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MARKETING DISTRIBUTION OF TILAPIA FISH (*OREOCHROMIS NILOTICUS*) IN BANJAR REGENCY OF SOUTH KALIMANTAN, INDONESIA

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ABSTRACT

This study aims to examine the marketing channels and marketing agencies of tilapia fish in Banjar Regency, South Kalimantan. The data required were primary and secondary data. Primary data obtained through surveys, interviews with questionnaires to respondents and documentation. The primary data in this study were fish farmer and market agencies. Secondary data obtained from various sources and institutions related to the research description include books, magazines, journals and other official sources both from government and private agencies. The total respondents in this study were 74 people consisting of 45 fish farmers, using the simple random sampling method and then 9 middleman and 20 retailers using the snowball sampling method. The data analysis includes marketing agencies analysis and marketing channel analysis. The results of the analysis explain that there are two marketing agencies, namely middleman and retailers, and three patterns of marketing channels, namely (a) fish farmers directly sell to consumers, (b) fish farmers sell to middleman then sell to retailers for distribution to consumers and (c) fish farmers sell to retailers for distribution to consumers. Consumers as the final buyers come from the Regencies of Banjar, Banjarmasin, Banjarbaru, Tanah Laut, Hulu Sungai Utara, Hulu Sungai Selatan, and even out of South Kalimantan such as Central Kalimantan and East Kalimantan. The difference in the sales area illustrates that tilapia fish is starting to be in demand and already has a relatively wide market share.

KEY WORDS

Tilapia fish, fish farmer, marketing channel, marketing agencies.

Tilapia fish is a leading commodity for cultivation in South Kalimantan with production that continues to increase over the last 10 years from 11,935 tons (2010) to 38,834 tons (2020) (figure 1), it's because tilapia fish has a relatively fast growth, shorter harvest time and has a fairly high price (Dinas Kelautan and Perikanan, 2021). The increase in production is expected to be able to meet consumer demand so that tilapia fish can be distributed evenly in all regions (Hadie L. E, 2018).

Banjar Regency is one of the main areas for the development of tilapia aquaculture in South Kalimantan. For these times, the marketing of tilapia fish is not only to meet the needs of consumers in Banjar Regency, but is also marketed outside the region such as Banjarmasin, Banjarbaru, Tanah Laut, Hulu Sungai Utara, Hulu Sungai Selatan, and even outside South Kalimantan such as Central Kalimantan and East Kalimantan. To reach a wider market, fish farmers cannot afford if they only rely on direct sales to consumers so that they involve several marketing agencies so that they can distribute products properly also quickly (Lilimantik and Mailita, 2021).

Marketing institutions play a role in creating added value and benefits for the community by moving fishery products from production areas to consumption areas (Hanafiah and Saefuddin, 1986). To facilitate the movement of fishery products, proper and



efficient marketing channels are needed (Rahadi, F., 1995). In general, the post-harvest fish product channel requires a model that is not too long, this is in accordance with the nature of fishery products that are not durable and easily damaged (Apriono et al, 2021). However, fish marketing, especially in small-scale fisheries, often has not reached the ideal point, this is due to the mastery of the marketing system by several fishery actors, causing a long marketing chain (Sarwanto S., 2014).

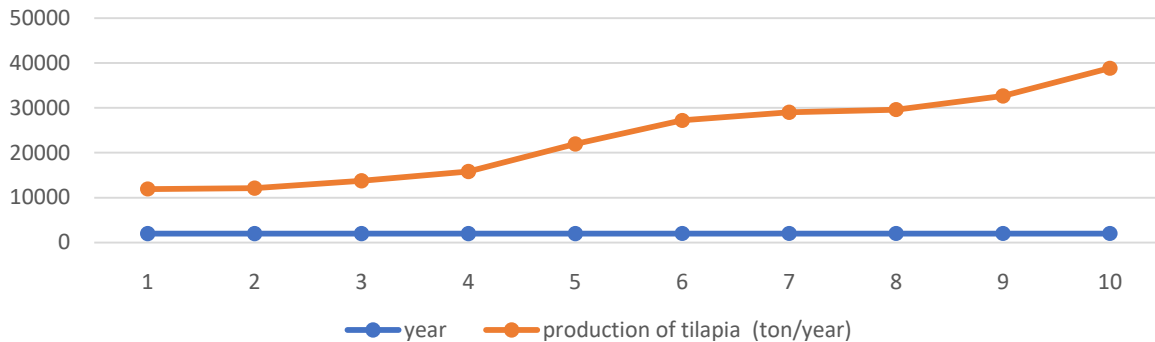


Figure 1 – Production of Tilapia from 2010-2020

The large number of marketing agents involved causes fish marketing to be inefficient because each marketing agents will take advantage and this will affect the price of fish at the final consumer level. Punctuality in selling fishery production is also very important so that the product does not experience quality deterioration so that the price can still be maintained. Therefore, it is necessary to have an appropriate distribution system in conveying production from the producer area to the consumer area. Effective and efficient marketing will be able to encourage increased income at the fish farmer level, increase the profits of intermediary traders and increase consumer purchasing power (Lisna and Sofyan, 2011).

MATERIALS AND METHODS OF RESEARCH

The research location use purposive sampling method in Banjar District, South Kalimantan Province in 2022. The research was held in four villages located in Karang Intan sub-district, namely Mali-mali village, Karang Intan village, Sungai Arfat village and Jingah Habang Ulu village with the consideration that this area is a center for tilapia cultivation in Banjar Regency. The map of the research location can be seen in Figure 2.

The total respondents in this study were 74 people consisting of 45 fish farmers, use the simple random sampling method and then 9 middleman and 20 retailer uses the snowball sampling method. The age of respondents varied between 32-54 years old and the duration of business experience was between 2 and 5 years.

The data needed includes primary and secondary data. Primary data obtained through surveys, interviews with questionnaires to respondents and documentation. The primary data in this study are fish farmer and market agencies. Secondary data is data obtained by researchers from existing sources. Secondary data in this study obtained through agencies related to research descriptions and literature related to research themes such as journals, research reports and other supporting books).

The marketing distribution of tilapia fish from freshwater aquaculture in Banjar Regency, South Kalimantan Province is seen from:

- *Marketing Agencies Analysis*: marketing agency as a business entity or individual that carries out marketing efforts by distributing goods and services from producers to final consumers (Bell, M. L., 1996). Marketing agencies were analyzed using the snowball sampling method to see every marketing agency involved in the marketing process of aquacultured tilapia.
- *Marketing Channel Analysis*: the marketing channel is the stage that is passed by the goods and services produced from the producer to the intermediary trader to be



conveyed again to the final consumer (Sudiyono A., 2004). Marketing channels were analyzed using descriptive qualitative and quantitative methods to see and observe the marketing channels that they go through starting from fish farmers to the consumers.

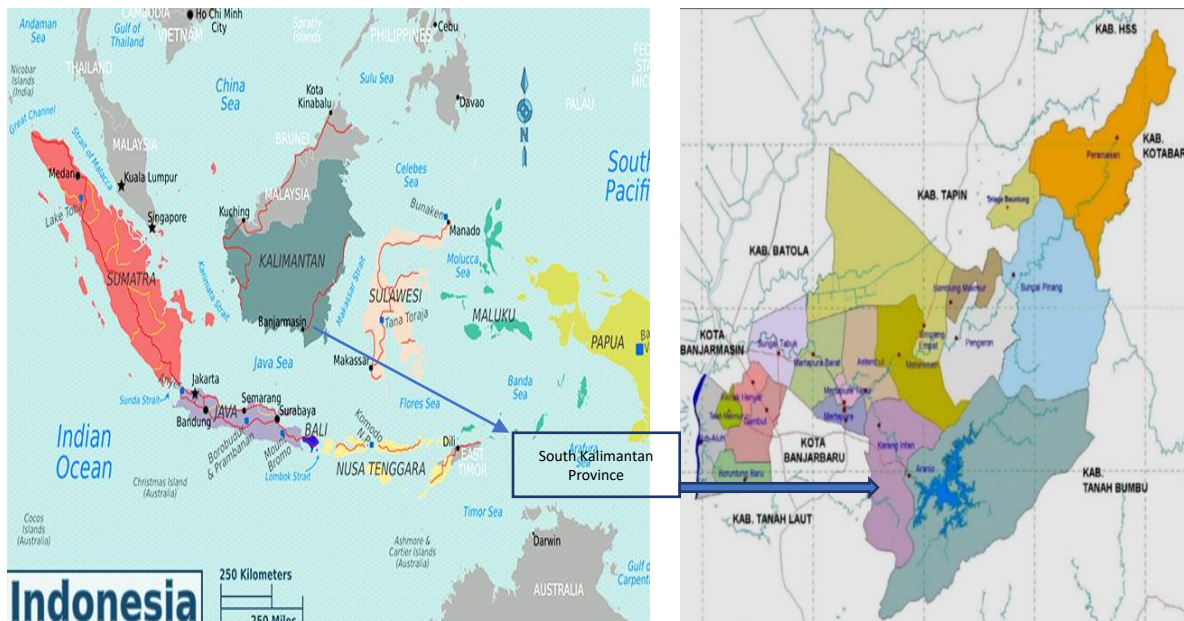


Figure 2 – Research map location

RESULTS AND DISCUSSION

The institutions involved in marketing cultivated tilapia fish in Banjar Province, South Kalimantan consist of:

- **Middleman:**

Middleman is a person who actively collects and buys tilapia directly from fish farmers and then distributes it to retailers according to the size of the demand. The collection process is the most important thing in every middleman activity (Nahumury and Manuhuttu, 2019), considering that production areas usually have scattered locations and with relatively far distances (Lilimantik E, 2019). The purpose of fish collection is to increase efficiency in selling fish to consumption areas (Haj and Adhawati, 2019). The payment process usually consists of several ways, among others, based on an agreement between the fish farmer and the middleman which is carried out either in cash or on credit (Van Riel et al, 2015). In the distribution process, middlemen usually require transportation in the form of a car that is used to move tilapia cultivated from the production area to be forwarded to retailers (Christianingrum et al 2018).

- **Retailer:**

Retailers are institutions that directly deal with consumers, besides that they also deal with middlemen (Kartikasari D, 2010). Retailers are often found in traditional markets, usually they sell fishery products from morning to evening and the method of payment made by consumers is cash. In this study, there are several retailers whose location is not too far from the fish farmer, so they usually buy tilapia directly from the fish farmer, while retailers whose location is relatively far from the fish farmer will usually buy from the middleman and then sell it to the final consumer. Retailers who buy their produce directly to fish farmers usually require marketing costs which include transportation costs and transportation wages (Eltholth M., et al, 2015), while retailers who are located far away usually only need marketing costs in the form of shop rentals, user fees and plastic bags (Lekshmi et al, 2020). The purchase price for retailers located not far from the producer's location is much cheaper than the



purchase price for retailers located far away due to marketing costs incurred by collecting traders to deliver fish to retailers (Madugu and Edward, 2011).

- **Marketing Channel:**

The marketing channel is a channel for delivering a product, including fishery products and is one of the determining factors to increase sales results. If marketing channels can be used properly and optimally, consumers can easily obtain these products (Anindita and Baladina, 2016). The results of interviews conducted at the research location explained that the marketing channel for cultivated tilapia in Banjar Regency, South Kalimantan Province consisted of 3 patterns (Figure 3).

Fish farmers are 45 people, selling fish to final consumers as many as 3 people (7%), selling to collectors as many as 26 people (58%) and selling to retailers as many as 16 people (36%) and then selling them to final consumers. Channel 1 explained that fish farmers sell their harvests directly to final consumers, usually when there are people around the cultivation location who come to buy directly to meet their daily needs or there are consumers from outside the area who come to visit and buy fish from the cultivation. Usually this direct sale is not routinely done. Channel 2 explained that the fish farmer did the selling process to the middleman. Usually, collectors come to the aquaculture location to buy in large quantities and immediately transport the fish to be redistributed to buyers, then to retailers who subscribe to them and then forward them to final consumers.

Channel 3 explained that fish farmers sell their harvests directly to retailers. This kind of buying process is usually caused by the distance between the fish farmer and the retailer, so that retailers can buy and immediately bring their crops to the nearest market.

Channel 1 (7%)



Channel 2 (58%)



Channel 3 (36%)

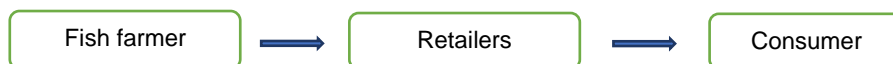


Figure 3 – Marketing channel pattern of cultivated tilapia fish (Source: Primary data processed, 2022)

The marketing of tilapia cultivated in Banjar Regency uses a long marketing channel pattern as seen in channel 2 by involving several marketing agencies, namely middlemen and retailers. The process of selling tilapia is considered easier, because collector traders are able to absorb all of tilapia production on a large scale, besides that they also distribute their products not only in the Banjar Regency area, but also to other areas in South Kalimantan, which reached out to South Kalimantan such as Central Kalimantan and East Kalimantan. In addition, most of the fish farmers are bound by an agreement and have trusted their regular middleman, especially in terms of payment and usually the middleman will pay the fish farmer after the fish they have brought have been sold out. Most of Middleman also already has subscriptions, namely retailers in several market areas so that they will directly distribute the fish purchased from the fish farmer to the retailer, while payments are usually made in accordance with the agreement of both parties.

CONCLUSION

For identifying the marketing agencies and marketing channels involved in the marketing of tilapia fish is by following the flow of tilapia production from fish farmers to consumers. Marketing agencies that assemble marketing channels consist of middlemen and



retailers and function to distribute their products quickly to consumers. While the marketing pattern consists of three marketing channels in two ways, namely direct distribution to consumers (channel 1: fish farmers directly sell to consumers) and indirect distribution through marketing agencies to then be delivered to consumers (channel 2: fish farmers sell to middleman and then sell to retailers for distribution to consumers and channel 3: fish farmers sell to retailers for distribution to consumers).

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