

# Analysis of Consumer Behavior Toward Increased Sales of Orgamas Liquid Organic Fertilizer Products

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## ABSTRACT

This study aims to determine: 1. Knowing the response and interest of farmers to the products of Organic Liquid Organic Fertilizer Orgamas in the Dawarblandong area. 2. Knowing the cause and effect of farmers in buying Orgamas Liquid Organic Fertilizer products. 3. Develop strategies to increase sales of Orgamas Liquid Organic Fertilizer products. Results of the study: 1. Farmers in Dawarblandong have a high level of expectation for organic fertilizer products that can help increase their productivity, but these expectations are limited by cultural factors so that farmers give the highest value to the attribute of excellence and the lowest value to the availability attribute of liquid organic fertilizer. Orgamas. 2. Farmers have different interpretations of the attributes inherent in the Orgamas Liquid Organic Fertilizer product, they assess that the attributes of excellence, price, and delivery are able to shape their interest in buying and using Orgamas Liquid Organic Fertilizer, but not the availability, familiarity and brand attributes. . 3. Based on the SWOT analysis concluded by the Cartesian Graph, Intan Abatani's management is facing various internal threats and weaknesses, so Intan Abatani's management needs to develop an alternative strategy in the form of a SWOT Matrix design to create a plan to save the company from large losses.

**Keywords:** *Liquid Organic Fertilizer, Consumer Behavior, Fishbein, SWOT*

## 1. INTRODUCTION

Soil is a place where living things stand, which is composed of mineral and organic elements. Good soil conditions greatly affect the survival of living things around it. This situation can occur due to two factors, namely natural soil formation (pedogenesis) and artificial factors. Natural soil formation factors come from the weathering of rocks aided by organisms, while artificial factors are formed intentionally by adding fertilizers as soil fertility nutrients to obtain a better soil condition. Soil that requires fertilizer is soil that is lacking in nutrients or soil nutrients.

Fertilization of the soil is usually done by farmers with the aim of cultivating crops. Farming requires good soil conditions to support plant growth. It can be concluded that farmers who are farming need fertilizer for the process of growing and developing plants. However, not all fertilizers can make plants grow and develop properly, and make the soil fertile, it all depends on the content of the compounds.

Blotong compost (Organic Fertilizer) is given to the soil 1 (one) week before planting, according to the treatment dose by sowing evenly on the soil surface. The blotong compost treatment

given before planting will react with the soil so that the physical and chemical processes of the soil have occurred before the planting process (Utomo, B., & Setyaaji, D. 2020).

Jutsus Von Liebig (1855), in Jelida (2013), states that growth is not controlled by the total available resources, but is controlled by the fewest resources. For example, if a plant has a minimum nutrient requirement of 50g, then inorganic fertilizers are added to the soil until the elemental content is 70g, then 50g of nutrients from the soil content will be absorbed by the plant according to its needs and the remaining 20g will break down into the soil. evaporating and washing (leaching) or washed away through erosion.

Fertilizer is a component that contains nutrients that are added to the planting medium to meet the substances needed by plants (Hariyadi, Huda, Ali, & Wandik, 2019). Fertilizer acts as nutrition for the development of plants so that they can grow properly according to their genetics and production potential.

Liquid Organic Fertilizer Orgamas is one of the products made to encourage farmers to be more concerned and aware of the environment, soil, and plants. This is because organic fertilizers play a very important role in soil fertility and the survival of living things around the northern region of Mojokerto or better known as the area. Dawarblandong. This area has the characteristics of arid and barren soils because the formation of the soil is influenced by karst landform. The presence of this fertilizer is expected to slowly improve the condition of the soil in the area and assist farmers in maximizing harvest to be sufficient for food self-sufficiency.

Dawarblandong can be said to be a rural area far from urban areas, so it is difficult to change the mindset or habits of farmers in farming, especially using fertilizers, which is a major obstacle for the company. The use of Organic Fertilizers in the Dawarblandong area is still minimal when compared to the use of Inorganic Fertilizers due to cultural factors or hereditary habits that want instant harvest results and a lack of knowledge and understanding of soil gaps, besides that the people of Dawarblandong are also not very interested in buying or using liquid organic fertilizers. . This causes the company to determine the right marketing strategy in order to increase the sales of Orgamas Liquid Organic Fertilizer products. Based on the description above, this study aims to analyze consumer behavior towards organic fertilizer products that have just been circulating in the agricultural market and develop future marketing strategies to increase sales.

## **2. RESEARCH METHODOLOGY**

### **Location and Time of Research**

This research was conducted at Intan Abatani Dawarblandong Educational Tourism, Mojokerto Regency with a period of six months (November 2018 - April 2019). The population taken is all visitors to the Manggata Depo, while the sample used is only consumers who buy the Orgamas Liquid Organic Fertilizer products. The total population obtained was 200 visitors with 25 consumers of Orgamas Liquid Organic Fertilizer products which were used as research samples or respondents.

### **Data Processing and Analysis Methods**

The data analysis methods used in this study include:

1. Quantitative descriptive analysis presented with the Fishbein method and weighting of the Likert scale to analyze consumer behavior towards the Orgamas Liquid Organic Fertilizer products in Dawarblandong area, Mojokerto Regency.
2. SWOT analysis to conclude the results of the factors (strengths, weaknesses, opportunities, and threats) owned by the company in order to formulate future marketing strategies with the aim of increasing sales.

## **3. RESULTS AND DISCUSSION**

### **Profile of Intan Abatani**

Intan Abatani is an educational tourism destination that attracts farmers and breeders to optimize their yields. Intan Abatani implements an Integrated Farming System where waste from the agricultural and livestock sectors is reused as a basic material to optimize other sectors. For example, waste from the livestock sector is used in the agricultural sector. The feedback from the agricultural sector, for example, is through a straw which is used for animal feed. So that no waste is wasted (zero waste).

This concept was promoted by Mr. Bayu Diningrat, in line with the concept of agriculture in 1005. The concept of agriculture 1005 itself is a concept of cultivating land with an area of 1000 m<sup>2</sup> for an integrated agricultural pattern in the fields of animal husbandry, fisheries and organic farming so that farmers have an income of 5 million per month with working time 3 - 4 hours per day. Intan Abatani has the motto "I Want to Be a Farmer - I'm Proud to Be a Farmer - Because I Love Indonesia" Intan Abatani's management has a vision that is "Healthy Indonesian Farmers, Independent Indonesian Farmers, and Successful Indonesian Farmers".

The mission pursued to realize the above vision is:

1. Realization of production, productivity and population, capital, technology and a strong institution as an effort to create an agribusiness and agropolitan system that is competitive, just and sustainable.

2. Develop agricultural or livestock facilities and infrastructure in order to optimize the use of Natural Resources in accordance with their functions.
3. Improve the quality of human resources (HR) and agribusiness institutions to be able to play a role in managing the potential of regional resources in the context of implementing regional development.

The vision and mission above is carried out together with 14 personnel (3 people from the surrounding community, 1 wiyata bakti, 6 contract people and 4 freelance daily) chaired by Mr. Bayu Diningrat in the management of Intan Abatani.

### **Orgamas Liquid Organic Fertilizer**

Orgamas fertilizer is a liquid organic fertilizer based on animal urine, bran and EM4 bacteria. This fertilizer is produced by CV. Dari Teman Sejati Mojokerto. The advantages of Orgamas Liquid Organic Fertilizer include:

1. Acting as POC and PPOC
2. Improve and accelerate plant growth
3. Accelerate the ripeness of panicles
4. Improve the quality and quantity of crops
5. Able to reduce or minimize the use of chemical fertilizers
6. Packaging is more practical and easy to carry.

Liquid Organic Fertilizer Orgamas is easily available through the closest branches that have been scattered in the Mojokerto area. For the central branch of the city of Mojokerto, you can visit DepoManggata Majapahit Soraya FM, which is located at Jl. Rambutan No.1 Wates Housing, Wates Village, Magersari District, Mojokerto City. Orgamas Liquid Organic Fertilizer is sold at a price of Rp. 100,000 for the 1,000 ml package and Rp. 60,000 for the 500 ml package.

### **Competitor Data**

1. Manure
2. Petrogenic Subsidized Fertilizer

### **Fishbein Analysis**

Fishbein's attitude model leads to the respondent's (consumer's) point of view towards a product that is identified by seeing, listening, buying, trying in the hope of satisfying their needs (Sudiyarto, 2009). The assessment that appears based on the attitude of consumer confidence in the attributes of organic fertilizer products, in general, will be denoted by  $e_i$ , while the consumer

assessment that appears based on the attitude and evaluation of the Orgamas Liquid Organic Fertilizer product will be denoted by  $bi$ . The two values of  $ei$  and  $bi$  that appear will be multiplied so that the results of consumer behavior are denoted by  $Ao$  (Attitude toward the object).

**Table 1.** Fishbein Multi-Attribute Analysis

No.	Atribut	$bi$	$ei$	$Ao = (bi.ei)$	Interpretasi
1.	Brand	2.84	3.72	10.56	Liked
2.	Price	3.36	3.76	12.63	Very Liked
3.	Familiarity	2.36	3.68	8.68	Liked Enough
4.	Availability	1.80	3.20	5.76	Dislike
5.	Delivery	2.92	3.52	10.28	Liked
6.	Excellence	3.36	3.88	13.04	Very Liked
<b>Total</b>		16.64	21.76	60.96	

Source: Primary Data 2019 (processed)

### Evaluation ( $ei$ )

Based on table 1, it can be seen that consumer behavior according to the rank (highest to lowest) on the attributes studied. The attribute of excellence (3.88) is considered by consumers as an attribute forming consumer interest and preference in buying an organic fertilizer product followed by the attribute price (3.76). In this case, consumers state that if the advantages of organic fertilizer products are very good and liked by consumers, there is no problem in buying these products if they are tagged at prices that match their advantages.

The next ranking is a brand attribute (3.72) and familiarity (3.68). Consumers like the popularity of organic fertilizer products based on brands that are generally well known by the surrounding community. Consumers are not fanatical enough with the brand of an organic fertilizer product as long as the product brand is able to satisfy their needs. They just love and know that the brand on the product has an advantage at an affordable price.

The attributes of delivery (3.52) and availability (3.20) are in the last rank with the perception of consumers who have the habit of storing fertilizer products that are usually used for stock, so that when consumers have limited access to these organic fertilizer products (delivery) and availability of goods (availability) is empty then it is not the main obstacle for consumers not to use the product, in accordance with the opinion of Mowen, John C and Minor, Michael. (2012), that consumer trust is consumer knowledge about an object, its attributes, and its benefits. This knowledge is useful in communicating a product and its attributes to consumers

### Salient Belief ( $bi$ )

The analysis of consumer behavior towards the product of Orgamas Liquid Organic Fertilizer which is shown in table 1 shows that the attributes of excellence (3.36) and price (3.36) are in the first rank. Respondents felt that the Orgamas Liquid Organic Fertilizer product had a price that was in accordance with its superiority (Nyoman 2019). These two attributes are supported by the delivery attribute (2.92) with the consumer's perception that the Orgamas Liquid Organic Fertilizer product is easy to obtain. The next attribute is followed by the brand attribute (2.84) with the perception that consumers don't really think about the brand they use. They are only limited to knowing and getting to know the brands they use.

The number of consumers who are not familiar with the Orgamas Liquid Organic Fertilizer product makes the attribute familiarity(2.36) and availability (1.80) attributes low by consumers. Consumers feel that they are still capable of producing their own organic fertilizers based on manure so that consumers do not give too much importance to the availability of Orgamas Liquid Organic Fertilizer products because they still have other alternatives to care for their commodities.

#### **Attitude Towards the Object (Ao)**

The consumer behavior that appears based on the analysis of the calculation of ei and bi shows that the attribute of excellence (13.04) remains in the first rank, while the attribute price (12.63) is in the second rank. The next attributes are brand (10.56) and delivery (10.28), while the second to last rank is familiarity (8.68) and availability (5.76).

Respondents have stated their perceptions in weighting the Likert scale for each analysis (ei and bi). Respondents make excellent attributes as the main attribute and price attribute in second place because consumers have high hopes and desires for the results of productivity and agricultural quality when using these organic fertilizer products. So that consumers do not object to investing their finances to buy these products. According to Kotler and Armstrong (2012), in the process of purchasing a product, consumers go through five stages, namely problem recognition, information search, alternative evaluation, purchase decisions and post-purchase behavior.

The attribute that consumers always value low is availability because consumers still feel that they are able to care for their farms by making their own organic fertilizers based on large amounts of manure as supplies.

#### **Consumer Preferences**

The lack of interest of farmers as consumers which has been concluded in the attributes of Fishbein analysis greatly affects the lack of sales of Orgamas Liquid Organic Fertilizer products. Consumers conclude this on three attributes that are rated low, namely: brand, familiarity, and

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availability. The availability attribute is the main attribute in the problem of consumers 'or farmers' lack of interest in the Orgamas Liquid Organic Fertilizer product. The thinking of consumers who are still capable of making their own organic fertilizers makes this attribute less important in the results of the fishbein analysis. The large number of agricultural households who have livestock so they feel able to supply fertilizer needs for their own farming coupled with cultural factors that are down and down which are still very high in the Dawarblandong area.

The livestock population in the Dawarblandong area is around 118,491 heads per month consisting of large livestock, small livestock, poultry and others. If the average livestock animal is able to produce its own manure approximately ten (10) times a day, the total weight of each livestock (large animals, rabbits, poultry) is 1.1 kilograms. So the livestock is able to produce approximately thirty-three (33) kilograms of manure per month. If the total population of livestock in the Dawarblandong area is 118,491, then it will get around 3,910,203 kilograms or 3.9 tons of livestock manure production which can be used as organic fertilizer in this area.

Apart from manure, this is also influenced by the factor of fertilizer subsidies that have been programmed by the government every year in each district in each district. As subsidized fertilizer, Petroganik fertilizer can be purchased at the price of Rp. 20,000 weighing 40 kilograms in sacks. The annual allocation of Petroganic fertilizers is distributed through the Technical Implementation Unit (UPT) and distributed to the Districts and then to each Village through the agricultural stalls.

Based on data from the Group Definitive Plan (RDK) and the Definitive Group Needs Plan (RDKK) of farmers in the Dawarblandong area related to Petroganik fertilizer subsidies, the total allocation of fertilizers supplied each year is based on the calculation of land area according to use, multiplied by the dosage of fertilizer usage for each. commodities that are being developed within the region. This year (2019), Petroganik producers supplied subsidized fertilizers totaling 4,991,409 kilograms of Petroganik fertilizers or around 4,991 tons for the Dawarblandong District, Mojokerto Regency (BPP Dawarblandong District 2019).

These two factors have an impact on product availability. The number of products that are large and evenly distributed will affect the views and interests of farmers as consumers in choosing and using these fertilizers. If the product availability is still low, the distribution coverage will not be evenly distributed so that it will not be able to attract consumers' views and interests. The opportunity for consumer interest in these products is quite small, as a result, consumer desires cannot be fulfilled because so far consumers can only see or hear the product through advertisements without being able to try it.

Minimal availability is very influential on product familiarity in this area. This area is classified as a rural area that is far from the city center, the people of Dawarblandong pay less attention to the promotions carried out by Intan Abatani's management through the on-air approach and talk shows on radio. Coupled with even distribution and distribution of products that are not evenly distributed. This results in a lack of closeness or popularity of products with farmers as consumers, which has an impact on farmers' knowledge of the brands attached to these products.

Farmers as consumers who are not familiar with brands of organic fertilizer products, which because the distribution is uneven, they will feel unfamiliar with these products. They will have negative thoughts or perceptions that arise such as "not branded but the price is expensive" or "the price is so cheap, is the quality good?".

This is also in accordance with the theory of consumer behavior which states that what influences the consumer's decision to buy a good or service, one of which is the price of the item itself (Mangkunegara, 2017). Meanwhile, according to Rangkuti (2006), in Utomo, B (2010), attitude is an important component in purchasing behavior. Attitude is the result of an evaluation that reflects the likes and dislikes of the product, so those producers can predict potential purchases and formulate more effective strategies.

### SWOT Analysis

Based on the results obtained from the Fishbein analysis, further analysis will be carried out using the SWOT method. In accordance with the results of observations both verbally and non-verbally, the SWOT formula can be concluded in the following table.

**Table 2.** SWOT Factor Formulation

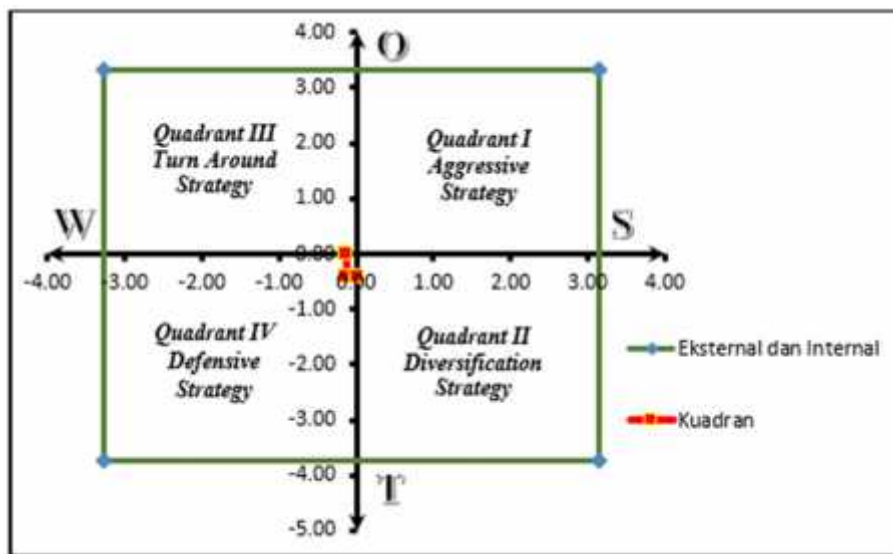
<i>Strengths</i>	<i>Weaknesses</i>	<i>Opportunities</i>	<i>Threats</i>
<ol style="list-style-type: none"> <li>1. Using organic and environmentally friendly materials (4).</li> <li>2. Having a call center and talk show services (3).</li> <li>3. Using personal capital (2)</li> <li>4. Has a role as POC and PPOC (3)</li> <li>5. Have a strong and integrated network (3)</li> </ol>	<ol style="list-style-type: none"> <li>1. High selling price as a new product (2).</li> <li>2. Low production capability (2).</li> <li>3. Lack of product closeness to consumers(4).</li> <li>4. Do not have a product delivery system (3).</li> <li>5. The distribution coverage has not yet entered remote areas (4)</li> </ol>	<ol style="list-style-type: none"> <li>1. Consumers and customers are still influenced by cultural factors in buying products (3).</li> <li>2. The market share is still wide (3).</li> <li>3. Reputation and positive image of Intan Abatani (3).</li> <li>4. Public awareness of the positive impact of organic fertilizers (4).</li> </ol>	<ol style="list-style-type: none"> <li>1. Competitors have large capital for production and promotion (4).</li> <li>2. Competitors have collaborated with online stores and delivery services (3)</li> <li>3. Competitors have collaborated with the government (4).</li> </ol>

Source: Primary Data 2019



Based on the assessment that appears above, each value will be multiplied by a constant so that final value is called the weight. The weight that appears in each statement will be multiplied by the rating that has been adjusted to the priority scale value above. From the results that appear, each of the total values is obtained as follows: strength (3.13), weakness (-3.27), opportunity (3.31) and threat (-3.73).

The total SWOT value will be analyzed again by reducing the factor value by classifying the value of internal and external factors so that the value of the difference or gap is obtained. The difference values that appear are SW (-0.13) and OT (-0.42). Both internal and external factors can be drawn vertically and horizontally (X and Y) on a Cartesian chart.



**Graph 1.** Cartesian Graph

The value that appears on the Cartesian Graph is a negative value that relies on quadrant IV (Defensive Strategy). This quadrant describes a company situation that is not profitable where the company is facing various internal threats and weaknesses. Therefore an alternative strategy is needed to make a plan to save the company from large losses. The formulation or plan strategy can be prepared using the SWOT Matrix as follows:

### SO Strategy

1. Utilizing Intan Abatani's positive image to increase promotion by using endorsements on social media.

2. Conduct a product approach to the community / agricultural students through agricultural counseling or seminars at certain times with the aim of increasing product familiarity to the community.
3. Conducting live broadcasting activities on social media with the aim of providing knowledge to the public, especially viewers, regarding the positive impact of using organic fertilizers through Orgamas Liquid Organic Fertilizer products.

### **WO Strategy**

1. Take advantage of the advantages of products that act as POC and PPOC by producing Organic Liquid Organic Fertilizer products in smaller packages (250ml) to attract price affordability to consumers who do not own large areas of land.
2. Increase the number of sub-distribution or depots that are spread to remote areas by utilizing the strong and integrated Intan Abatani network.
3. Provide sampling with a small amount at each outreach event held to attract public attention.

### **ST Strategy**

1. Increase costs to support promotion in various media with a view to disseminating product-related information to consumers.
2. Creating cooperation with the field of expedition or online stores to make product affordability to consumers.
3. Holding gatherings or special agricultural events by inviting the agriculture agency and farmer groups to build a stronger network with the government.

### **WT Strategy**

1. Producing more products than before for sampling or bonus products with certain purchase terms.
2. Creating an internal product delivery system with certain purchase conditions. This internal delivery system assigns and responsibilities to one of the employees appointed to send customer orders.

## **4. CONCLUSIONS**

1. The results of the analysis of consumer behavior based on the Fishbein method show that the attribute excellence is the attribute favored by the respondent and the availability attribute is the attribute that is least liked.

2. Respondents are less interested in Liquid Organic Fertilizer Orgamas as indicated by the brand attributes, familiarity and availability.
3. The SWOT analysis results show that Intan Abatani's management is in quadrant IV.

### Suggestions

1. It is recommended that Intan Abatani management take advantage of a strong and integrated network to form an organic community in order to facilitate the introduction and supply of products that have been produced.
2. It is recommended that Intan Abatani management buy livestock manure in the surrounding community as the basic material for Orgamas Liquid Organic Fertilizer products at an attractive price to increase productivity.
3. The closeness of the product to consumers can be done with other alternatives such as product bundling programs or purchasing packages in a particular product. The Orgamas Liquid Organic Fertilizer product is combined with other products in its sales with the criteria of the combination product is higher in sales than the Orgamas Liquid Organic Fertilizer product.

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