

**MARKETING STRATEGY FOR DELTA KAYAN FOOD ESTATE DEVELOPMENT IN BULUNGAN DISTRICT, NORTH KALIMANTAN PROVINCE****Puteri Aprilani\*, Masyhuri, and Suhatmini Hardyastuti**

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**ABSTRACT**

Bulungan Regency, which is located in North Kalimantan, is one of the areas chosen by the government to be an area for the use of tidal swampland for rice cultivation because the area of swampland owned is quite as large as 50 hectares of the area named Delta Kayan Food Estate. However, in its implementation, farmers have obstacles to market the rice harvest they produce. This research was conducted to create a strategy for the development of tidal swamp rice produced by Delta Kayan Food Estate. The survey was conducted on 30 purposively selected respondents. The data were collected through interviews with structured questionnaires using the SWOT analysis method and looked at the priority strategies to be carried out using the QSPM analysis. From the results of the SWOT analysis.

**Keywords:** *development, food estate, swampland***BACKGROUND**

The need for food as a basic human need increases along with the increase in the number and quality of Indonesia's population. One of the things the government is trying to achieve is food self-sufficiency by making various breakthroughs to expand food land, one of which is through the development of large-scale food estates (Nurmawati, 2015). Based on several projections that have been made, the population of Indonesia in 2025 is estimated to reach around 400 million people with a need for rice reaching 54 million tons. Under these conditions, in 2025 Indonesia will need a raw rice area of 15 million ha (North Kalimantan Provincial Government Agriculture Service, 2017).

North Kalimantan Province's agricultural development strategy is the existence of the Delta Kayan Food Estate in Bulungan district. Delta Kayan Food Estate is an integrated food area development program in Bulungan Regency. Through Bulungan Regent Decree No. 490/K-VI/520/2011, an area is projected to reach 50 thousand hectares. The relatively large land potential owned by Bulungan Regency, North Kalimantan Province for planting tidal swamp rice, is expected to increase national rice production which will have an impact on reducing rice imports or dependence on rice supplies from other countries. The results of studies that have been carried out on the location of the Kayan Delta show the high potential physically and its supporting ecosystems (North Kalimantan Provincial Government Agriculture Service, 2017). The Delta Kayan Food Estate

Program is a breakthrough production mode that is trying to be introduced and implemented to meet the province's food needs.

All the inputs needed by farmers have been provided by the Delta Kayan Food Estate and irrigation has also been made. Farmers are still less motivated to plant. There are several reasons that cause a lack of motivation to plant tidal swamp rice which is a commodity produced by the Delta Kayan food estate, Bulungan Regency, North Kalimantan Province, such as a lack of market certainty to market their crops so that farmers feel it is useless to replant tidal swamp rice. This is the result of immature implementation of the Delta Kayan Food Estate and the absence of a specifically designed strategy regarding how to develop marketing. In fact, an implementation program based on agriculture in Indonesia requires truly structured planning. This is also attested in Van Meter and in Van Horn (Nugraha, 2019) policy implementation as actions taken by individuals or groups of the government and the private sector directed at achieving the goals set out in decisions for strategic policies. This is the use of the right strategy will be a strong reference for implementing the program in the future so that it goes according to the objectives to be achieved, namely food self-sufficiency for the North Kalimantan region, especially Bulungan Regency.

## **RESEARCH METHODS**

This study uses a design model that combines qualitative methods as the main method and quantitative methods as methods to assist. The research was conducted from July to August 2019 in the Delta Kayan Food Estate, Bulungan Regency. Interviews are used as the main data in this study, with supporting data and questionnaires for secondary data. Data were obtained from 30 respondents who were determined purposively.

Identification of internal factors consisting of strengths and weaknesses, as well as identification of external factors namely threats and opportunities are then analyzed using SWOT analysis to formulate strategies that must be implemented, by classifying environmental factors faced by the industry as strengths, weaknesses, opportunities, and threats (Gurel and Merba TAT, 2017). The results of the formulation are grouped into four groups of strategy formulation by David et al., (2016) consists of Strength - Opportunity (SO) strategy, Strength - Threat (ST) strategy, Weakness - Opportunity (WO) strategy and Weakness - Threat (WT) strategy. Priority strategy design determination from the several resulting strategic recommendations, is determined using Quantitative Strategic Planning Matrix (QSPM) analysis. This analysis is used to determine the priority design strategy (David et al., 2016). TAS (Total Attractiveness Score) shows the relative attractiveness of each existing alternative strategy.

## **RESULT AND DISCUSSION**

Delta Kayan Food Estate is a program of the Agriculture Service of Bulungan Regency, North Kalimantan, which has a vision, namely to realize the Delta Kayan Food Estate as an agricultural area that can function as the backbone of the development of food security so that the people of Bulungan become prosperous both economically and socially. The mission in developing the Delta Kayan Food Estate is to develop an area that has comparative and competitive advantages in the production of Marketing Strategy for Delta Kayan Food Estate (Aprilani et al., 2023)

food commodities through the establishment of an efficient and effective food agribusiness system supported by adequate production infrastructure. The name Delta Kayan food estate itself comes from the name of the river in the food estate area. Scope The planning area to be managed has an area of around 50.

### Identification of Internal and External Factors

This profile of strengths, weaknesses, opportunities and threats is obtained through the identification of various factors that influence the marketing development strategy of tidal swamp rice. Strengths include marketing systems, optimal production, area and size of production rooms and financial systems. Strength is a special competency that provides a comparative advantage for the marketing development strategy of low tide swamp rice. And is a limitation or deficiency in resources, skills, and abilities that can hinder the effective performance of the business. These sources of weakness may include management systems, information systems, production facilities and equipment as well as government policies.

Opportunity is an important profitable situation in the tidal swamp rice farming environment, for this reason, bargaining power, technological application systems, and community needs provide opportunities for business. While the threat is an important situation that is not profitable in the tidal swamp rice farming environment. Threats are the main distraction for the business position. The existence of economic conditions in the community, immigrants from similar businesses, competition between similar businesses and current political conditions pose a threat to business success.

**Table 1.** Identification of Internal Factors

Internal factors	Amount	Weight	Ratings	BxR
1. Good quality rice production	112	0.099	4	0.369
2. Large land	111	0.098	4	0.363
3. The taste is in accordance with the tastes of the people of North Kalimantan	110	0.097	4	0.356
4. The results of rice produced without preservatives and bleach	78	0.069	3	0.179
1. Lack of sources of capital	112	0.099	4	0.369
2. There is no fixed organization	84	0.074	3	0.208
3. Lack of knowledge and skills of the food estate working group regarding marketing	218	0.265	4	0.963
4. Low rice productivity	102	0.090	3	0.306
5. Production that is not continuous on a regular basis	97	0.086	3	0.277
6. The cost of transportation for the production of products is very expensive	108	0.095	4	0.343
<b>Amount</b>	<b>1132</b>	<b>1</b>		

**Table 2.** Identification of External Factors

External Factors	Amount	Weight	Ratings	BxR
1. Mastering the local market	109	0.143	4	0.520
2. Products have the opportunity to be exported	106	0.139	4	0.492
3. Meet the needs of rice for the province of North Kalimantan	105	0.138	4	0.483
4. The existing technology and promotional media are increasing progress and develop	112	0.147	4	0.549
1. Competitive market environment	109	0.143	4	0.520
2. The nature of rice is hygroscopic so it is easily damaged	110	0.145	4	0.530
3. Packaging assistance depends on the local government's budget plan and activities	110	0.145	4	0.530
<b>Amount</b>	<b>761</b>	<b>1</b>		

### SWOT Analysis

Strategy formulation is carried out by combining various factors that have been identified and grouped. As contained in the table

**Table 3.** SWOT Analysis

<b>Internals</b>	<b>Strength Factor (S)</b> 1. Good quality rice production 2. Large land 3. Taste according to the tastes of the people of North Kalimantan 4. Rice without preservatives and bleach	<b>Weakness Factor (W)</b> 1. Lack of funding sources 2. There is no fixed organization 3. The promotion of rice has not been maximized 4. Lack of knowledge of the food estate working group regarding marketing 5. Low productivity 6. Non-continuous production 7. Freight transportation costs are too expensive
<b>Externals</b>	<b>SO Strategy</b> 1. Expanding the marketing network of rice produced from tidal swamp rice farming (S1, S3, O1, O2, O3) 2. Making promotions by prioritizing health issues (S1, S4, O2, O4)	<b>WO Strategy</b> 1. Increase sales volume by increasing marketing effectiveness (W1, W2, W3, W4, W5, W6, O1, O3) 2. Optimizing the use of information technology to increase market access (W3, W4, O1, O2, O3, O4) 3. Make regular training to improve the quality of
<b>Opportunity Factor (O)</b> 1. Dominate the local market 2. Be the flagship product for the opportunity 3. Meet the needs of rice in North Kalimantan 4. Promotional media and technology are increasingly advanced and developing		

		human resources so that sales increase (W4, W3, W6, O1, O2, O3)
<b>Threat Factor (T)</b> 1. Competitive market environment 2. Hygroscopic nature of rice because there is no technology 3. Sustainability of packaging assistance	<b>ST Strategy</b> 1. Consistently maintaining product quality and increasing productivity to be able to compete in the market (S1, S2, S3, S4, T1, T2)	<b>WT Strategy</b> 1. Strengthen capital to be able to compete with competitors (W1, W2, W6, T1) 2. Increase cooperation with related agencies to obtain infrastructure development (W7, T1, T3)

### SO Strategy

1. Expanding the marketing network for rice produced from tidal swamp rice farming. Expanding and increasing marketing places by utilizing the many traditional or local markets in North Kalimantan, especially Bulungan Regency. The large number of existing market locations can have a chain effect on expanding the target number and area of marketing areas. Not only in traditional or local markets, the sale of rice from tidal swamp rice farming should also be marketed at MSME supermarkets in Bulungan Regency. This can lead to an increase in the number of sales obtained from UMKM Supermarkets where sales are opened at locations for souvenir centers which are not only visited by the local local community but also by people from outside the area. The SO strategy that has been made relates to the objectives of the Delta Kayan Food Estate's vision and mission which is to create a food estate area as a center for fast-growing economic activity and to design optimal spatial patterns and structures so that they are able to accommodate every element of activity through the development of existing marketing networks.
2. Make promotions by prioritizing health issues. The growing era has an effect on consumers who are increasingly careful in choosing the food products they will consume. By prioritizing that rice produced by tidal swamp rice farming is without preservatives and bleaching agents and the use of promotional media that is growing and advancing. This can make rice products a superior product and have customers. The promotion strategy by prioritizing health issues is related to the achievement of the objectives of the vision and mission which are to have superior food crop commodities that are in accordance with the characteristics of local resources and design optimal patterns for the development of promotion methods to be carried out.

### WO Strategy

1. Increase sales volume by increasing marketing effectiveness. Increasing sales volume by increasing marketing effectiveness, utilizing information systems with growing technology. In general, farming has the same weaknesses as other businesses, namely marketing is still not optimal. The development of farming has enormous opportunities that business farmers should be able to grasp, however, the strategy that can be implemented is to meet the demands of opportunities, both the quality and the availability of rice in the market. The strategy to increase

sales volume by increasing marketing effectiveness is in line with achieving the objectives of the vision and mission which aim to accelerate economic activity.

2. Optimizing the use of information technology to increase market access. Increased spending on a product has a positive correlation with high internet and social media users. This is proven in research (Eva, 2007) stated that the use of the internet is a form of technology utilization that can support business activities, among others, improve relations and customers, develop new strategies and reduce operational costs. This can be a means for rice products produced by Delta Kayan Food Estate tidal swamp rice farming to introduce and promote the product. The choice of using the internet and social media as a place for promotion apart from being cheaper in terms of costs when compared to conventional advertising, also has a wider and more varied reach from the user side. Promotion through the internet and social media also allows the product to be known more widely. This is also stated by Untari and Fajariana (2018) that in business using social media is one of the channels that supports communication in marketing merchandise quickly and profitably compared to selling directly to the market.
3. Conduct regular training to improve the quality of human resources so that sales increase. The need to expand marketing, of course, must be balanced with the availability of adequate manpower in terms of numbers and skills. One of the causes of marketing in tidal swamp rice farming that has not been optimal is the lack of education possessed by members of the food estate working group. Therefore, the strategy that can be implemented is to improve the quality of human resources for the marketing sector by conducting routine training and providing educational learning facilities to members of the food estate working group by utilizing digital-based technology so that they can market and sell their products on existing marketplaces and can find information on the state of national rice prices online and if necessary create a special unit to market rice. The strategy for improving the quality of human resources is made in relation to the objectives of the vision and mission of the Delta Kayan Food Estate which wants to create a food estate area as a center for fast-growing economic activity and to design optimal spatial patterns and structures so as to be able to accommodate every element of activity through the development of quality human resources. man.

### **ST Strategy**

1. Consistently maintaining product quality and increasing productivity to be able to compete in the market. The strategy that needs to be implemented to deal with competition and business development is to optimally empower existing resources, both capital, labor and farming management. In addition, the commitment of tidal swamp rice farming in improving the quality of rice produced, due to research of Rakhman & Rahayu (2017), states that product quality has a significant effect on consumer decisions to buy and is also supported by research of Pribadi (2014), which states that satisfaction has a positive effect as a mediator in the relationship between product quality and loyalty. The strategy of maintaining product quality and increasing productivity will be in line with the mission of the Delta Kayan Food Estate which wants to build an area that has a comparative and competitive advantage in the production of food commodities and can create a conducive investment climate.

### WT Strategy

1. Strengthening capital to be able to compete with rice traders. Entering a competitive market environment requires efforts to increase rice productivity and also production activities that are carried out continuously. To achieve this, it is certain that strong capital plays an important role. Therefore, it is strongly recommended that the performance of the existing cooperatives in the Delta Kayan Food Estate be improved so that they become active cooperatives. After the cooperative is running well, the local cooperative is expected to be able to obtain loan assistance from the bank or cooperation between the two parties. The strategy to strengthen capital is in line with achieving the goals of the vision and mission to accelerate economic growth activities and meet infrastructure needs to support an efficient and effective agribusiness system so that it is able to accommodate every element of activity to spur the development of settlements or villages in the Delta Kayan Food Estate area.
2. Increase cooperation with related agencies to obtain infrastructure development. The most important problem that makes rice marketing at the Delta Kayan Food Estate is road access which is very difficult. There is no road access that can go directly to the Delta Kayan Food Estate area. The ships used to cross are still far from safety standards. The transportation of production products, namely rice, can only be transported using motorbikes, this is because the access road in Tanjung Buka Village is too small. During the rainy season, people living in the Delta Kayan area cannot get out of their area because the bridge is flooded. Such circumstances make transportation costs and freight costs very expensive. Meanwhile, to be able to compete in a competitive market, you must follow market prices, this is what causes prices at the farmer's level to be suppressed so that the prices that occur are very low. The expected strategy is infrastructure development such as the construction of roads and bridges which are carried out by authorized agencies because the existence of roads and bridges will greatly assist Delta Kayan Food Estate farmers in marketing their agricultural products. It is hoped that the local government will continue to provide assistance in the form of sacks of rice packaging in order to reduce the cost of producing rice from tidal rice farming. Strategy increased cooperation with related agencies in order to obtain infrastructure development in line with the vision and mission goals of designing infrastructure needs to support an efficient and effective food agribusiness system as well as designing optimal spatial patterns and structures so as to accommodate each element of activity through the development of activity centers (urban centers).

### QSPM Analysis

Based on the TAS, from the multiplication of the weights contained in the IFE and EFE matrices, an alternative is obtained which is a priority design strategy for marketing development. among other alternative strategies, namely 111.55. This is in line with research which states that the impact of road construction is an increase in changes in mobility patterns. Likewise from an economic standpoint, road construction has an impact on increasing people's income because it is easier to sell agricultural products and supply basic needs (Suriadi et al., 2010). The same is also stated by Mulyani et al. (2020) namely the development of infrastructure development is one of the main factors for realizing the presence of Food Security in Indonesia, so that the government needs to build supporting infrastructure intended for the community.

**Table 4.** QSPM Analysis

<b>Alternative Strategy</b>	<b>BAG</b>
1. Increase cooperation with related agencies to obtain road and bridge infrastructure development	111.55
2. Conduct regular training to improve the quality of human resources so that sales increase	106.59
3. Strengthen capital in order to compete with competitors	100.78
4. Expanding the marketing network for rice produced from tidal swamp rice farming	98.63
5. Make promotions by prioritizing health issues	98.34
6. Consistently maintaining product quality to be able to compete in the market	97.66
7. Optimizing the use of information technology to increase market access	96.98
8. Increase sales volume by increasing marketing effectiveness	94.17

### CONCLUSION AND SUGGESTION

Several alternative strategies have been formulated which consist of 1) expanding the marketing network for rice produced from tidal swamp rice farming, 2) Making promotions by prioritizing health issues, 3) increasing sales volume by increasing marketing effectiveness, 4) optimizing the use of information technology to improve market access, 5) conduct regular training to improve the quality of human resources so that sales increase, 6) consistently maintain product quality and increase productivity to be able to compete in the market, 7) strengthen capital so that it can compete with competitors, 8) increase collaboration with related agencies in order to gain development road and bridge infrastructure.

The results of the QSPM show that the design strategy for increasing cooperation with related agencies in order to obtain infrastructure development is a top priority in developing the marketing of tidal swamp rice produced from the Delta Kayan Food Estate, Bulungan Regency. It is recommended to encourage cooperation with the Regional Revenue Agency and the Public Works Agency to realize infrastructure development so that marketing can be more developed. Bring in experienced resource persons in the field of marketing to conduct training on effective and efficient marketing. Cooperate with the Department of Agriculture and the Regional Revenue Agency for the allocation of funds as a source of capital.

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