

Policy Analysis of Cocoa Marketing Development in Pohuwato Regency, Gorontalo Province, Indonesia

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Abstract:- This study aims to analyze Cocoa marketing development policies in Pohuwato Regency. Efforts to increase Cocoa production have been carried out through various policies that have been implemented by the District Agriculture and Plantation Service and other related agencies as well as the community in the Cocoa development area in Pohuwato Regency. However, this increase in cocoa production has not been accompanied by an increase in income received by the cocoa farming community. This phenomenon is caused by various factors, including the marketing aspect of Cocoa, where the farming community does not yet have a marketing system or model that can be used in marketing Cocoa. The research was conducted using a qualitative approach through field observations, in-depth interviews and documentation of various policies, so as to analyze Cocoa marketing development policies that can be used by farming communities in increasing farmers' income in Pohuwato Regency. The location of the research was carried out in Taluditi District as a center for cocoa development in Pohuwato Regency.

The results showed that: 1). The Cocoa Marketing Development Policy carried out in Pohuwaton Regency has not been optimal, where some farmers have not enjoyed the results of Cocoa sales because the selling price and marketing system are not well organized. So far, Cocoa marketing has not been regulated and supported by marketing policies that support the interests of farmers. 2). The determinant factors that determine the success of Cocoa marketing development policies include: (a). Resource support, (b). Availability of quality cocoa, (c). There is support and commitment from the government. Cocoa marketing development policies should also be followed by price protection at the farmer level, where the role of the government is very decisive, especially in determining the basic price of Cocoa. The selling price of Cocoa needs to be standardized so that it is expected to motivate farmers to support Cocoa marketing development policies in Pohuwato district.

Keywords:- Policy, Development, Marketing, Coco.

I. INTRODUCTION

Poverty alleviation efforts are carried out through improving people's income levels. One of the most important factors in increasing people's income is cocoa production policy. (Igrisa, I., Isa, R. A., & Tohopi, R, 2020). Cocoa is one of the leading commodities in Pohuwato Regency and plays a role in increasing the income of farming communities, especially in the Cocoa development area. Low crop production will lead to low levels of farm income (Desiana, N., & Aprianingsih, A, 2017), where economic growth and income distribution are two of the five main macroeconomic goals to be achieved by each country (Niyimbanira, F, 2017). Therefore, the government has developed various policies that are expected to encourage an increase in Cocoa production which indirectly has an impact on increasing people's income.

The policy of the National Movement for Increasing Cocoa Production and Quality, known as the Cocoa Gernas, which was initiated by the Directorate General of Plantation, Ministry of Agriculture since 2010 has brought changes to the pattern of plantations run by farming communities. Most of the farming communities have implemented agricultural and plantation technology which aims to increase cocoa production. This has an impact on increasing cocoa production yields from farming communities in Pohuwato Regency. However, the phenomenon that occurs in the community related to Cocoa development policies is quite alarming. The increase in cocoa production at the farmer level has not directly had an impact on increasing the income of the farming community. This is caused by various factors, including the quality and quantity of cocoa produced by farming communities that do not fully meet the specifications and quality of cocoa sold in the market. Besides that, from the aspect of cocoa marketing, it turns out that the cocoa farming community has not been able to sell their cocoa products. According to data, cocoa production in Pohuwato Regency is very volatile, due to the limitations of farmers in developing cocoa plantations as a permanent

source of livelihood. So far, farmers think that growing Cocoa is just a side job, so farmers are not fully involved in maintaining their Cocoa plants. Especially if it is associated with the sales of Cocoa which is not good, where the selling price at the farm level is very low compared to the selling price of Cocoa in the world market and at the exporter level. Farmers only receive the Cocoa price as determined by the collectors who come directly to the Cocoa plantation. Therefore, it is necessary to conduct in-depth research so that it can be found the root cause of the less than optimal policy of developing cocoa cultivation and marketing in Pohuwato Regency.

II. LITERATURE REVIEW

A. Marketing Distribution Channel Concept

A channel is something that is used to distribute goods or water (Kumala and Arundaya, 2001: 402). While marketing distribution is the distribution or delivery of goods to many people or to several places where sellers and buyers meet (markets) (Kumala and Arundaya, 2001: 117). Marketing distribution channels are described by the number of levels of marketing channels involved. The channel level is any level of marketing intermediary that performs some kind of task in bringing the product and its owner to the final buyer.

Furthermore, the American Marketing Association defines a distribution channel as the structure of inter-company organizational units, agents, and extra-corporate dealers, wholesalers and retailers by which, through the name of commodities, products or services are marketed. Distribution channel is a group of intermediaries that are closely related to each other in distributing products to buyers (Bowersox, D. J. 2006; Isa, R. A., Andarwati, Setiawan, M., & Sunaryo, 2020))

Today many manufacturers use intermediaries to bring their products to market. From here, distribution channels are built which are organizational devices that are interdependent and involved in the process of providing products or services so that they can be used or consumed by consumers and industrial users. Several forms of marketing distribution channels can be found in people's lives, including:

- a. A direct marketing channel is a marketing channel that does not have an intermediary level. Goods are delivered from the factory directly to the hands of consumers. For example, Tupperware which sells its products from house to house.
- b. Indirect marketing channels are channels that consist of one or more levels of intermediaries. In the consumer market, this level is usually retailers such as television manufacturers, cameras, tires, furniture and so on.
- c. The marketing channel consists of 2 levels of intermediaries, namely a middleman (wholesaler) and a retailer. This channel is used by small factories producing food, medicine, and various products (commodities).
- d. Marketing channels consisting of 3 levels of intermediaries, for example jobbers in the packaged meat

industry that arise between wholesalers and retailers (<http://dasar-dasar-pasaran-blog.blogspot.com/>)

In marketing distribution channels for agricultural and plantation products, the role of marketing intermediaries greatly determines the level of commodity prices sold. As with cocoa production, marketing distribution channels use several levels of trade intermediaries, namely wholesalers (middlemen) and cocoa farmers as producers. This condition has an impact on price instability of Cocoa production, where wholesalers dominate in determining the basic price of Cocoa. In practice, there are several kinds of marketing channels that are usually carried out by cocoa farmers, namely 1). Channel 1: Farmers - sub-district collectors - provincial wholesalers - exporters, 2). Channel 2: Farmers - village collectors - sub-district collectors - exporters. 3). Channel 3: Farmers - provincial wholesalers - exporters, 4). Channel 4: Farmers - sub-district collectors - exporters (Abubakar, I., Hakim, D. B., & Asmarantaka, R. W, 2017). Therefore, this research is expected to be able to develop cocoa marketing policies in an effort to increase farmers' income in Pohuwato Regency.

1.2 Cocoa marketing development policy concept The scope and study of public policy is very broad because it covers various fields and sectors such as economics, politics, social, culture, agriculture, plantations, law and others. Public policy is a number of government activities to solve problems in society either directly or through various institutions that affect people's lives (Tangkilisan, 2003: 2). One of the policies that can be studied is the Cocoa marketing development policy which has been implemented for several years in Pohuwato Regency.

Cocoa marketing development policies are implemented through an integrated system and integrated with local government programs. The fields developed refer to the systems and policies that apply within the scope of the Department of Agriculture and Plantation. In general, a system is a network of procedures that are interconnected, gathered together to perform an activity or to complete a certain goal. In marketing, we know that a marketing information system is a system in which it analyzes and also measures marketing information that is collected continuously from various company sources.

The marketing information system also provides information on sales, sales promotions, marketing activities, market research activities, and other matters related to marketing. The benefit of the marketing model system itself is to solve marketing problems that arise from a company and can take strategic policies in the scope of marketing. To market cocoa, it is very necessary to have the right marketing development system and policy so that it can help farming communities in marketing cocoa in helping cocoa marketing.

III. RESEARCH METHODS

This research on marketing development policy was conducted in Pohuwato Regency with the main informants being policy implementers and cocoa farming communities in the area of Cocoa commodity development centers. This research is a qualitative research using qualitative descriptive analysis where the researcher wants to reveal the phenomena that occur at the research location, examine it in depth and analyze the results qualitatively so that conclusions can be drawn on the focus of the research being studied. Data sources consist of primary data sources, namely those derived from interviews and observations of informants consisting of technical officers from the Pohuwato Regency Agriculture Office, and village governments and Cocoa farmer groups and farming communities, and secondary data sources derived from policies, regulations and technical guidelines for Cocoa development, relevant research results, documents and literature related to the research focus. Furthermore, the data is processed through data reduction stages for the benefit of data simplification in order to further sharpen the required data, present the data in an organized and systematic manner, so as to form a complete and integrated component, and interpret the data as a decisive step in drawing conclusions, and drawing conclusions. is an attempt to find meaning from the recorded and presented data.

IV. RESULT AND DISCUSSION

A. Cocoa Marketing Development Policy

Cocoa Marketing Development Policy carried out in Pohuwato Regency has not been optimal. This is indicated by the production results achieved by farmers have not shown a significant increase. Some farmers have not felt the impact of the policies that have been carried out by the local government. Research on Cocoa marketing development policies conducted by the research team is an attempt to present phenomena related to Cocoa marketing problems. From the findings of the research, it turns out that marketing is one of the problems that determine the success of Cocoa marketing development policies in Pohuwato Regency, in addition to cultivation techniques, treatment and eradication of Cocoa pests. Cocoa marketing involves many parties ranging from farmers, traders, exporters and local governments.

The marketing system that has been carried out by cocoa farmers in Pohuwato Regency is still conventional. Cocoa farmers have not made marketing efforts in the right way, so the income they receive has not been balanced with the expenses or costs needed to maintain Cocoa. In other words, cocoa has not been marketed properly, where cocoa farmers do not use the official channels regulated in local policies and regulations. Regional and provincial governments have not issued policies that regulate the marketing and cost of cocoa at the farmer level (Isa, R. A., Andarwati, Setiawan, M., & Sunaryo, 2020). Farmers have not been able to develop a cocoa marketing system so that it can increase the income of the farming community. The development of technology-based marketing has not been

implemented by farmers, so Cocoa has not been able to enter the world market at a fair and appropriate price. Cocoa is sold in a limited scope and is local, so the price obtained is not comparable to the expenditures that have been incurred by cocoa farmers. For details, the results of Cocoa production in Pohuwato Regency for the last 5 years can be seen in the following table:

Table 1. Cocoa production data in Pohuwato Regency in 2016 – 2020

| No | Year | Total Production (tons) |
|---------------------|------|-------------------------|
| 1 | 2016 | 3.485 |
| 2. | 2017 | 3.485 |
| 3. | 2018 | 3.458 |
| 4. | 2019 | 3.458 |
| 5. | 2020 | 4.864 |
| Total number | | 22.662 tons |

Source: BPS Data 2016-2020

From the data above, it can be seen that Cocoa production has not increased, from 2016 to 2019 it was still at the same figure of 3,458 tons, and in 2020 it increased by 1,406 tons so that production increased to 4,864 tons. However, the increase in cocoa production has not been followed by an increase in the income of the farming community.

B. The determinant factors that determine the success of Cocoa marketing development policies include:

a. Availability of quality cocoa.

In developing Cocoa as a leading commodity in Pohuwato Regency, the relevant agencies through various policies have made efforts to implement agricultural and plantation technology. In addition, various trainings have been given on the techniques of care, maintenance and eradication of pests and diseases on cocoa plants. Even harvest and post-harvest techniques have been given to farmers. To produce quality cocoa, the cocoa fermentation technique is also one of the materials given to cocoa farmers. However, this has not been fully followed and applied by farmers so that the cocoa produced is still of low quality.

Efforts to improve the quality of this Cocoa need to be done because it is closely related to Cocoa marketing. Quality cocoa is expected to get a high price. But in reality it is not so. Cocoa produced by farmers is considered the same by collecting traders who come to buy cocoa and the price given is far from the standard price prevailing in the market.

Cocoa price and quality has always been a big problem faced by cocoa farmers, so there are some cocoa farmers who cut down their cocoa and replace it with other crops such as corn, durian, oil palm and others. Therefore, it is necessary to develop a Cocoa marketing system and model that can be used by farmers in marketing Cocoa. The development of this system must involve all parties where farmers must provide quality cocoa. With the development of this Cocoa marketing system and model, it is hoped that

the selling price of Cocoa will be better and Cocoa farmers will increase their income.

b. There is a clear market system and mechanism

The market system and mechanism used in cocoa marketing is not yet clear. The system concerns all components involved in the cocoa marketing process, be it farmers, collectors, BUMDes institutions, exporters and local governments. In this case, it is necessary to have consistency from each of these components in carrying out the prevailing market mechanism. Thus, it is hoped that Cocoa marketing can be improved and can increase the income of Cocoa farming communities.

The consistency of each party involved in Cocoa marketing will determine the success of the marketing system that will be designed. How well the system design is made will not succeed if there is no consistency from all parties involved in Cocoa marketing. The mechanisms and systems created must be adhered to and used as a reference in carrying out Cocoa marketing activities. Thus it can be emphasized that the development of market systems and mechanisms must be clarified at the beginning, so that every party involved in Cocoa marketing will understand and comply with all applicable mechanisms in Cocoa marketing.

c. There is support and commitment from the government

Government support is needed in the form of policies that can protect the selling price of Cocoa. So far, the local government has not issued a policy related to the price of cocoa. Farmers as Cocoa owners are always in a powerless position and must accept the Cocoa prices set by the collecting traders. Therefore, there is a need for support and commitment from the government to try to develop a Cocoa marketing system that is in accordance with Cocoa market conditions.

Commitment not only from the government but from all parties. This is necessary to support the development of the Cocoa marketing system. The attitude of implementing the policy is a form of commitment and support from the government towards efforts to improve the Cocoa marketing system. If all parties are willing to support and show a good commitment to the development of the marketing system, the Cocoa marketing system will be successful and can be used by farmers in marketing their Cocoa.

Thus, it can be concluded that the efforts to develop a Cocoa marketing system and model really need support and commitment from the government and all relevant stakeholders. This is intended to ensure the stability of the selling price of Cocoa so that the income of Cocoa farmers will increase.

V. CONCLUSION

Cocoa marketing development policies should also be followed by price protection at the farmer level, where the government's role is very decisive, especially in determining the basic price of Cocoa. The selling price of Cocoa needs to

be standardized so that it is expected to motivate farmers to support Cocoa commodity development policies in Pohuwato district.

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