

# Training on the Formulation of Marketing Strategies for Organic Green Onions (*allium fistulosum l.*)

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## **Abstract**

*The village of Gedangan in the Cepogo sub-district of Boyolali Regency is renowned for being a producer of organic vegetables and has obtained Organic Farming SNI certification. Marketing strategy is a fundamental aspect planned to achieve business goals by continuously enhancing competitive capabilities. As a result, crafting a marketing strategy is crucial for the farmer group. In this community engagement, the farmer group is trained to develop marketing strategies for organic vegetables using the SWOT method. Based on the training outcomes and the practical analysis of the marketing strategy for organic scallions, the leaders and farmer representatives now understand the importance of devising a marketing strategy for organic vegetable products in order to foster sustainable product marketing growth. Training participants are also capable of conducting SWOT analyses to formulate marketing strategies for organic agricultural produce, even though further training is necessary to enhance the skills of the farmer group leaders.*

**Keywords::** *organic vegetables, marketing strategy, farmer groups, sustainability*

## **1. INTRODUCTION**

Agriculture is a pivotal economic sector in developing countries. The role of the agricultural sector in a nation's economic development holds a critically important position. Organic farming is a holistic agricultural system that supports and accelerates biodiversity, biological cycles, and soil biological activity. Certification of organically produced products, their storage, processing, post-harvest handling, and marketing must adhere to standards set by the standardization body (IFOAM, 2008).

One type of plant that falls under horticultural crops and is cultivated organically is scallion. Scallion (*Allium fistulosum L.*) is a type of food plant that has long been recognized and cultivated in developing countries. Scallion is a prominent vegetable commodity that has been intensively cultivated by farmers for a considerable time. This commodity serves as a source of income and employment opportunities, making a substantial contribution to regional economic development.

The village of Gedangan in the Cepogo sub-district of Boyolali Regency is already renowned for being a producer of organic vegetables and has obtained Organic Farming SNI certification. The Utomo Jayan farmer group has adhered to the principles of organic farming in line with operational standards, starting from land preparation using organic fertilizers, pest and disease control with botanical pesticides, all the way to post-harvest handling. However, the farmer group still encounters challenges in marketing, as there are only a few collaboration partners established.

Marketing is the backbone of the business world, as it serves as the barometer or standard of success for a business in capturing the widest possible market share. The goal of producers is the ability to influence consumers' imagination with various products offered, packaging design, and promoting goods. With the presence of the marketing mix, it is hoped that the company's sustainability can be maintained, business endeavors can flourish, and ultimately,

maximum profits can be achieved. The marketing mix is a set of marketing tools used by companies to consistently achieve marketing objectives in the target market.

As the days go by, competition in the agricultural industry continues to intensify, making the need for precise marketing strategy planning even more crucial to maintain the product's presence in the market. Organic agricultural product certification serves as a means to provide assurance that organic products meet the requirements set in standards and documents through inspection activities conducted by Organic Certification Bodies (KAN, 2007).

Marketing strategy is a foundational aspect planned to achieve business goals by developing sustained competitive capabilities through the entered market and marketing programs used to serve the target market (Tjiptono 2009). To formulate a marketing strategy, a comprehensive analysis of the impact of both the external and internal company environment needs to be conducted. Identification of internal factors that are strengths and weaknesses of the company must be carried out. The external environment changes rapidly over time, giving rise to various opportunities and threats, both from main competitors and the ever-changing business climate. This external state also leads to changes in the internal business environment, such as changes in the strengths and weaknesses possessed by producers. Hence, in this community engagement, understanding and training are conducted to formulate marketing strategies for organic vegetable products produced by the farmer group using the "SWOT" method.

## 2. METHODS

This Community Engagement activity took place within the Utomo Jayan farmer group in Gedangan village, Cepogo sub-district, Boyolali Regency. The selection of the research location was purposeful or purposive, chosen based on specific considerations aligned with the research objectives. This training utilized the method:

### 1. Lecture

A lecture is a message aimed at providing advice and guidance while there is an audience that acts as listeners. The purpose of a lecture is to deliver information, persuade, convince the listeners, depict situations, and engage the audience.

### 2. Practice

Practice is an act of applying a theory, method, and other elements to achieve specific goals and desired outcomes by a planned and organized group or category.

### 3. Evaluation

Training evaluation is the systematic process of gathering, analyzing, and interpreting information to determine the attainment of training objectives.

## 3. RESULT AND DISCUSSION

### a. Internal Environmental Analysis

As per Jauch and Glueck (1997), the internal environment is the process through which strategic planning examines the company's internal factors to determine where it possesses significant strengths and weaknesses. This allows the company to manage opportunities effectively and face threats within the environment. The internal environment encompasses factors within the company that can provide information about the company's strengths and weaknesses. According to David (2002), every company has strengths and weaknesses originating from the internal environment. To identify the internal and external factors

affecting the marketing of organic scallions within the Utomo Jayan Farmer Group, interviews and questionnaires were conducted. The internal factors that serve as strengths and weaknesses in the marketing of organic scallions within the Utomo Jayan Farmer Group can be observed in the table below :

Strength	Weakness
1. The existence of an internal inspectorate check	1. Over time, prolonged product storage will gradually decrease its quality.
2. The presence of promotional activities being conducted.	2. Marketing has not yet reached a broad scope.
3. The product has been certified as organic.	3. The product packaging is not very appealing.
4. Selling price remains consistent.	4. The youth play a limited role in both agriculture and agricultural outcomes.
5. Product stock maintains its quantity.	5. The human resources underutilize technology for marketing.
6. Knowledge in cultivating organic scallions.	6. Farmers' participation in marketing is insufficient.
7. The human resources actively participate in training.	7. The absence of a cooperation agreement with partners.
8. Several collaboration partners have already been established.	8. Lack of transportation capital for distributing outside the city.

From the table above, the strengths and weaknesses of marketing organic scallions within the Utomo Jayan Farmer Group in Gedangan Village, Cepogo Sub-district, Boyolali Regency can be identified.

#### b. **External Environmental Analysis**

A External Environmental Analysis encompasses factors within the Farmer Group that provide information about opportunities and threats to the Farmer Group. The external environmental factors that act as opportunities and threats determining the success of the Farmer Group in marketing can be observed based on the table below.

Opportunity	Threat
1. The economic income level of the community continues to increase.	1. The presence of substitute products.
2. Consumer interest and preference for organic products are high.	2. Fluctuating consumer preferences.
3. Advancements in technology and information.	3. Numerous products with organic claims are circulating (counterfeit products).

Based on the table above, opportunities and threats in marketing organic scallions can be identified. This is necessary to understand what supports and inhibits the marketing of organic scallions within the Utomo Jayan Farmer Group. This can utilize existing opportunities while anticipating external threats.

**c. Analysis of Marketing Strategies**

**a. Matrix Analysis IFE (*Internal Factor Evaluation*)**

The calculation of the Internal Factor Evaluation (IFE) analysis can be observed in the table below:

No	Key factor	Weight (A)	Rating (B)	Score Weight (AxB)
<b>STRENGTH</b>				
1	The planning is carried out following procedures.	0.048	3	0.145
2	Renewal of the organizational structure is in place.	0.050	2	0.100
3	Farmers exhibit high motivation.	0.051	2	0.102
4	Yearly evaluations take place.	0.049	2	0.099
5	An internal inspectorate check is conducted.	0.050	3	0.150
6	Promotional activities are being executed.	0.050	1	0.050
7	The product has been certified as organic.	0.055	4	0.222
8	Selling price remains consistent	0.062	4	0.246
9	Product stock maintains its quantity.	0.051	3	0.153
10	Knowledge in cultivating organic scallions is present.	0.053	2	0.106
11	Human resources actively participate in training.	0.053	1	0.053
12	Several collaboration partners have already been established.	0.052	2	0.106

WEAKNESS				
1	Over time, extended product storage will gradually decrease quality.	0.053	1	0.053
2	Marketing hasn't reached a wide scope yet.	0.049	1	0.049
3	The product packaging is not very appealing.	0.055	2	0.109
4	The youth play a limited role in both agriculture and agricultural outcomes.	0.056	1	0.056
5	Human resources underutilize technology for marketing.	0.056	1	0.056
6	Farmers' participation in marketing is insufficient; there are no collaboration agreements with partners.	0.056	1	0.056
7	Lack of transportation capital for distributing outside the city.	0.056	2	0.113
Amount		1.000	38	2.015

Based on the results of the IFE matrix analysis in the table above, it can be observed that the strength with the highest weighted score is consistent selling price, at 0.246. This indicates that this strength factor is highly important for the Utomo Jayan Farmer Group in Gedangan Village, Cepogo Sub-district, Boyolali Regency, in developing their organic scallion farming business. By setting prices, the farmer group aims to stabilize consumer prices by gradually increasing them over a certain period. On the other hand, the strength with the lowest weighted score is planning carried out following procedures and renewal of the organizational structure, scoring 0.050. This suggests that the Utomo Jayan Farmer Group engages in promotions through various means, such as advertising on social media.

Meanwhile, the weakness with the highest score is the lack of transportation capital for distributing outside the city, with a weighted score of 0.111. This underscores the fact that the farmer group requires funding for distributing their agricultural products beyond the city limits. Distribution plays a crucial role in ensuring that the harvested organic scallions reach the consumers. Presently, the farmer group only supplies to customers who have placed orders from outside the city. On the other hand, the lowest weighted weakness is the limited marketing scope, scoring 0.048. This indicates that marketing is not fully optimized. It's necessary to find methods or marketers to introduce organic scallion production to the general public, emphasizing the superior quality of organic scallions. Therefore, revitalizing marketing efforts is crucial, as marketing serves as the backbone of agricultural product marketing. Introducing all organic products through advertising, social media, and other promotional means is

necessary to gain recognition beyond the Boyolali region, and collaboration agreements with partner companies for wider marketing should be established.



**Figure.1** Analysis of the strengths and weaknesses of the farmer group

b. Matrix analysis EFE (*External Factor Evaluation*)

The calculation of External Factor Evaluation (EFE) matrix analysis can be observed in the table below :

No	INTERNAL STRATEGY FACTORS - OPPORTUNITIES	Weight	Rating	Score
1	The level of community income continues to increase.	0.222	2	0.444
2	Consumer interest and preference for organic and healthy products is high.	0.205	1	0.167
3	Advancements in technology and information.	0.205	1	0.159
4	Collaboration with other farmer groups.		1	0.111
THREAT				
1	The existence of substitute products.	0.148	1	0.095
2	Fluctuating consumer preferences.	0.114	2	0.175
3	Circulation of products with organic claims (counterfeit products).	0.102	1	0.087
4	Absence of collaboration with other parties.	0.095	1	0.095
Amount		1.000	10	1.333

Based on the calculation results of the EFE matrix in the above table, it can be observed that the top-ranked opportunity is the continuous increase in community income with a weighted score of 0.444. This indicates that the income of the members of the Utomo Jayan farmer group is consistently rising, implying that the group is gaining recognition among the public for having high-quality organic scallions. These scallions are naturally cultivated, with careful attention to natural fertilizers and harvesting techniques, resulting in a superior quality product. According to David (2013), the average total score weight is 2.8. Meanwhile, the total score weight obtained is 1.333, which is above the average score weight determined. This

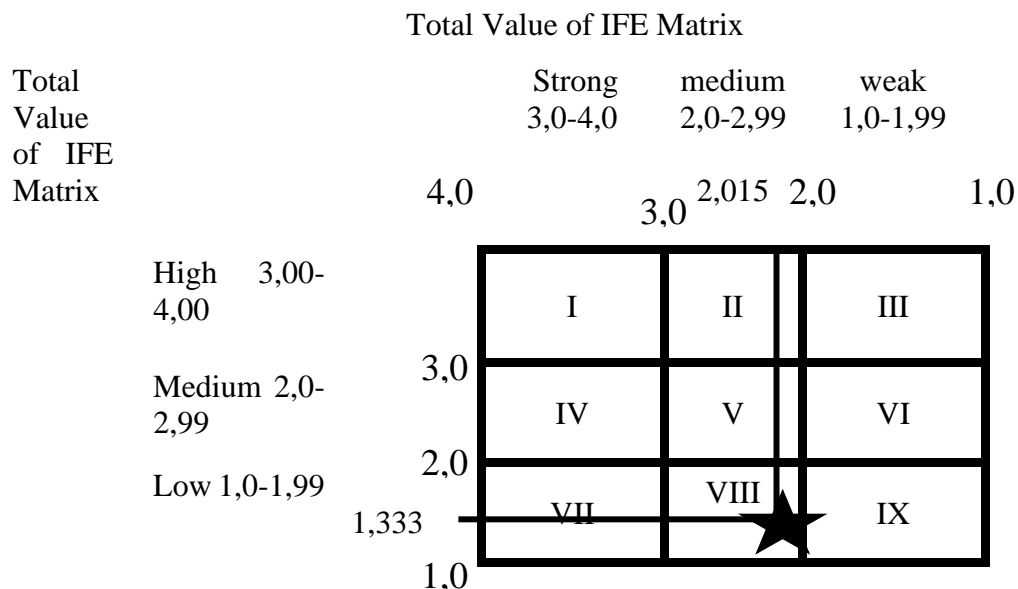
indicates that the farmer group's external position is below average, suggesting that their ability to respond to opportunities and threats is still not optimal.



**Figure.2** Analysis of marketing opportunities and threats

c. Matrix analysis IE (Intenal - *External*)

The IE Matrix is a matrix that combines the Total Weighted Score from the IFE Matrix and the EFE Matrix to assess the cell position for the development of the Utomo Jayan farmer group in organic scallion farming. Once the cell position is determined, the appropriate strategy for the Utomo Jayan farmer group can also be identified. From the calculation of the IFE Matrix, a weighted score of 2.008 is obtained, and from the EFE Matrix, a weighted score of 1.333 is obtained. The results of mapping the IE Matrix can be seen in the image below:



Based on the results of the IE matrix, it can be observed that the Utomo Jayan farmer group occupies Cell VIII position. Cell VIII indicates that the Utomo Jayan farmer group is in a position of having strengths and opportunities, indicating that the group is in a growth phase. The Utomo Jayan farmer group is capable of continuing market penetration, market development, and product development or horizontal backward and forward integration.

#### 4. CONCLUSION

Based on the training outcomes and practical experience of analyzing marketing strategies for organic green onions in the Utomo Jayan farmer group located in Gedangan Village, Cepogo Subdistrict, Boyolali Regency, the leaders and representative farmers have gained an understanding of the importance of developing marketing strategies for organic vegetable products to ensure sustainable growth in product marketing. Training participants are also capable of conducting SWOT analysis to create marketing strategies for organic agricultural products, although further training is needed to enhance the skills of the group's leaders. The results of the SWOT analysis practice indicate the following conditions within the group:

Analysis of internal factors :

- a. strength: The strength that influences the organic scallion marketing activities is positioned internally and holds a value of 0.246. This strength factor is highly significant for the Utomo Jayan farmer group in Gedangan Village, Cepogo District, Boyolali Regency, in developing their organic scallion farming business. The group aims to stabilize the selling price to consumers by gradually increasing it over specific periods.
- b. weakness: The weakness that has the greatest impact on marketing activities holds a score of 0.111, indicating that the farmer group requires funding for distributing their agricultural produce outside the city. This distribution process plays a vital role in ensuring that the harvested organic scallions reach the consumers. Currently, the farmer group only caters to customers who have placed orders from outside the city.

Analysis of external factors:

- a. opportunity: The opportunity that exerts an influence on conducting marketing activities for organic green onions lies in the external position, indicating a value of 0.444. This illustrates that the income of Utomo Jayan farmer group in Gedangan Village, Cepogo District, Boyolali Regency, is continuously increasing. This signifies that the Utomo Jayan farmer group is gaining recognition among the public, highlighting the fact that their organic green onions are of good quality and are naturally cultivated with ingredients that are rich in nutrients, including careful fertilization and harvesting techniques that result in high-quality produce.
- b. threat: The threat that exerts an influence on conducting marketing activities holds a value of 0.175 in the external position, indicating that the farmer group holds an external position below average. This suggests that their ability to respond to opportunities and threats is not yet maximized.



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