

The Effect of Farmers' Perceptions of Members of Food Stalls on Rice Distribution Efficiency and Rice Selling Prices

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ABSTRACT

In general, farmers are not involved in the product marketing chain, so that the added value of processing and trading agricultural products is only enjoyed by traders. So the food barn can become a place for farmers to sell their crops for their daily needs and store their crops as food reserves when a food crisis occurs. The purpose of this research is to determine the effect of the perception of farmers members of the Food Barn on the distribution efficiency and selling price of rice in Bendungrejo Hamlet, Jogoroto Village, Jogoroto District, Jombang Regency. This study uses a type of correlation research with the Pearson Product Moment correlation analysis method, with a population of 50 farmers and a sample of 34 farmers who are members of the Dusun Bendungrejo Dusun Jogoroto District. The correlation between perception and distribution efficiency obtained the value of $r = 0.684$. p value = 0.000, where the p value $< \alpha$ (0.05). From the results of the calculation p value 0,000 is smaller than α 0.05. Meanwhile, the correlation between perceptions and the selling price of rice obtained the value of $r = 0.409$. p value = 0.016, where the p value $< \alpha$ (0.05). From the results of the calculation p value 0.016 is smaller than α 0.05. It is concluded that there is a significant relationship between the perceptions of farmer members of the barns on distribution efficiency and the selling price of rice. Farmers must maximize the role of the members of the barn in post-planting activities and marketing of rice products in an integrated and coordinated manner.

Keywords: *Farmers' Perceptions, Distribution Efficiency, Selling Price.*

INTRODUCTION

Rice (*Oryza sativa* L.) is one of the most important cultivated plants in Indonesia. Rice is thought to have originated in India and entered Indonesia under ancestors who migrated from mainland Asia around 1500 BC. Rice is one of the ancient food crops which until now has become the main crop not only in Indonesia, but also for the Asian population (Asep, 2012). Indonesia is an agricultural country with an agricultural sector that plays an important role in the national economy. It consists of several agricultural sectors, namely the people's agricultural sub-sector (food crops sub-sector), the plantation sub-sector, the livestock sub-sector, the forestry sub-sector and the fisheries sub-sector. Rice is very beneficial for human life, rice is a basic need (Murbyarto, 1989).

In keeping with the rapidly increasing population growth rate in Indonesia, advanced agricultural efforts need to be promoted in Indonesian agricultural areas. Efforts to increase agricultural output can be done by building warehouses, rice mills, and setting a floor price for unhulled rice. Providing various subsidies and capital incentives to farmers so that farmers can increase their agricultural production, through the formation of farmer groups, food barns and Village Unit Cooperatives (KUD) in all remote areas. It aims to provide production motivation and overcome the obstacles faced by farmers. The floor price is needed to keep the base price at harvest time from falling, so that producers can receive the results according to the price set. The number of goods offered, while buyers and demand remain, the price will be depressed. Poor pricing can be used as a ball for naughty middlemen or financiers to get big profits. The price of the roof (ceiling price) is still needed, especially in low season. When the production supply is limited, thus the price policy is said to be very effective if the market price is between the floor

price and the roof price. Whereas in many regions there are two marketing channels in the rice trading system, namely the private sector and the government (Tambunan, 2008).

The level of national rice production which is quite high, the determination of the increase in the government purchase price (HPP) is certainly awaited by farmers because they imagine their welfare will also increase. This is due to the increase in the price of agro inputs such as fertilizers, seeds, pesticides, and agricultural machinery rental. So that there is an increase in the index of costs paid by farmers and a decrease in the index of costs received from rice farmer businesses. The increase in productivity that is pursued by farmers through the application of technology is not matched by an adequate value because the prices received by farmers are relatively low (Subandriyo, 2010). According to Syahza (2003), the disparity between high grain prices is a result of the long distribution chain for rice commodities. This situation will cause the large distribution costs of high marketing margins, so that there is a part that must be spent as profit for traders. In general, farmers are not involved in the product marketing chain, so that the added value of processing and trading agricultural products is only enjoyed by traders. This tends to reduce the share received by farmers and increase the costs that must be paid by consumers.

Jombang Regency still has an agricultural development area. Resources that can be used for activities to increase agricultural production. Utilization of this potential can be carried out optimally through the involvement of the community and the business world. Government policies to increase agricultural productivity are also supported by five businesses, namely: (1) Use of superior seeds, (2) Fertilization, (3) Eradication of pests and diseases, (4) Irrigation, (5) Improvement of farming facilities and infrastructure.

It can be seen that in Jombang Regency there are 307 villages spread over 21 Districts. With the number of villages, Jombang Regency is in 10th place in the list of Regencies / Cities with the Most Villages in East Java Province. However, researchers only conducted research in one place, namely in Bendungrejo Hamlet, Jogoroto Village, Jogoroto District, Jombang Regency. Because it has an area: 126 km². The farthest distance from the center of the Jogoroto District government is ± 2 Km². With an average height of ± 44 km above sea level. Administratively, Jogoroto District has an area of 28.28 Km² which is divided into 11 villages and 48 hamlets consisting of 97 RW and 345 RT. The results of the initial survey carried out in Bendungrejo Hamlet, Jogoroto Village, Jogoroto District, Jombang Regency, that to facilitate the sale and storage of rice, a food barn was made located in Bendungrejo Hamlet. This food barn has become a place for local residents to sell crops for their daily needs and store the crops as food reserves when a food crisis occurs (Paceklik).

The activity of the barn for the farmers in Bendungrejo Hamlet, Jogoroto Village, Jogoroto District, has begun to develop and a program to strengthen the availability of food reserves has been established. This can be seen from the initial development, it can be seen from the survey researchers that at this time the barn has been able to buy a plot of land to be used as a floor for drying rice. On the other hand, it has also received appreciation from the agency (Food Security Office), and received funding from the government worth 160 million for the development of food barns and increasing agricultural products of local residents. This food barn is very supportive of rice storage and distribution. With this condition, farmers must follow the granary mechanism, so that in this case the farmer only acts as a recipient of the price set by the barn so that rice sales are more efficient.

METHOD

This study uses a type of correlation research, that is, researchers can examine the relationship between variables. The research was carried out in the Dusun Bendungrejo Food Barn, Jogoroto District, Jombang Regency. The time of this research was conducted in August - November 2018. The population of this study was 50 farmers who are members of the food barns of Dusun Bendungrejo, Jogoroto District with a total sample of 34 people. The material used in this research is a questionnaire (questionnaire) which is given directly by the researcher to the respondents of Lumbung Dusun Bendungrejo farmers, Jombang Regency. while the research tools are: paper, ballpoint pen and camera. Data analysis is used to determine the strength of the relationship between the correlation between the two variables where other variables are considered influential with the Pearson Product Moment correlation technique (Sugiyono, 2015).

RESULT AND DISCUSSION

Characteristics of respondents based on age, it can be seen that respondents who are less than 40

years old are 12 people (35.29%). Respondents aged 41-50 years were 17 people (50%), while respondents who were more than 50 years old were 5 people (14.70%). This shows that in this study the rice farmers who became respondents were mostly under 50 years of age, because basically the type of work as a farmer is a type of work that is carried out from generation to generation. It is also shown that in Bendungrejo, non-productive children have helped their parents in maritime activities to meet family needs. Characteristics of respondents based on gender, it can be seen that most of the respondents were male, as many as 26 people (76.47%). From the presentation, male farmers are more dominant. The large number of men in the population will determine the type of work that is done because not all types of work are carried out by women. But the woman farmer is only a substitute for her husband who is working outside the city, or else someone else's land may be labored.

Characteristics of respondents based on education level, it can be seen that almost half of the respondents have a SMP / MTs education, namely as many as 16 people (47.06%). This indicates that public awareness of education is very low, this is evidenced by the low education of farmers due to the lack of available school facilities and the lack of public interest in pursuing education. In addition, farmers are not interested in continuing higher education because it is caused by several things such as low school interest, limited economic conditions and socio-cultural conditions that think that literacy is sufficient. This understanding is still ongoing today.

Characteristics of respondents based on the harvest stored / sold in the barn in Bendungrejo village. It can be seen that half of the respondents store / sell their harvest in the form of unhulled rice in food barns ≤ 50 kg, namely 17 people (50%). This shows that every time the harvest farmers are stored and sold to the barn as much as 50 kg and the rest is managed by themselves. The correlation between perception and distribution efficiency obtained the value of $r = 0.684$. p value = 0.000, where the p value $< \alpha$ (0.05). From the results of the calculation of p value 0,000 which is smaller than α 0.05, it can be concluded that there is a significant relationship between the perceptions of farmer members of the barn to the efficiency of distribution. By looking at the benchmarks or criteria for the correlation coefficient value that has been set by Akdon, the value of 0.684 lies in the interval 0.60-0.799 which indicates a strong category level. Meanwhile, the correlation between perceptions and the selling price of rice obtained the value of $r = 0.409$. p value = 0.016, where the p value $< \alpha$ (0.05). From the results of the calculation of p value 0.016 which is smaller than α 0.05, it can be concluded that there is a significant relationship between the perceptions of farmer members of the barn to the selling price of rice. By looking at the benchmarks or criteria for the correlation coefficient value that has been set by Akdon, the value of 0.409 lies in the interval 0.40-0.599 which indicates that the category level is quite strong.

In essence, marketing activities are carried out to deliver products from producers to consumers. However, the delivery of agricultural products such as unhulled rice or rice generally cannot be distributed directly to consumers. According to Mubyarto (1989) marketing agricultural products requires a longer process when compared to marketing non-agricultural products. This happens because agricultural products (unhulled or rice) require special treatments in post-harvest handling of rice. Therefore, marketing agricultural products requires marketing institutions in which these agencies carry out their respective marketing functions. The distribution pattern of lowland rice in Jogoroto District is found in three trading systems, namely: the first marketing channel, from farmers to middlemen traders to rice mills to collectors to retailers to consumers; second, from farmers to middlemen to rice mills to retailers to consumers; third, from farmers to rice mills to collectors to retailers to consumers.

Bendungrejo Hamlet, Jogoroto Village, Jogoroto District, Jombang Regency, that in order to facilitate the sale and storage of rice, a food barn was made located in Bendungrejo Hamlet. This food barn has become a place for local residents to sell crops for their daily needs and store the crops as food reserves when a food crisis occurs (Paceklik). The pattern of rice distribution in Bendungrejo hamlet, farmers sell rice or unhulled rice directly to the food barn in the form of Milled Dried Grain (GKG). In the granary, the grain is processed into rice which is then distributed to retailers. The retailers themselves are able to buy rice on average 40 kg to 90 kg. The form of buying and selling rice is rice and labeled. Labeled means rice that is already in labeled packaging, one package contains 5 kg of rice.

The problem commonly encountered by farmers is that the limited market information will cause farmers not to know to whom the product will be sold with the best profit. According to Sayhza (2003), the price information received by farmers, especially from collecting institutions, is often different from the market price. Farmers do not know the exact ups and downs of rice or unhulled rice prices, while middlemen get faster information from other marketing agencies. This limited market information is related to the location of remote farming locations, lack of knowledge and ability to analyze data. In

addition, the formal education of the community, especially farmers, is still very low, causing the ability to digest or analyze information sources is very limited. This is one of the advantages of having a food barn in Bendungrejo hamlet, the farmers will find it easier to get market information so that the farmers get the best profit. Besides getting the best price by selling it to the granary, farmers also get other benefits such as saving grain, production capital loans, etc.

In general, the chain of trading system for lowland rice commodities in Jogoroto District, Jombang Regency, from farmers to middlemen traders to rice mills to collectors to retailers to consumers. The length of distribution channels in Jogoroto District has triggered a high disparity between the price of rice or unhulled rice at the farmer and consumer levels. This is evidenced by the large difference in the price of grain or rice at the farm level and at the consumer level, namely Rp. 4.856, - / Kg. The large number of actors in the trading system will cause large distribution costs (high marketing margins), so that there is a part that must be spent as profits for the trading system actors. This situation tends to reduce the share received by farmers and increase the costs that must be paid by consumers (Syahza, 2003).

This fact shows that the processing process greatly determines the added value of any post-harvest activities and marketing of agricultural commodities. Farmers who sell their crops directly in the fields cannot enjoy the added value generated from the trade in unhulled rice or rice. The margin enjoyed by farmers is highly dependent on the elasticity of supply and demand for a commodity, therefore, in the case of unhulled rice or rice which is a staple commodity, if the marketing margin increases, the percentage of margin that cannot be enjoyed by farmers is getting smaller (or bigger) compared to the lost consumer margin with increasing (or decreasing) the elasticity of the supply of unhulled or paddy to rice to the demand for unhulled or paddy to rice. According to Natawidjaja in Mardianto (2005), rice trading operators in most areas are able to increase their profit margins when prices increase in the consumer market by delaying the price increase received at the price that should be paid to farmers. On the other hand, the actors are also able to maintain the same profit margin even though the price at the consumer level is falling by accelerating the decline in the purchase price of the farmers, so that the market risk is borne entirely on the farmers. This behavior shows the existence of monopsonistic power because they have accessibility and fast information to the consumer market.

The market control actors of the trading system can continue the risk of market fluctuations at a lower level and eventually reach the farmers as risk recipients without being able to refuse or avoid it. In this case, farmers are only limited as producers of unhulled rice or rice as well as price takers, they tend to sell their products in the form of unhulled rice or rice instead of rice. This situation shows the separation of farmers from the trade system of grain or rice commodities. Thus, there is a disparity between the price of rice or grain and consumers. The very high yields received by middlemen, collectors and retailers will not be enjoyed by farmers.

With the Dusun Bendungrejo food barn, it can cut the length of the rice distribution channel, because the rice or unhulled rice that is deposited by the granary after going through the drying, milling, and packaging process becomes a finished product which is sold directly to consumers. The granary distributes the labeled rice to retailers. Even though the selling price of rice to consumers between retailers is the same as the price of rice barns, the profit obtained by the granary will be greater. This profit will be used for the welfare of the members of the Dusun Bendungrejo Food Barn, so that farmers who are members of the Dusun Bendungrejo Food Barn will feel benefited by the existence of this granary. Based on the research results, it shows that there is a significant correlation between distribution efficiency and selling price. Short distribution channels will further increase the selling price of farmers' grain. Farmers in Bendungrejo Hamlet sell rice to the food barns of Bendungrejo Hamlet at a stable market price and higher than the price when it is sold to middlemen.

In essence, marketing activities are carried out to deliver products from producers to consumers. However, the delivery of agricultural products such as unhulled rice or rice generally cannot be distributed directly to consumers. According to Mubyarto (1989) marketing agricultural products requires a longer process when compared to marketing non-agricultural products. This happens because agricultural products (unhulled or rice) require special treatments in post-harvest handling of rice. Therefore, marketing agricultural products requires marketing institutions in which these institutions carry out their respective marketing functions.

According to Syafi'i in Sutrisno (2009) actors or intermediary institutions involved in the distribution process of agricultural commodities can be classified as follows: (1) middlemen are purchases of agricultural products at harvest time carried out by individuals in an unorganized manner, actively visiting producer farmers to buy agricultural products at a certain price, (2) collector traders,

namely traders who buy agricultural products from farmers and middlemen, either individually or directly, (3) large traders are traders who buy agricultural products in large quantities from collector traders or directly from farmers. Their capital is relatively large so that they are able to process purchased agricultural products, and (4) retailers are traders who buy agricultural products from farmers or middlemen and collectors and then sell them to end consumers (households). Retailers are usually small shops or small traders in markets.

The rice commodity has to go through many points in the distribution channel until it reaches consumers, which results in high prices and apparently farmers do not enjoy these high prices. Farmers in Jogoroto District mostly sell their crops in the form of unhulled rice to rice mills or to small collectors in Jogoroto District. Rice mills process unhulled rice into rice for sale to small collectors in Jogoroto District. Small collectors sell their unhulled rice in the form of unhulled rice or it can be processed in the form of rice. Then the rice that is distributed to the store is sold to retailers so that it is easier to reach consumers.

Dusun Bendungrejo farmers sell to the food barns of Bendungrejo Hamlet, so that farmers can cut the rice distribution route into less length. If the farmer sells unhulled rice to the granary at a stable price with the normal price in the market, the price of grain is 4,500. If unhulled rice is sold to middlemen, the price of grain from farmers is purchased at a price of 4,500 / kg, so that if there is no barn there will be a price game with the middlemen, if there is no barn the farmers will be inconvenienced in selling their harvest, the middlemen enter and buy grain from the farmers with the price is cheap because farmers need money so it can be given to middlemen at a very cheap price. Therefore, Bendungrejo Hamlet had the idea of making a special food barn for the distribution of farmers' crops so that price games would not occur.

The problem of middlemen that exists in the distribution process of agricultural products makes the role of the Dusun Bendungrejo food barn a very effective solution, where the independent granary of farmers who is a member is more protected from middlemen. Some of the very important roles of this farmer's barn include: First, the distribution of grain becomes easier, during the harvest season or the planting season. Second, with the granary, farmers can make savings and loans during the harvest or planting season. Third, protect farmers from middlemen who play with the distribution of unhulled rice, which results in unstable prices. The positive role of the food barn makes the surrounding farmers experience an increase in welfare, this is because the distribution pattern of the barn makes the farmers become independent, so that it has an impact on the abundant amount of unhulled rice. The abundance of unhulled rice in the barn is certainly not closed to members only, but can also be sold to outside members but at different prices, and this is where the role of the granary is to improve the welfare of its members.

Because after all, before the existence of the Dusun Bendungrejo food barn, the condition of the welfare of the farmers in the area really depended on the decision of the middlemen who played the price during the harvest or during the planting season. So that the impact that is felt is when the harvest season, farmers' grain prices are bought cheaply by middlemen, while during the planting season the price of seeds obtained by farmers is very expensive, and from there the increase in farmers' welfare is difficult to increase because they are trapped by the mechanisms played by middlemen, especially during the harvest season and have an impact. at the price of seed during the growing season.

Increasing the welfare of farmers cannot be separated from the work of the group members of the barn who are committed not to sell unhulled rice to middlemen, and carry out their own distribution with granary institutions which also get support from the government in terms of legality. With the positive results of the granary with the increasing number of unhulled rice and increasing the welfare of farmers, the government also provides capital assistance every year to increase yields. The amount of assistance from the government is worth 160 million in a period of three years during operation and this is what also supports the development of granary activities for the welfare of farmers.

The cohesiveness of members who are always active in storing during the harvest season is one of the keys to how the stock of the number of barns can increase, so that with this abundant yield, farmers can sell unhulled rice prices at normal prices as in the market and that has a significant impact on the welfare of farmers. which is the main key to the success of this barn is the solidarity of the farmers not to sell rice to ketengkulak and to do their own management through group barns so that the distribution of unhulled rice can be evenly distributed to all members. So it can be said that the granary is the result of the cohesiveness of the farmers who want to be independent in distribution, plus their success has also received support from the government to improve the quality of farmers' welfare, which so far has only been underestimated in the eyes of the community.

CONCLUSIONS

The correlation between perception and distribution efficiency obtained the value of $r = 0.684$. ρ value = 0.000, where the p value $< \alpha$ (0.05). From the results of the calculation of ρ value 0.000 which is smaller than α 0.05, it can be concluded that there is a significant relationship between the perception of farmer members of the barn on distribution efficiency. The correlation between perceptions and the selling price of rice obtained the value of $r = 0.409$. ρ value = 0.016, where the p value $< \alpha$ (0.05). From the results of the calculation of ρ value 0.016 which is smaller than α 0.05, it can be concluded that there is a significant relationship between the perceptions of farmer members of the barn to the selling price of rice.

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