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# ANALYSIS OF FACTORS INFLUENCING THE PRODUCTION AND MARKETING OF SALTED ANCHOVIES IN BARRU DISTRICT, SUMPANG BINANGAE VILLAGE, BARRU REGENCY

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#### **Abstract**

This research aims to determine what factors influence the production and marketing of salted anchovies in Barru District, Sumpang Binangae Village, Barru Regency. The data used in this research are primary and secondary data. The analytical method used in this research is multiple linear regression analysis. The results of the research show that the factors that influence the production of salted anchovies in the variables of labor (X1) and capital (X2) simultaneously have a significant effect on the amount of salted anchovy production in Barru District, Sumpang Binangae Village, Barru Regency. The marketing channels for salted anchovies in Barru District, Sumpang Binangae Village, Barru Regency consist of 3 (three) marketing channel patterns, namely: salted anchovy processors-consumers; (2) salted anchovy processor-trader collector-consumer; (3) salted anchovy processors- collecting traders- retailers- consumers. The lowest marketing margin value is marketing channel I, namely IDR. 640/Kg while the highest marketing margin value in channel III is Rp. 8,640/Kg.

Keywords: Production, Marketing, Salted Anchovies.

# 1. INTRODUCTION

Fisheries resources can potentially support the community's economy as well as the standard of living and welfare of fishermen, but in fact there are still quite a lot of fishermen who have not been able to increase their catch, so that the income level of fishing communities has not increased. According to Dian (2016) in Ahmad Rizal (2019), the aim of fisheries development in Indonesia basically has two main targets, namely developing production and increasing income in the fisheries sector. Apart from that, various efforts to improve the standard of living of fishermen and develop production in the national fisheries sector are directly or indirectly influenced by several factors, namely working capital, work experience and so on. Until now, fishery products from fishing activities, especially from the marine sector, have become a source of production of fish or other living species.

One of the fishery sources is anchovies, anchovies are a type of popular anchovy, namely stolephorus sp which is usually found around the coasts of the Atlantic, Indian and Pacific oceans, and is categorized as an oily fish. This fish comes from the small marine fish of the familyengaraulidae, the size of which ranges from 2 to 5 cm depending on the species. Usually anchovies of the Stelephorus sp type are used as salted fish. Salted fish is a food

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ingredient that comes from fish meat that is preserved by adding lots of salt. With the preservation method used by adding salt to the raw material, fish meat is usually not good for a short time, so it can be placed at room temperature for a long period of time or months, even though it usually has to be tightly closed. The salted fish business is quite promising and empowering because it can develop the economy and has a fairly stable market share for decades, and has the advantage of being a source of protein.

According to Karim (2014) in Dhianya Aisyah Ayu (2021), processing anchovies into dried form is basically a business that has been developing for a relatively long time in Barru Regency. Various studies state that making salted fish can increase profits for business actors. Theoretically, business profits are determined by the high production selling price and costs incurred in production. Production is something that is carried out by the producer as a business actor. Production is influenced by the inputs used in the business, these factors include land, capital, labor and management.

As a leading fishing commodity in Barru Regency, anchovies can help the economy of fishing communities and are a well-developed source of livelihood. The development of the anchovy processing business for fishermen in Barru Regency, both from salted anchovy sellers to anchovy collectors, does not require a relatively large space and not too much labor, and costs or capital are not too large to develop a fish business. dry, from year to year the production of anchovies as a source of livelihood for fishermen can meet the needs of the fishing community, although not in its entirety.

Currently in Barru Regency there are not many people who are interested and want to develop the salted fish processing business which is traditionally used for export. The current processing is still limited to meeting local needs, so the potential export market for processed traditional salted fish has not been utilized properly and optimally, but in reality the production of salted fish has decreased, the causes are the season, the increase in the price of fresh fish, and the increase fuel oil (BBM). The marketing of salted fish carried out by traders in the Sumpang Binangae sub-district is only marketed traditionally, that is, only selling by kilos or units using sales techniques by selling on the side of the road or in markets without using special packaging, so that salted fish products are only bought by certain groups.

Salted fish traders in the area have taken various ways to increase production and sales, however, production efforts affect the marketing of salted fish which is still inefficient so appropriate marketing is needed, this indicates that the marketing carried out by salted fish traders is not optimal. Based on this description, it is the basis for the author's calculations to find out the production factors and marketing analysis of salted fish in Barru district, Sumpang Binangae sub-district, Barru district.



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# 2. LITERATURE REVIEW AND HYPOTHESIS

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#### 3. RESEARCH METHODS

The type of research used in this research is quantitative. This research was carried out in Barru District, Sumpang Binangae Village, Barru Regency, South Sulawesi, this research was carried out from August to September 2023. The population in this research were salted anchovy fish business actors and several marketing institutions or intermediary traders in Barru District, a population of 46 people. salted anchovy business actor. From a population of 46 salted anchovy entrepreneurs, the total sample used was 46 people taken from this population as well as several marketing institutions or intermediary traders to determine marketing channels.

#### 4. RESULTS AND DISCUSSION

Understanding of salted anchovy as a type of food for consumption which is popular with the public, where the main raw material is stolephorus sp type fish, so that we can make maximum use of the abundance of salted anchovy through methods in the form of processing and preservation through drying (Handoyo et al, 2007). This drying method takes the form of processing so that the water content in it decreases until it meets the criteria so that it can slow down the rate of product damage caused by biological and chemical activity. Several factors influence the production of salted anchovies. Natural factors also greatly influence

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production. and the selling price of salted anchovies, because if the rainy season arrives, drying takes longer, anchovy processors lose money because the fish changes color and there is also a lack of interest, but when conditions are hot, anchovies that are dried in the sun dry quickly and the price is high, from the results of interviews Usually 80 kg of salted anchovies are produced, maybe even more.

The determination of the theoretical basis that will be used is in the form of a production function which was put forward by Cobb-Douglas which provides an explanation of the output that results in a certain period which is similar to the function derived from capital and labor. In his production theory, production gets its influence from the availability of raw materials, ownership of capital, and ownership of the labor employed. David Ricardo's production theory states that continuous addition of one input is always the same amount while other inputs does not change, thus initially there will be an increase in output that exceeds the proportion (increasing returns). In this production theory, it provides information about the nature of the relationship connecting the level of production which will be achieved through the number of production factors that will be utilized.

This research has similarities to Nuraeni's (2022) research, which states that input supply is one of the most important things so that all business processes that are being implemented can be in line with expectations, and the input supply for the salted anchovy processing business consists of raw materials. , labor, and capital. The research seeks to reveal the factors that influence the production of salted anchovies in the Barru District, Sumpang Binangae Village, Barru Regency.

Labor itself has a positive and significant influence on the production of salted anchovies. In essence, labor is a population whose age range has entered the working age. According to the law in Law Number 13 of 2003 concerning employment, those who are called workers are every individual who has the ability to carry out their work in order to produce a product, both goods and services, with the aim of fulfilling the needs of themselves or the community.

From determining the theoretical basis used in the form of a production function which was put forward by Cobb-Douglas which provides an explanation of the output that results in a certain period which is similar to the function derived from capital and labor. David Ricardo's theory of production, which he outlined in his work entitled "Principle of Political Economy and Taxation". Furthermore, in the law of addition, as results decrease, an explanation is given regarding the basic nature of the relationship between the level of production and the labor force used to realize the production process.

In the capital variable which is intended for carrying out research, it is a number of funds which are needed to carry out the operational process of processing salted anchovies in Barru District, Sumpang Binangae Village, the capital factor in influencing production results is explained through the theory in the form of Harrod-Domar, in this theory which states where the formation of capital is an expenditure that can provide additional economic





capacity when providing final results in the form of goods and services. In the view of Harrod Domard in Sodik and Nuryadin, (2005) there are two aspects in the formation of capital, namely the formation of own capital as an expenditure that will provide changes in the ability of the community to increase production and the formation of own capital is also an expenditure that will provide an increase in the ability of the product sector to be able to provide final results of goods that are needed by the community itself. Furthermore, capital has a positive influence related to the level of production of an item, which means that the availability of sufficient capital has a big influence on whether a business will run smoothly or not, thereby ultimately providing an increase in production.

According to Mubyarto in Sudana (2019), marketing activities are carried out efficiently if there are those that can meet the marketing criteria, namely the products produced by the producer reach the hands of consumers at a standard price with product quality and an equal distribution of the price obtained during the production process. Marketing a business product is an interrelated activity starting from preparing raw materials and processing as well as distribution to consumers. Marketing a product that is produced is of course related to information that comes from consumers who want the product from the price match between producers and consumers in order to gain income during the production process.

From determining the theoretical basis used, namely marketing margin theory which is explained as the difference between what consumers pay and the price received by producers. Margin will be received by marketing institutions involved in the marketing process. The longer the marketing channel, the greater the marketing margin. According to Gitosudarno in Nuriati (2018), marketing a product produced by a company so that the product produced can be sold according to the target market by carrying out efficient marketing which can later create low margins and can increase profits for producers, so that this will later influence prices for final consumers. This research is in line with research by Ahmad Rizal (2019) which states that the marketing aspect is running quite well, so all parties will benefit equally. Marketing of salted anchovies in Barru District, Sumpang Binangae Village is usually marketed locally and some are exported outside the city.

In this research, the selling price of salted anchovies in Barru District, Sumpang Binangae Subdistrict from different marketing channels, usually salted fish traders only sell by the kilo compared to what they buy from salted anchovy entrepreneurs, at the consumer level the price is quite high, namely the average selling price in Barru District, namely Rp. 12,400/Kg so salted anchovies are quite promising to start a business or market. The marketing margin in each marketing institution is different, this is because each marketing institution buys salted anchovies with different amounts of salted anchovies, in marketing channel III it is IDR 640/Kg and marketing channel I has a marketing margin. the smallest

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is IDR 8,640/Kg, because there is only one institution involved in the marketing channel for salted anchovies, namely the salted anchovy processor itself. Salted anchovy fish entrepreneurs in the Barru District area.

#### 5. CONCLUSION

Based on the results of the research and discussion described previously, the researcher can draw conclusions, namely:

- a. Factors that influence the production of salted anchovies in the variables of labor (X1) and capital (X2) simultaneously have a significant effect on the amount of salted anchovy production in Barru District, Sumpang Binangae Village, Barru Regency.
- b. In the marketing channel section for salted anchovies in Barru District, Sumpang Binangae Village, Barru Regency, there are 3 (three) marketing channel patterns, namely: Salted Anchovy Processor - Consumer; (2) Salted Anchovy Processor -Collector Trader - Consumer; Salted Anchovy Processors - Collecting Traders -Retailers - Consumers.
- c. The lowest marketing margin value is marketing channel I, namely IDR. 640/Kg, while the highest marketing margin value is in channel III, namely Rp. 8,640/Kg.

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