Marketing Performance Evaluation of Purun Agroindustry as Peatland Friendly Commodities in South Sumatera

Dessy Adriani^{1*}, Elisa Wildayana¹, Yulius¹, Nurilla E. Putri¹, Idham Alamsyah¹, Maryanah Hamzah¹, Maryadi¹, and Melati Andarini²

Abstract. Researchs related to purun (*Heleocharisfistula*) economic development should be encouraged for peatland sustainability. For long time, purun crafting was marketed traditionally only to traders who already have closebonding to the crafters. So, the research objective were (1) to evaluate the marketing performance, and (2) to design the marketing model's plan of purun. This research was conducted in Pedamaran Area, Ogan Komering Ilir on September 2017. The result showed the performance of marketing of purun agroindustry in Pedamaran area has not yet all have a level of performance that corresponds to the importance of all marketing actors. There are gaps between performances and importances of marketing performance for atbributes, i.e. commitment in cooperation, profit, sales, prices, information, and skills improvement. The marketing model's plan of purun are (1) building cooperative institution formally, (2) improving inputs for increasing profit, and (3) introducing e-commerce.

1 Introduction

Peatlands provide critical ecosystem services including carbon storage [10], water retention and water quality [12] and providing habitat supporting bio- diversity and wildlife [5]. Land use and management changes have been modifying the structure and function of peatlands. This process will likely be exacerbated by climate change [11]. Restoration is an important policy to secure and enhance peatland ecosystem service from climate change and human error activity.

Few studies have quantified the benefits of restoration in general and also trade-offs associated with peatland management using stated preference methods [16,4,13]. From these studies, there are some friendly commodity for supporting peatland restoration. Purun(*Heleocharis fistula*) is one of it. Purun is the most common peatland plant in South Sumatera and South Kalimantan, Indonesia. Purun has many benefits, especially the leaves that can be used as the main product as presented in Figure 1.

¹Researcher/Lecturer of Agriculture Faculty, Unversitas Sriwijaya, Indonesia

²Researcher Assistence of of Agriculture Faculty, Unversitas Sriwijaya, Indonesia

^{*} Corresponding author: dessyadriani@fp.unsri.ac.id.





Fig. 1. Purun Plant dan Purun Mat

Most of studies about purun take much attention on tehnical and ecological aspect [8,15]. There are only few studies about social economic purun [1,2]

In South Sumatera, Pedamaran is central area for purun agroindustry. Long history adorn the life of Pedamaran community until now, some of them particularly women, still work as a purun craft womens [7]. This agroindustry done manually with colorful decoration and various motifs, become the purun product with profit about IDR 1.679.400 by the year. Purun mat is the main product of purun agroindustry 3,1]. This agroindustry should be able to continue to be developed. By year, the product of purun agroindustry was marketed conventionally. As seen on [2], the marketing channels that occur in the purun agroindustry involviepurun product producers, collecting traders, retailers, and consumers as shown in Figure 2.

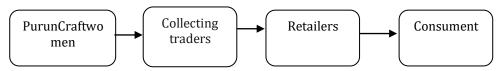


Fig. 2. Product Marketing Channels of Purun Product

Marketing development is needed to support the development of purun agroindustry, so that it can improve the profit. Along with the problems that have been raised, researchers interested to analysis the marketing performance and design the marketing model's plan of purun.

2. Materials and Methods

2.1 Objectives

The objective of this research were (1) to evaluate the marketing performance, and (2) to design the marketing model's plan of purun.

2.2 Research Metodology

This research has been conducted in Pedamaran Area, OganKomeringIlir District on September 2017 to October 2017. The research method is survey method. Sampling is done by purposive method (N=30). Marketing performance is analyzed using Important Performance Analysis (IPA) with focus on matching attribute between level of importance with performance level of marketing attribute. According to Riwanti (2011), marketing performance attributes consist of: (1) commitment in cooperation, (2) information disclosure, (3) profit level, (4) access to capital, (5) transaction cost and marketing efficiency, (6) product, (7) application of product standard, (8) sales, (9) product selling price, (10) staging. Analysis of marketing attributes is used to measure satisfaction in the

implementation of marketing purun mat. Comparison of attribute matching analysis consists of the level of importance and level of performance represented in 11 marketing attributes.

The each attributes have score, that is 4 for very important / excellent scores, 3 for important / good, 2 for unnecessary / unkind, 1 very unimportant (not very good). By using Cartesian Diagram can also be shown what attributes are considered to have high interest rates by the respondents but have a low performance in the implementation so disappointing respondents. This diagram consists of 4 (four) parts bounded by two lines that cut perpendicular to the points:

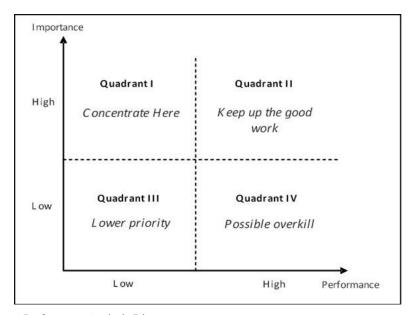


Fig. 3. Important Performance Analysis Diagram

3 Results and Discussions

3.1 Performance of Agro-Industry Marketing Purun

Marketing performance in purun agroindustry has not yet all levels of performance that match the level of importance of all marketing actors. Performance atributes that have not been in accordance with the level of importance between craftswomen with collecting traders is a commitment in cooperation, profit, sales, product selling prices, and skills improvement. The importance and performance of marketing attributes at the crafts women and collecting traders can be seen in Figure 3-4.

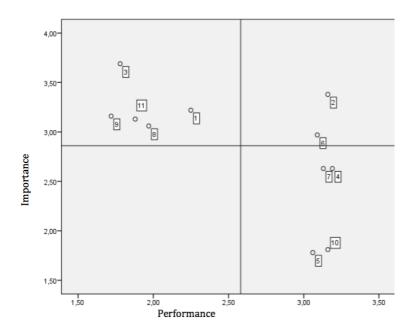


Fig. 4. Quadrant on Cartesian Diagram of Assessment of of Craftswomen to Collecting Trader

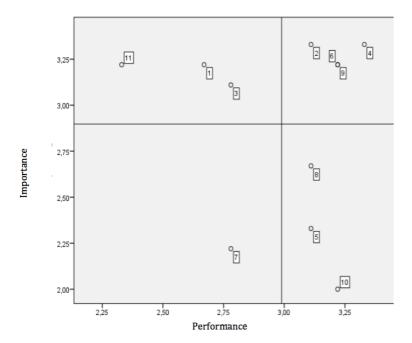


Fig. 5. Quadrant on Cartesian Diagram of Assessment of of Assessment of Collecting Trader to Craftswomen

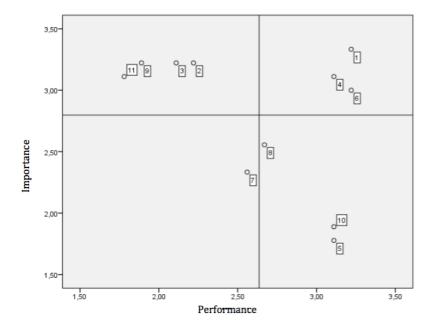


Fig. 6. Quadrant in Cartesian Diagram of Assessment of Collecting Traders to Retailers

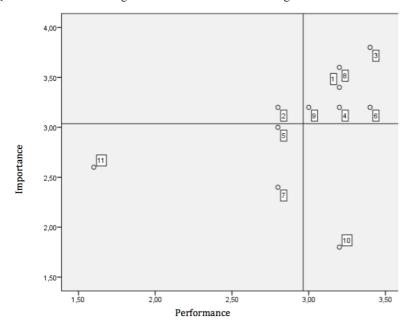


Fig. 7. Quadrant in Cartesian Diagram of Assessment of Retailers to Collecting Traders

Note: Number in graph means: (1) commitment in cooperation, (2) information disclosure, (3) profit level, (4) access to capital, (5) transaction cost and marketing efficiency, (6) product, (7) application of product standard, (8) sales level, (9) product selling price, (10) staging

Furthermore, the performance of partnerships that have not been in accordance with the level of interest between collecting merchants and retail traders is information disclosure, profit levels, product selling prices, and skills upgrading efforts. In summary, the level of importance and performance of marketing attributes in collecting merchants and retailers can be seen in Figure 5-6.

3.2 Design of Marketing Model in Purun Agroindustry

Based on the results of IPA analysis, it is found some important issues that need to be concerned that marketing performance that has not been in accordance with the level of importance is a commitment in cooperation, profit, sales, prices, asymmetry information, and skills improvement efforts.

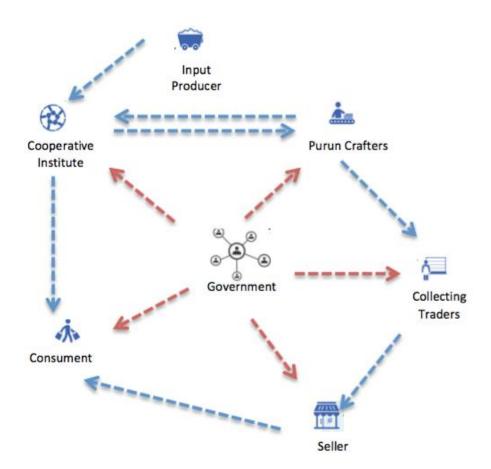


Fig. 8. Design of the marketing model's plan of purun agroindustry

The following policy alternatives can be suggested to address priorites marketing attributes for performance improvements. This priorites marketing attributes develop not only from result studies, but also from previous studies.

- a. Cooperatives are expected to have two main functions namely by procuring inputs and procurement output [9].
- b. Contractual Agreement

For now, the commitment that exists between craftswomen and collecting merchants arises because of the mutual trust that requires the commitment of cooperation in the form of contractual agreements. To improve the performance of commitment in cooperation should be done contractual contract.

c. Expanding Network Marketing

Purun craftswomen and traders can expand the marketing network by utilizing modern technology that is by promoting the product to social media as one of the implementation of the creative economy as suggested by [6,7]

d. Product Development Training and Entrepreneurship Training

The role of government becomes one of the important things to develop agroindustry purun. One of the ways that Pedamaran District can be known by the public is to produce handicraft of purun products with more various types and forms such as tissue boxes, bags, pencil boxes, and so on. In addition to new innovations through the development of product types, it is very necessary training activities in entrepreneurship to improve the entrepreneurial spirit and skills owned by craftsmen and merchant traders.

e. Expanding Network Marketing
The way that can be done to expand the network marketing is to utilize information technology and e-commerce [17,18].

4 Conclusion

Performance of marketing on agroindsutripurun not yet entirely have level of performance appropriate to level of interest of all marketing actors. Marketing performance not yet in accordance with the level of importance between craftswomen with collecting traders is a commitment in cooperation, profit, the sales, product selling prices, and skills improvement. While the marketing performance that is not in accordance with the level of interest between collecting merchants and retailers is information disclosure, profit, product selling prices, and skills improvement. Marketing activities will be better if the marketing performance between the actors involved in accordance with the level of importance of agroindustry purun actors. In order to improve the marketing performance, it is necessary to develop cooperatives, contractual agreements, expand marketing networks, agroindustry empowerment.

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