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Marketing and Income Analysis of Seaweed Farming Business

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Abstract

The purpose of this research is to conduct a marketing and revenue analysis of seaweed producers. This study takes a qualitative approach via the use of exploratory research techniques. This research included all farmers who grow seaweed. The Slovin formula was used to calculate the sample size, which was 40 heads of households. The sample is determined using a basic random sampling technique. While data gathering is accomplished via interviews, observation, and documentation. Farmers market their seaweed goods in two ways, first to middleman merchants, then to collectors, and lastly to inter-city traders. Second, farmers sell their produce to collectors, who subsequently distribute it to intercity merchants. The average revenue earned by seaweed growers. That is 6 USD –830 USD in a single manufacturing process, indicating that seaweed farming is lucrative and possible to expand, but that production expenses must be more efficiently used to achieve larger profits.

Introduction

Seaweed is a significant fisheries product that has the potential to significantly enhance the community's economy but has not been used to its full potential (Troell et al., 2006; Le Gouvello et al., 2017). They have known seaweed for a long time, but just began cultivating it on a limited scale in 1990. Van Bosse discovered up to 25 species of red algae, 28 species of green algae, and 11 species of brown algae during a Danish expedition's investigation. Snellius-II continued to identify seaweed species in 1985, discovering 41 red algae, 59 green algae, and 9 brown algae. In 1985, there were 118 different kinds of red algae, 80 different forms of green algae, and 36 different types of brown algae. The seas are home to up to 555 marine species. Van Bosse discovered up to 25 species of red algae, 28 species of green algae, and 11 species of brown algae during a Danish expedition's investigation. In 1985, the Snellius-II research resumed its identification of seaweed species, resulting in the discovery of 41 red algae, 59 green algae, and 9 brown algae. In 1985, there were 118 species of red algae, 80 species of green algae, and 36 species of brown algae. Seaweed farming has developed into another source of income for coastal communities and small-scale fishers (Mirera et al., 2020).

As a result of the experts' views, we can see that in evaluating farmer welfare, we may look at the degree of marketing and revenue generated by current seaweed cultivation. As is the case today, seaweed management has made considerable progress in terms of the money generated by seaweed products. According to Tobisson, (2014) the majority of individuals in this seaweed farming company do it as a side job, and the farmer acknowledges that his business is highly lucrative since seaweed is simple to grow, and farmers are not presently too focused on establishing hard fields. They are more focused on seaweed cultivation at the moment, when the selling price of seaweed rises in the market, increasing people's income and motivating other communities to concentrate more on seaweed cultivation and seaweed production as a source of revenue. significant tan among farmers.

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Methods

This kind of study employs qualitative exploratory research. Qualitative exploratory research is research that aims to delve relatively deeply into an object; in other words, exploratory research is research conducted to ascertain the causes or factors that influence the occurrence of something, and is used when we do not know the object of research precisely and specifically.

Numerous data sources were used for this research, including the following: Primary data sources, Primary data is information gathered directly from informants, or those who are more knowledgeable and accurate about the subject of this study. Farmers provided data for this research. Secondary data are data gathered from a variety of sources that serve as supporting data. They are gathered from scientific journals and other publications relevant to the subject of this study. The authors gather data and information for this research via a variety of techniques, including the following: Observation is a data gathering method that involves actually viewing the thing under investigation. Documentation is a non-interaction method used by researchers to bolster the data they collect. The documentary materials are classified into various categories, including autobiographies, personal letters, diaries, clippings, public and private papers, films, and photographs.

Result and Discussion

Seaweed Marketing Analysis

Seaweed marketing, according to marketing research, begins with farmers and ends with export through two channels, Farmers sell to middleman merchants, who then distribute to inter-city traders.

Table 1. Farmers sell to collectors, who resell to intercity merchants

Seaweed Farmer Income	Total	Percentage (%)
75 USD-831 USD	30	75 %
831 USD -1,662 USD	8	20 %
1,662 USD -2,493 USD	2	5 %
Total	40	100 %

Source: Primary data

According to table 1the income of seaweed cultivation farmers ranges between 69 USD and 831 USD, which equates to as many as 30 individuals, followed by seaweed cultivation farmers whose income is between 831 USD and 1,662 USD , which equates to as many as 8 farmers. Meanwhile, there are only two cultivation farmers earning between 1,662 USD and 2,493USD.

Table 2. Seaweed cultivation

Supply Chain	Income	Difference
Farmer	$1/Kg	0.10/Kg
Collecting Merchant	$1/Kg	$1.10/Kg
Intercity Traders	$1.42/Kg	$0.13/Kg

Source: Primary Data

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Supply Chain Income Channels I and II Seaweed Cultivation Farmers

Income routes vary between supply chains I and II, with farmers in supply chain I selling to middleman merchants, then to collector traders, and lastly to inter-city traders. Between cities, there is a variation in the price of revenue from farmers to merchants, ranging from $0.06/kg to $0.13/kg. While supply chain II is an income channel through which farmers sell to merchants and are subsequently disseminated to traders across cities, supply chain I is an income channel through which farmers sell to farmers. Between cities, there is a variation in the price of revenue from farmers to merchants, ranging from $0.10/kg to $0.13/kg.

The benefit of supply chain income channel I is that farmers may easily transfer their crops to middleman merchants, since farmers in the first supply chain are inextricably linked to middlemen traders. While the benefits of supply chain II revenue channels include farmers having the flexibility to distribute their crops to collectors or inter-city merchants, this freedom is not available to farmers in supply chain I income channels.

The Effect of Employment Relationships on Seaweed Farmers' Income To illustrate the impact of job connections on seaweed income growth, consider the following:

Plant Maintenance Costs

Farmers spend up to 3.5 million in expenses associated with keeping seaweed plants in a single planting.

Seeds

Seeds are vegetative material that develops during the cultivation of seaweed. The quantity and quality of seeds utilized will have an effect on seaweed development and production (Wang et al., 2020). Some of the seeds used in this kind of seaweed farming come from earlier plantings, while others are bought from other farms.

Meijer et al. (2015) stated that Agriculture is also influenced by the equipment employed by farmers. The equipment in issue is comprised of a variety of agricultural implements used in the processing of seaweed. Plastic rope, raffia rope, plastic drink bottles (floats), knives, and clothesline mats are all utilized as equipment.

Labor The power of the boat's propulsion engine and human labor are utilized in this seaweed cultivation. The workforce is estimated based on the quantity of labor performed throughout the seed preparation, planting, maintenance, harvesting, and drying processes. The working relationship between seaweed traders and seaweed farmers Based on the results of the study, seen from the area of land owned and the work done

Landowners who cultivate their own crops

Cultivators, defined as individuals who labor on their own property or on the land of others under a profit-sharing arrangement, Farm workers, namely farmers who work on other people's land for a daily pay or who get the seaweed steam directly. The connection formed between the two components, namely farmers and seaweed merchants, may be described as mutually beneficial, since there is dependency. Without traders as capital owners, farmers would struggle to expand their agricultural enterprises; on the other hand, merchants without farmers as customers will struggle to get agricultural goods in the form of seaweed. Three stakeholders are critical to the seaweed farming system: the government, traders (capital owners), and farmers. The three players each play a unique function, but are interconnected in their efforts to foster a favorable business environment for seaweed farming in order to improve the welfare of seaweed farmers in particular and economic growth in general.

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In the early years of seaweed farming, the private sector played a significant role. Due to the increasing demand for seaweed in many nations, the business sector has invested in seaweed cultivation. Additionally, the government reacted by undertaking a study of numerous coastal locations with possibilities for seaweed farming (Radulovich et al., 2015). The survey's findings resulted in a categorization of development-ready regions and seaweed species.

The government's participation will be restricted to providing personnel and making it simpler for private organizations interested in marine aquaculture to recruit coastal populations with existing fishing cultural expertise (Pinkerton, 2009). In terms of seaweed farming, the government offers private organizations financial possibilities.

Since then, the private sector has made it possible for prospective farmers to become farmers for the first time by providing capital assistance and initial capital assistance in the form of seeds, planting tools, clothesline equipment, and so on, as well as friendship between farmers and the community. private gatherings Contracts governing manufacturing quality, selling price, and information about production guarantees will be offered exclusively to private equity lenders. There is no interest or contract duration associated with providing capital assistance; instead, only farmers' product is sold to the commercial sector (Makhura, 2002). These issues led in the development of rivalry between the private sector and a gradual shift of purchasing power away from direct purchasers and toward farmers. On the other side, tiny merchants and collectors developed, both locally and from nearby Bantaeng and Bulukumba. The collecting trader's job is to serve as a go-between for farmers and wholesalers (private).

The decrease in the private sector's capacity to provide financial assistance and the emergence of imperfect price competition on the part of collecting merchants herald the beginning of the end of farmers' ability to acquire high and steady price values.

Capitalists (seaweed traders)

Merchants will also profit significantly from adopting this customer-customer connection model. They trust the farmers more because they get a guaranteed supply of seaweed, but those who sell directly to consumers outside their business area will operate smoothly since there is a guaranteed supply of products that may attract a large number of customers in other areas. Based on the information gathered during the information visit, in this instance with the capital owner, and field observations, it is clear that the role of farmers in seaweed production is critical for understanding seaweed seeds and investments. Farmer. According to the informant, as merchants, we offer farmers with all they need in terms of equipment, as well as a knowledge of seeds and money in the form of cash

Conclusion

Seaweed farming is one of the community's livelihoods, and its contribution to the community's everyday economy is significant and influential. When a community cultivates seaweed, the degree of economic wellbeing rises in comparison to when the group did not cultivate seaweed. This is shown by the community's harvest revenue increasing to $519 within 40 days. Increasing the community's economic wellbeing via seaweed farming is very lucrative, since the price of seaweed is fairly high. A study of the marketing and financial viability of seaweed farming. This is shown by the community's tangible and non-material needs being met in the form of clothes, food, housing, and spiritual requirements. It is determined that the economic wellbeing of individuals who cultivate seaweed improves after culture compared to before cultivation and is classified as pretty excellent.

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