

Marketing Strategy of Animal Feed for Laying Hens (Case Study of PT. Cahaya Mario Brother Group)

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ABSTRACT

This study aims to determine marketing strategies and analyze internal and external factors that exist in PT. Cahaya Mario Brother Group. The data collection method used is participatory observation, and the data used are primary and secondary data. The data analysis methods used are qualitative descriptive and SWOT analysis. The results of this study put the company's position in quadrant I where the position in quadrant I explained that PT. Cahaya Mario Brother Group has great opportunities and strengths so that it can take advantage of the opportunities that exist. The strategy used by PT. Cahaya Mario Brother Group is a strategy that is (SO) which means supporting aggressive policies. The strategy that must be done to deal with competitors is to increase promotion and maintain product quality. This aims to increase consumer attractiveness, expand market share and reduce the risk of similar competing products

INTRODUCTION

Economic development in Indonesia in the millennial era is currently very tight and rapid in terms of business. This increasingly complex market situation requires entrepreneurs to have a good marketing strategy, so that their products are not only sold in the market, but also able to compete and survive in existing competition. Entrepreneurs are expected to be able to know all forms of product strengths or weaknesses and internal company conditions, so as to be able to carry out good control management in their marketing strategies (Gianto, 2015).

The development of livestock business in Indonesia, especially laying hens, is currently growing rapidly. This makes feed companies compete to meet the needs of their consumers. Success in a chicken farming business is the availability and provision of feed.

Feed is a single or mixed foodstuff, both processed and unprocessed, which is given to animals for survival, production, and breeding. Quality feed will greatly support the increase in livestock production and reproduction (Anggorodi, 1985). Therefore, the laying hen farming sector must be handled seriously, so that it can provide benefits in accordance with human needs. The success of a laying hen farm is largely determined by marketing (Hsu, 2011; Mohammed et al., 2013; Wilson and Wong, 2003).

Marketing is an activity in which there is a process of exchanging the flow of goods and services from producers to consumers (Abdullah, 2012; Iyamabo, 2013; Nasir, 2009; Rachmawati, 2011). In marketing activities, there is an understanding of human needs and desires that must be satisfied in the form of goods and services. In marketing activities, every company that wants to succeed must have a concept or insight / view to provide satisfaction to consumers, meaning that the company not only achieves high sales but must focus on customer satisfaction. For this reason, a marketing strategy is needed.

Marketing needs to get serious attention by the company, especially in the process of determining marketing strategies must be really mature, so that the chosen marketing strategy will be able to penetrate the market. Another reason that shows the importance of marketing strategy is the increasingly fierce competition faced by companies in general. In such a situation, there is no other choice for the company but to try to deal with it or completely out of the competitive arena. Companies must increase the effectiveness and value of customers, as stated by Bestari (2003) that the best response to protect the market is to innovate continuously (continuous innovation). The company continues to strive to improve its competitive effectiveness and corporate value in the eyes of its consumers.

In this study, we will discuss the marketing strategy of laying hen feed at PT. The light of the Mario Brother Group. The right strategy for the company is a strategy that is prepared by considering the company's internal conditions to take advantage of opportunities and anticipate threats that exist in the ever-changing external environment.

LITERATURE REVIEW

Marketing strategy is a strategy used by companies to win market competition. According to Purwanto (2008) strategy analysis includes a "strategy triangle", namely: customers, competitors, and companies. According to Chandra (2002), marketing strategy is a plan that describes the company's expression of the impact of various marketing activities or programs on the demand for its products or product lines in certain target markets.

Strategy is the overall concept of how a company organizes itself and all activities with the aim that the business is run successfully, conducts competition, and returns to shareholders (Charles, 2010). According to Assauri (2013) marketing strategy is a series of goals and objectives, policies and rules that give direction to the company's marketing efforts from time to time, at each level, reference and allocation, especially as the company's response in facing the ever-changing competitive environment and circumstances.

The marketing strategy according to Private (2008) is an overall system of business activities through planning, pricing, promoting, and distributing goods and services that satisfy and meet the needs of buyers. From the above opinion it can be concluded that marketing strategies provide direction in relation to market segmentation, target market identification, positioning and marketing mix. The marketing mix consists of four elements, namely product, price, promotion, place. Meanwhile, according to Hurriyati (2010) for service marketing, an expanded marketing mix needs with the addition of three elements, namely people, facilities and processes so that it becomes 7P. The seven elements are interconnected with each other and can be combined according to the environment, both inside and outside the company so that company goals are achieved (Kotler, 2009).

RESEARCH METHOD

This research is a research using a type of descriptive qualitative research that aims to reveal facts, phenomena and circumstances that occur when the research runs thoroughly and in accordance with the context (Sugiyono, 2017).

The data sources used in this study are primary data and secondary data. Primary data is data obtained directly from respondents or research objects collected by a researcher (Prawirosentono, 2009). Furthermore, secondary data is data obtained from the second party (Prawirosentono, 2009). Secondary data can be obtained from various sources such as books, reports, journals, consumer companies / agents, and related agencies related to this research. The data collection techniques used are observation, interviews and literature studies (Sugiyono (2017)).

The data analysis method used in this study is qualitative descriptive analysis and qualitative SWOT analysis. The qualitative descriptive analysis method is analyzing, describing, and summarizing various conditions, situations, from various data collected in the form of interviews or observations about the problems studied that occur in the field (Wirartha, 2006).

SWOT analysis is an analysis used to identify existing conditions as well as formulate a development strategy by considering strengths, weaknesses, opportunities, and threats in a project or a business speculation (Rangkuti, 2005). The SWOT matrix can be seen in Table 1.

Table 1. SWOT Matrix

Internal	external	Strength	Weakness
	Opportunity	SO	WO
	Threat	ST	WT

Source: Rangkuti, 2005

Based on the matrix in table 1 above, it shows that the SO (Strength-Opportunity) strategy is a very profitable situation for the company because this strategy maximizes the power to take advantage of existing opportunities. A WO (Weakness-Opportunity) strategy which means overcoming the weaknesses of the company in order to take advantage of existing opportunities. ST (Strength-Threat) strategy which means maximizing the strengths of the company to face existing threats. WT (Weakness-Threat) strategy which means overcoming the weaknesses of the company so that the company can face existing threats, so that the company will obtain several effective alternatives that will maximize strengths and opportunities and minimize weaknesses and threats.

RESULTS AND DISCUSSION

Marketing is one of the company's activities to maintain the existence of its products, especially in a state of unstable market demand. In a competitive situation, companies must implement marketing strategies that are dynamic and adapted to existing market conditions. PT. Cahaya Mario Brother Group conducts marketing strategies with a marketing mix (marketingmix), which combines product, price, distribution and promotion variables.

Based on the above analysis using the results of observations and interviews, the results of the analysis can be known as follows:

A. Products

Products are everything that is physical or nonphysical that can be offered to consumers to meet needs or desires. PT. Cahaya Mario Brother Group has indirectly implemented a marketing strategy based on life cycle products (Mullin & Walker, 2010) namely by informing its customers of new products marketed.

Products marketed at PT. Light Mario Brother Group comes from several companies that are cooperated, including Cargill, Phokpan, Sreeya, Cj, Wonokoyo, Jaffa and New Hope.

B. Pricing Strategy

So far, the pricing strategy carried out by PT. The light of Mario Brother Group is by bargaining between marketing parties and customers so that the desired price can be set based on market prices. PT. Mario Brother Group sets the selling price of products based on production costs plus profits adjusted to the selling prices of similar products from other companies. The price sold is relatively the same as other producers, but in general there are two price strategies applied, namely the first is cash, where customers or consumers who pay in cash get discounts ranging from 5,000-7,000 thousand Rupiah / sack. Then the second credit, where there has been an agreement made between producers and consumers regarding the maturity period of goods. If it is due or the loan period has passed, according to the agreement, the consumer must pay above the normal price (interest) based on the agreement that has been made. So far, the company combines pricing strategies with promotional strategies by providing discounts, if customers buy in cash or buy in bulk.

C. Promotion Strategy

According to Fandy Tjiptono (2001: 219) promotion is one of the determining factors for the success of a marketing program. Promotion consists of: advertising, face-to-face, sales promotion, relationships, word of mouth, messaging. The definition of promotion according to kotler (2005) is various activities carried out by producers to communicate the benefits of their products, persuade, and entice target consumers to buy the product.

So far, the promotional strategy carried out by PT. Mario Brother Group has not done well. This is obtained from the results of direct interviews with the company itself, PT. Mario Brother Group does not utilize existing facilities or technology, for example promoting products or goods through existing social media. As stated in detail by Tjiptono (2008) is as follows: inform, persuade target customers, and remind. The key to promotion is how we can introduce products, persuade, attract consumers to want to buy the products we market. However, the company only controls its promotion by providing discounts for consumers who pay cash or take large amounts of feed.

D. Distribution Strategy

In terms of place analysis or distribution, there are almost no problems, this is because the company's location is strategic enough to make it easier for customers to find out the location of the company, PT. Mario Brother Group also uses sales sales and veterinary deployments to nearby farms to provide counseling, taking an individual approach to disseminating its products. Marketing with a personal approach (personal selling) is an advantage for the company. This is responded positively by consumers, because consumers can get clear information about the use of animal feed. Sales have mastered enough material about products and know at least about the development of animal

husbandry in Indonesia. Sales sales are always looking for other farms that he has not visited to market the company's products. Sales are equipped with two-wheeled motorized vehicle facilities to help with their work. However, the company also has weaknesses in terms of delivery time delays (time lag). This can be seen from the delivery time which is often late. This is considered very detrimental to consumers, because they often have to wait for the ordered goods. This has been realized by the company as an omission due to the transportation process that is often problematic, both in terms of providing too little branch warehouse stock and ordering time which sometimes coincides with other parties' orders. Distribution channels play an important role in product distribution. Choosing the right distribution channel can help increase sales volume. Realizing the importance of this, the distribution channels implemented by PT. Mario Brother Group distributes its products to farmers in Pinrang-Sidrap and Enrekang. This pattern is an advantage of the company, because it can interact directly with breeders.

SWOT Analysis

Before the SWOT analysis is carried out, classification and analysis of internal factors (strengths and weaknesses of the business) are carried out. The procedure for analyzing internal factors (IFAS = Internal Factor Analysis Summary) is as follows (rangkuti 2005).

1. Arranged factors that become strengths and weaknesses.
2. Weighting is carried out from 1.00 to 0.00 (from very important to unimportant) depending on the magnitude of the impact of the factor.
3. A rating scale of 4-1 is given to strength (large strengths are given a value of 4 and small ones are given a value of 1).
4. A rating scale of 4-1 is given for weaknesses (the largest weaknesses are given a value of 4 and the small ones are given a value of 1).
5. Multiplication between weights with ratings is carried out so that a value is obtained for each factor.
6. The value of each factor is added together so that a total value for the internal strategy factor is obtained. This value shows how the company reacts to its internal factors.

Table 2. IFAS Matrix

No.	Internal Factors	Sum	Weight	Rating	Weight Score
<i>Strength:</i>					
1	Strategic company location	36	0,10	3,6	0,37
2	Feed distribution services that are directly delivered to farmers	35	0,10	3,5	0,35
3	Clear distribution channels	33	0,10	3,3	0,31
4	Affordable feed price	32	0,09	3,2	0,30
5	The quality of human resources is quite good	33	0,10	3,3	0,31
6	Product quality is excellent	36	0,10	3,6	0,37
		205	0,59	20,05	
Total strength					2,03
<i>Weakness:</i>					
1	The promotion has not been extensive	32	0,09	3,2	0,30
2	Lack of maximum feed preparation process in the feed warehouse	30	0,09	3	0,26
3	Unorganized division of tasks	26	0,08	2,6	0,20
4	Low availability of feed ingredients	25	0,07	2,5	0,18
5	Place or warehouse of dirty/rarely cleaned feed	28	0,08	2,8	0,23
		141	0,41	14,1	
Total Weakness					1,16
Total IFAS			1,00	0,87	

Source: Primary Data After Processing 2021.

Tabel 3. Matriks EFAS

No	Internal Factors	Sum	Weight	Rating	Weight Score
Opportunity:					
1	Relationships and cooperation with suppliers (suppliers) that run well and harmoniously	37	0,13	3,7	0,48
2	Good relationship with breeders	36	0,13	3,6	0,46
3	The level of trust of breeders in the company is still quite high	35	0,12	3,5	0,43
4	The amount of feed demand for laying hens is high	36	0,13	3,6	0,46
5	The large number of laying hen farmers	34	0,12	3,4	0,41
6	The level of dependence of breeders on the company is quite high	35	0,12	3,5	0,43
		213	0,75	21,3	
Total Opportunities					2,67
Treats:					
1	The existence of similar competing products that have been known by the breeder community	36	0,13	3,6	0,46
2	Prices that are always changing due to fluctuations in the price of raw materials for production	34	0,12	3,4	0,41
Sum		70	0,25	7	
Total Treats					0,87
Total EFAS			1,00		1,81

Source: Primary Data After Processing 2021

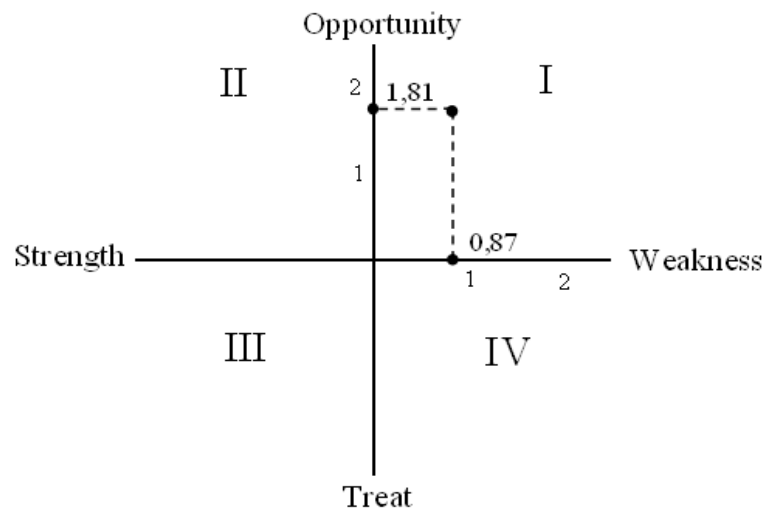


Figure 1. SWOT Analysis Quadrant Diagram

Information:

1. Quadrant I = Aggressive
2. Quadrant II = Diversification
3. Quadrant III = Turn-Around
4. Quadrant IV = Defensive

Based on figure 1 above, it can be known the position of PT. Mario Brother Group's light is in quadrant I, which is to support an aggressive strategy. This shows that PT. Light Mario Brother Group has great opportunities and strengths so that it can take advantage of existing opportunities so that it can increase feed sales and be able to compete in the business world. According to Freddy Rangkuti (2013), being in quadrant I is a very favorable situation. The company has many opportunities and strengths so that it can take advantage of existing opportunities. The strategy that should be applied in this condition is to support aggressive growth policies.

Things that need to be done as recommendations in supporting aggressive growth policies at PT. Light Mario Brother Group is as follows:

1. Improve relationships and cooperation with suppliers and improve service to consumers. It aims to streamline marketing channels. With good service quality, loyal customers will be created.
2. Maintain product quality and guarantee product quality. It aims to attract attention and satisfy consumers. Kotler and Armstrong (2011) define product as, "anything that can be bargained upon by the market in order to attract attention, use, or consumption that satisfies a desire or need. Then William J. Stanton in Buchari Alma (2008) defines products as attributes both tangible and intangible including color, price, good name of the product, good name of the store that sells (diluent) and factory service and diluent service received by buyers to satisfy needs and desires.

Increase sales and profits and reduce the risk of competitors' products. According to Fandy Tjiptono, (2008) promotion is one of the determining factors for the success of a marketing program.

Table 4. SWOT Matrix of Feed Marketing Strategies

<p>External</p> <p style="text-align: right;">Internal</p>	<p>Opportunity:</p> <ol style="list-style-type: none"> 1. Relationships and cooperation with suppliers that run well and harmoniously 2. Good relationship with breeders 3. The level of trust of farmers in the company is still quite high 4. The amount of feed demand for laying hens is high 5. Large number of laying hen farmers 6. The level of dependence of breeders on the company is quite high 	<p>Threat:</p> <ol style="list-style-type: none"> 1. The existence of similar competing products that have been known by the breeder community 2. Prices that always change due to fluctuations in the price of raw materials for production
<p>Strength</p> <ol style="list-style-type: none"> 1. Strategic company location 2. Feed distribution services that are directly delivered to farmers' homes 3. Clear distribution channels 4. Affordable feed Price 5. The quality of human resources is quite good 6. Excellent product quality 	<p>SO Strategy :</p> <ol style="list-style-type: none"> 1. Improve cooperative relationships with suppliers 2. Improve service to consumers. 	<p>ST Strategy:</p> <ol style="list-style-type: none"> 1. Maintain product quality 2. Guarantee product quality

Weakness	WO Strategy:	WT Strategy:
1. The promotion carried out has not been extensive and has not utilized online media 2. Lack of maximum feed preparation process in the feed warehouse 3. Low availability of feed ingredients 4. Dirty/rarely cleaned feed place or warehouse	1. Improve the feed preparation process	1. Increase promotion.

CONCLUSION

Based on the results of research using SWOT analysis, the following conclusions can be drawn:

- a. The strategy used at PT. Light Mario Brother Group is an SO (Strength-Opportunity) strategy is a very favorable situation for the company because this strategy maximizes the power to take advantage of existing opportunities.
- b. Conditions of PT. The light of Mario Brother Group is in the first quadrant, this shows that the company is in a very favorable state. The company has many strengths and opportunities. Therefore, PT. Light Mario Brother Group must be able to utilize the strengths it has to seize opportunities to increase feed sales. The right strategy to be implemented by PT. Mario Brother Group's light in increasing sales is an aggressive strategy by supporting aggressive growth policies.

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