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Abstract. This study plans to dissect the advertising edges and benefits of clove promoting which have been completed in Puulemo Town, Lembo Locale, North Konawe Rule. This study was carried out between March and April 2022. Farmers, or 20 percent of the population, were selected at random (simple random sampling). so that a total of 21 farmers participated in the survey. For an example of dealers in clove promoting comprising of 3 gatherers and 2 wholesalers, it was done in a (snowball) way as per data from the ranchers. According to the findings of this study, the following are cloves' marketing channels: Wholesalers, traders, collectors, and farmers At the collector level, the average clove marketing margin was Rp. 15,000/Kg, or Rp, at the wholesaler level. 20,000/Kg. Collectors and wholesalers make an average profit of Rp from distributing the results of their purchases of cloves. 6,758,5000.

Keywords: Margins. Profit, Marketing.

Abstrak. Penelitian ini bertujuan untuk menganalisis margin pemasaran dan keuntungan pemasaran cengkeh yang telah dilaksanakan di Desa Puulemo Kecamatan Lembo Kabupaten Konawe Utara. Waktu penelitian ini dilakukan mulai pada bulan Maret sampai bulan April 2022. Pengambilan sampel petani dilakukan secara acak (Simple random sampling) yaitu 20% dari jumlah populasi. Sehingga jumlah responden adalah sebanyak 21 petani. Untuk sampel pedagang dalam pemasaran cengkeh terdiri dari 3 orang pedagang pengumpul dan 2 orang pedagang besar, dilakukan secara (snow ball) menurut informasi dari petani. Hasil penelitian ini menunjukan bahwa saluran pemasaran cengkeh yaitu: Petani Pedagang Pedagang Besar. margin pemasaran cengkeh pada tingkat pedagang Pengumpul pengumpul rata-rata sebesar Rp. 15.000/Kg, pada tingkat pedagang besar adalah sebesar Rp. 20.000/Kg. Dengan rata-rata keuntungan yang diperoleh pedagang pengumpul dan pedagang besar dalam mendistribusikan hasil pembelian cengkeh ratarata sebesar Rp. 6.758.5000.

#### Kata Kunci : Margin. Keuntungan, Pemasaran.

#### **INTRODUCTION**

Agriculture contributes significantly to the overall economy of the country. Because a lot of people live and work in agriculture or with agricultural products, the country's development is focused on the agricultural sector. More than half of Indonesia's population depends on their family's economy, so the growth of the agricultural sector is crucial to the country's future (Merita et al., 2022). By increasing the quantity and quality of agricultural products, agricultural development policies aim

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to raise farmers' incomes and general quality of life. It is hoped that farmers, marketers, and consumers will all benefit fairly from an increase in agricultural output. Marketing efficacy largely determines equitable profit sharing among economic actors (Ammas, 2018).

Indonesia is a nation with a lot of natural resources. This natural wealth originates from outside the earth's bowels as well as within its bowels. The Indonesian economy's plantation subsector has the potential to boost foreign exchange, supply raw materials, create jobs, and safeguard natural resources. The clove commodity plays a significant role in the growth of the plantation subsector as a foreign exchange earner (Ahmad et al., 2021). Cloves are the primary ingredient in clove cigarettes and are used as a spice in cooking. Plantation produce with high economic value is clove. According to Arie Naufal et al. (2018), clove stands to benefit from the expanding cigarette industry in Indonesia.

When compared to other industries, Indonesia's agricultural sector is quite resilient. The country makes money in foreign exchange by selling agricultural products. One of these products is a clove plantation product (Irmayani, 2020), which comes from plantations. Estate is one of the sub-areas of horticulture that can expand Indonesia's unfamiliar trade. According to BPS data, plantations contribute 97.4% to the agricultural sector's export volume and 96.9% to its export value, which is the basis for the size of the foreign exchange contribution. so that the agricultural subsector's contribution to the nation's foreign exchange reserves is dominated by the plantation subsector. Accelerating investment is required if plantation exports are to increase in value. According to data from the Investment Coordinating Board (BKPM), investment in agriculture was still low between 2009 and 2013, at just IDR 96.1 trillion. Then, it increased by 150.7%, or IDR 240.8 trillion, between 2014 and 2018 (Ministry of Agriculture, 2019).

Cloves, also known as spice plants, are commodities of the plantation sector. They play a significant role, among other things, in supporting farmers' income and contributing to the preservation of the environment and natural resources (Dewi, 2021). According to Franky Tulungen et al. (2000), agricultural development, particularly clove development in Indonesia, ought to be able to combine advancements in information and communication technology with progress in agriculture and other innovations.

In 2016, the absolute world clove creation was around 180,490 tons and around 139,520 tons or 77.3% of that sum came from Indonesia (Focal Agency of Measurements, 2019). In addition to serving as a raw material for industries that are continuing to expand, the agricultural sector is utilized to meet society's rising consumption requirements. As a result, agricultural sector development must be taken into account and accelerated. because annual crops like nutmeg, candlenut, coffee, cocoa, and cloves are included in the development of the agricultural sector alongside food crops.

According to Nurdjannah (2016), cloves come from Indonesia and have been grown there since the Dutch colonial era. Cloves are primarily utilized in the aforementioned industry due to their pleasant aroma, which is derived from essential oils that are abundant in flowers (10-20%), leaves (1-4%) and stalks (5-10%) Additionally, clove oil contains eugenol, which has stimulant, local anesthetic, carminative, antiemetic, antiseptic, and antispasmodic properties (70-80%). However, price fluctuations impacted farmers' interest in clove cultivation, causing fluctuations in national clove production.

Around 95% of clove plants (Syzygium aromaticum (L) Merr Perry) in Indonesia are developed by individuals as local area manors spread all through the territory. Private plantations and state plantations cultivate the remaining 5%. Clove is a spice plant that is a commodity in the plantation sector. It plays a significant role, among other things, as a means of participating in the environment and natural resources as well as a contributor to farmers' income. According to Ngada (2019), clove is one of the essential oil producers that is primarily utilized as a raw material for typical Indonesian cigarettes. The pharmaceutical and food industries also make use of clove as a raw material.

The lack of farmers' understanding of how to handle post-harvest cloves presents a challenge for clove farmers in the North Konawe Regency. The purpose of postharvest handling is to guarantee that the crops are in good condition and suitable for consumption or processing. Naturally, the expectation of high and steady prices indicates that clove is very beneficial to the people's economy given the annual increase in production. However, farmers acknowledge that clove prices frequently change in intensity and tend to fluctuate.

The presence of inappropriate market activity is indicated by the frequent price changes without a clear explanation. Marketing institutions will typically try to cut costs

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at the producer or consumer levels in order to make money. However, as the majority of clove consumers are clove cigarette manufacturers, it will be challenging to reduce prices at the consumer level. Arie Naufal et al. (2018) also found that marketing institutions and production costs have an impact on farmers' profits.

In the Lemob District of the North Konawe Regency, one of the villages that produces cloves is Puulemo Village. The majority of the clove plants that farmers planted have produced or are producing, and a few are still growing. In the Lemboper District's Puulemo Village, clove production fluctuates annually. Price is another issue that farmers face. At the farmer level, various marketing channels will offer various price shares and marketing margins; the greater the number of marketing agencies involved, the smaller the price share that farmers will receive. There is a significant price difference between farmers and final consumers as a result of each marketing agency's large margin. In Puulemo Village, Lembo District, North Konawe Regency, the purpose of this study was to examine the marketing profits and margins of cloves.

#### **RESEARCH METHODS**

#### **Research sites**

Study locations The location of this study is Puulemo Village in the Lembo District of the North Konawe Regency. The choice of this area was done purposely (purposive examining). From March to April 2022, this research was carried out.

# **Population and Sampling Techniques**

#### Population

The term "population" refers to a generalized group of things or people who have certain qualities and characteristics that researchers choose to investigate and draw conclusions from (Sugiyono, 2017). All clove farmers and traders in Puulemo Village, Lembo District, North Konawe Regency, participated in this study.

#### Sample

According to Sugiono (2017), the sample is a subset of the population and its characteristics. Simple random sampling was used to randomly select farmers, which represented 20% of the population. so that a total of 21 farmers participated in the survey. For an example of dealers in clove promoting comprising of 3 gatherers and 2 wholesalers, it was done in a (snowball) way as per data from the ranchers.

#### Data analysis technique

## **Marketing Margin Analysis**

Marketing is an overall system of business activities aimed at planning, determining prices, promoting and distributing goods and services that can satisfy needs (Elisabeth W et al, 2019). The difference between the price farmers receive and the price consumers pay for the same product is called marketing margin. Marketing margin includes both marketing agencies' profits and all costs associated with transporting goods from farmers to consumers. According to Soekartawi (2013), the number of requests and offers, marketing agency profits, and marketing costs all have an impact on the size of the marketing margin.

Calculation of marketing margin used the formula :

$$\mathbf{M} = \mathbf{Pr} - \mathbf{Pf}$$

Information:

M = Marketing margin at the farmer level

Pr = Price at the marketing institutional level for marketing purposes from farmers

Pf = Farmer's price.

### **Marketing Profit Analysis**

Profit is the difference between the price paid to the first seller and the price paid by the last buyer (margin) after deducting marketing costs, profit is the excess of the proceeds from sales minus the cost of goods sold and other costs, (Soerkartawi, 2013). Profit is the sum of the profits of each marketing agency so that it can be formulated as follows:

$$Kp = Kp_1 + Kp_2 + Kp_3 + \dots + Kp_n$$

Information:

Kp : Marketing advantage

Kp1.....Kpn : Marketing advantage of each marketing agency.

A production company's profits are frequently viewed as income as well. According to Adar and Bano 2020, the goal of running a farming business is to maximize income, so farmers' income is a criterion for determining whether or not the operation is successful. According to Irawati (2016), the objective of a farming actor's activities is to generate profit or income.

# **RESULTS AND DISCUSSION**

# **Marketing Margins**

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The difference between the price paid by the final consumer to the marketing agency and the price paid by the collecting trader or paid to the clove farmers, which is measured in Rp/kg per day, is known as the marketing margin. Selecting and following specific commodity marketing channels, comparing prices at various marketing levels, and collecting data on gross sales and purchases for each kind of trader are all examples of analytical procedures.

There are two types of actors involved in clove marketing: sellers and buyers. Farmers, collectors, and wholesalers are the three types of sellers. In the meantime, there are also two types of buyers: wholesalers and collectors. In Puulemo Village, Lembo District, the majority of clove sellers make use of the following distribution methods: wholesalers, collectors, and farmers The costs that marketers must incur in order to carry out marketing functions and the profits that marketers receive in each chain of the clove marketing trade system are presented in the following marketing margin analysis.

No.	Marketing Agency	Price (Rp/Kg)
1	Producers (Clove Farmers)	
	a. Selling price	75.000
2	Collector Traders	
	a. Purchase price from farmers	75.000
	b. Marketing Margins	15.000
	c. Marketing Expenses	1.058
	d. Total Profit	13.941
	e. Selling price	90.000
3	Wholesalers	
	a. Purchase price from collectors	90.000
	b. Marketing Margins	20.000
	c. Marketing Expenses	1.109
	d. Total Profit	18.890
	e. Selling price	110.000

Table 1. Clove Marketing Margin Analysis in Puulemo Village, Lembo District North Konawe Regency.

Source: Primary data after processing, 2022.

The marketing margin from farmers to collectors is 15,000/Kg and wholesalers is 20,000/Kg. With a net profit (net benefit margin) obtained by collectors and wholesalers in distributing the proceeds from the purchase of cloves, Rp. 13,941/Kg and Rp. 18,890/Kg after the average profit is divided by the average number of clove purchases.

#### **Marketing Advantage**

Profit maximization is marketing's primary objective. The meaning of benefit functionally is the contrast between acknowledged pay emerging from exchanges during one period and costs connected with these expenses.

No.	Institution	<b>D</b> ሮ 4
	Marketing	Profit
1	Collector Traders	6.622.000
2	Wholesalers	6.895.000
Amount		13.517.000
Average		6.758.500

Table 2. The benefits of Marketing Establishments in Puulemo Village, LemboDistrict, North Konawe Regency.

Source: Primary data after processing, 2022.

Table 2 above shows that the average profit obtained from collectors and wholesalers is Rp. 6,758,500. This is in accordance with the opinion of Harahap (2009), profit is the excess of income over costs during an accounting period. While the notion of profit observed by the current accounting structure is the difference in measurement of income and costs.

#### CONCLUSION

Collector Traders have a marketing margin of 15,000/Kg for cloves, while Wholesalers have a marketing margin of 20,000/Kg. At the wholesale and collector levels, the average profit from clove marketing is Rp. 6,758,5000.

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