, it cannot be separated from existing indicators. Several existing indicators range from products, prices, distribution, promotions, people, processes, physical evidence. Referring to the results of interviews and direct observations of researchers, the state of the salt marketing strategy of local farmer groups in Labuhan Bontong Village. The farmer group explained that the salt marketing strategy used still uses sacks and plastic packaging and sales are carried out directly by word of mouth and passed on to cooperatives.

If we look at the indicators above, the researcher tries to relate them to the findings in the field where the chairman and members of the salt farmer group are mutually supportive. It can be said that the strategy used in producing salt products is still marketed directly or through cooperatives. The quality of the products marketed is guaranteed because these products must satisfy consumer wants and needs.

The second indicator is price. Price is the amount of money charged for a product or service, the amount and value exchanged by customers to obtain benefits and own or use a product and service. Based on the results of the interview, the way to determine the price of salt is to adjust the price according to the time or season, because during the rainy season salt production is low, so the price rises. Meanwhile, in the summer the price drops because many other fierce competitors produce salt. "The price of salt in summer is estimated to reach 500-1000 per kilogram, the price per bag reaches around 40,000 and the price per ton reaches 500-1 million."

The third indicator is place. Places are company activities that make products available to targets. Places or services ready for use or consumption. Location means relating to where the company must be headquartered and carry out operations. Based on the results of interviews, the site used uses a large area of land and is located close to the coast to make it easier to produce salt. When the salt is harvested in the pond, farmers take the results to the warehouse to be sorted to separate quality salt for market and salt that is not ready to be marketed."

The fourth indicator is promotion. Promotion is communication that provides explanations that can convince potential consumers about goods and services so that the aim of promotion is to attract attention, remind and persuade potential consumers. Based on the results of the interview, the promotional activities carried out were still carried out by promoting directly or by word of mouth. "No social media has been used to promote the salt product."

The fifth indicator is people. People are actors involved in the process of delivering services to consumers and influencing consumer perceptions, for example personal service providers, customers and other customers related to the service (Maisah, 2020). Based on the results of interviews, this salt farmer group has ten members consisting of a chairman, secretary, treasurer and other members. Each member has the same task in working to make salt. "As the chairman, I play a very active role in promoting salt products so that salt products can be recognized by the wider community (consumers)."

The sixth indicator is process. Process is a company's effort to carry out company

activities with the aim of meeting customer needs and desires and facilitating transactions. Based on the results of the interview, the manufacturing process in producing salt is the initial process of making a salt table, then plowing and leveling the salt table, then pounding it using a wooden tool, then putting sea water into the salt table, after that, wait 3-5 days for the salt to become. The sales process carried out by the salt farmer group "saling gayong" is carried out by selling the produce to the cooperative with packaging still using sacks. And farmers rarely sell salt per kilogram.

The seventh indicator is physical evidence. Physical evidence is part of physical evidence, characteristics which are a value-added requirement for consumers in goods and services companies that have character, and the circumstances or conditions therein including the atmosphere of the company where goods and services operate (Yanti PD, 2020). Based on the results of interviews, the salt farming group still uses sacks or plastic when packaging products. Because we haven't found a new idea for packaging the salt product."

The salt marketing strategy of the Labuhan Bontong Village farmer group is still not perfect because it can be seen from the packaging that it is still less attractive and the price is uncertain. The process of promoting products is still done manually and does not use social media. The results of this research are supported by several interviews with informants regarding the salt marketing strategy of local farmer groups in Labuhan Bontong Village, Tarano District.

3. CONCLUSION

Based on the results of research on the salt marketing strategy analysis of local farmer groups in (Labuhan Bontong Village, Tarano District), it is generally concluded that the analysis of the salt marketing strategy of local farmer groups in Labuhan Bontong Village, Tarano District shows several important aspects that need to be considered. In this context, marketing strategies are the key to increasing sales and expanding market reach for salt products produced by local farmer groups.

First, in analyzing marketing strategies, it is important to consider market segmentation. Local farming groups need to clearly understand who their target market is, both geographically and demographically. By understanding market characteristics, farmer groups can direct their marketing efforts more effectively and efficiently.

Second, distribution strategy is also a key factor in marketing salt to local farmer groups. Labuhan Bontong Village has limited access to a wide market; therefore, it is important to identify effective distribution channels. It may be necessary to establish partnerships with local merchants, grocery stores, or even utilize online platforms to reach a wider market.

Apart from that, branding and promotion are also important elements in marketing strategy. Local farming groups need to build a strong brand image and convince consumers about the quality and superiority of their salt products. Appropriate promotions such as local advertising, participation in traditional market events, or social media campaigns can also help increase consumer awareness and interest in local farmer group salt products.

In addition, it is important to continuously monitor and evaluate the marketing strategies implemented. Analysis of sales data, consumer feedback, and market developments can help local farming groups adjust their marketing strategies to remain relevant and effective. By implementing a comprehensive and targeted marketing strategy, local farmer groups in Labuhan Bontong Village, Tarano District can increase the competitiveness of their salt products, expand market share, and ultimately increase the income and welfare of their members.

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