

BUSINESS AND MARKETING MIX ANALYSIS OF BACANG FOOD INDUSTRY THROUGH CONVENTIONAL AND ONLINE MARKETING (CASE: EL SHADDAI FOOD SMALL INDUSTRY)

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Abstract: Bacang agroindustry is undeveloped in Indonesia and the internet has not been maximally utilized by bacang entrepreneurs. Therefore, business and marketing analysis of bacang agroindustry is important to do to develop the business and internet utilization for bacang agroindustry. The research aims to analyze profit, cost of goods manufactured, financial performance, marketing mix, and the impact of online marketing on the chicken bacang agroindustry. This research uses a case study method at El Shaddai Food Agroindustry, Penjaringan District, North Jakarta. Research data were collected from December 2019 until February 2020 and the data analysis methods used were qualitative and quantitative descriptive analysis. The results showed that conventional marketing profit was smaller than online marketing profit and the selling price exceeded the cost of goods manufactured, so the agroindustry was considered viable on every marketing method. Financial performance in the last three years was quite good. The marketing mix was not good. Online marketing gave an impact on agroindustry revenue and profit.

Keywords: agroindustry, bacang, business, marketing mix, online

Abstrak: Agroindustri bacang sampai saat ini belum berkembang di Indonesia dan penggunaan internet belum banyak dimanfaatkan secara maksimal oleh pengusaha bacang. Oleh karena itu, analisis usaha dan pemasaran agroindustri bacang penting dilakukan untuk mengembangkan usaha dan pemanfaatan internet bagi agroindustri bacang. Penelitian ini bertujuan menganalisis keuntungan, harga pokok produksi, kinerja keuangan, bauran pemasaran, dan dampak pemasaran online pada agroindustri bacang ayam. Penelitian dilakukan dengan metode studi kasus di Agroindustri El Shaddai Food, Kecamatan Penjaringan, Kota Jakarta Utara. Data penelitian dikumpulkan dari Desember 2019 sampai Februari 2020 dan metode analisis data yang digunakan adalah analisis deskriptif kualitatif dan kuantitatif. Hasil penelitian ini menunjukkan bahwa keuntungan pada pemasaran konvensional lebih kecil dibandingkan keuntungan pada pemasaran online dan harga jual melebihi harga pokok produksi, sehingga usaha layak untuk dijalankan pada kedua metode pemasaran. Kinerja keuangan dalam tiga tahun terakhir cukup baik. Bauran pemasaran masih kurang baik. Pemasaran online berdampak pada penerimaan dan keuntungan agroindustri.

Kata kunci: agroindustri, bacang, bauran pemasaran, online, usaha

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INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs), such as agroindustry play an important role in Indonesia's national income. Pratiwi et al. (2017) stated that downstream agroindustry plays a role in providing a more equitable distribution of income. The development of technology and the internet in the current era of globalization is a challenge as well as an opportunity for MSME actors. On the one hand, this development can tighten competition between entrepreneurs and require entrepreneurs to learn and adapt to new technologies, as well as rapidly changing economic conditions. Bigliardi (2019) stated that food producers more and more have to work in a rapidly changing environment due to the rapid changes in markets and in consumers' buying behavior due to internet and technology. On the other hand, it will make it easier for MSME actors to market their products and obtain information faster.

Bacang is one of the processed rice, similar to lontong, filled with soy sauce seasoning meat. Until now, there isn't any research about business analysis and marketing in the bacang agroindustry. El Shaddai Food Agroindustry is one of the bacang agroindustries located in DKI Jakarta and has been established for 26 years. El Shaddai Food Agroindustry has also conducted online marketing so it has a wider market share. El Shaddai Food Agroindustry business is underdeveloped, which is indicated by the low increase in product sales. This is caused by the various business constraints.

The obstacles faced by the bacang agroindustry are various, such as the price increasing of chicken meat, limited capital, and the technology used is still traditional. The bacang agroindustry until 2018 was still using direct marketing with a limited market reach. Due to limited capital, it is difficult for agroindustry to use electronic advertising media, such as newspapers, brochures, television advertisements, and others. Agroindustry also does not have a kiosk so that the products are not displayed as a marketing effort. Consumers can buy products directly at the place of production with an order system, but the location of the agroindustry is not strategic because they are located in a small alley.

El Shaddai Food Agroindustry strives to increase its sales and revenue through online marketing which began in April 2018. This effort will certainly incur

costs, so it is necessary to know whether this effort affects bacang agroindustry activities and the results received are greater than the marketing costs incurred. Based on this background, it is necessary to conduct this research to analyze the profit; cost of production, financial performance, marketing mix; and the impact of online marketing on the chicken bacang agroindustry.

METHODS

This research uses the case study method. The location of the study was determined purposively in the El Shaddai Food Agroindustry, Penjaringan District, North Jakarta City. This determination is based on the fact that the bacang agroindustry is still active today and has been around for a long time. In addition, agroindustry has marketed its products with two methods, namely conventional and online (Tokopedia and WhatsApp). Data were collected from December 2019 until February 2020. The owners and traders of the bacang agroindustry were the respondents of this research. Data was collected by using interview techniques, filling out questionnaires, and direct observation as primary data.

The research data were analyzed by descriptive qualitative and quantitative descriptive analysis methods. The qualitative descriptive analysis method was used to analyze the application of the marketing mix based on the 4Ps (product, price, place, and promotion). Quantitative descriptive analysis was used to analyze profits, cost of goods manufactured, financial performance, and the impact of online marketing.

This research began with calculated input and price of bacang to obtain production cost which was used to make every bacang variant (medium, jumbo, and salted egg jumbo). Furthermore, it was analysis the marketing mix application of bacang agroindustry in conventional and online marketing methods. Then analyzing the cost of goods manufactured from production cost and marketing cost. The selling price and revenue obtained from the analysis of the marketing mix was reduced by the production cost to determine the agroindustry profit. The financial performance of bacang agroindustry was analyzed by the sales, revenue, and profit in three years so it can show the impact of online marketing in bacang agroindustry. The research framework can be depicted in Figure 1.

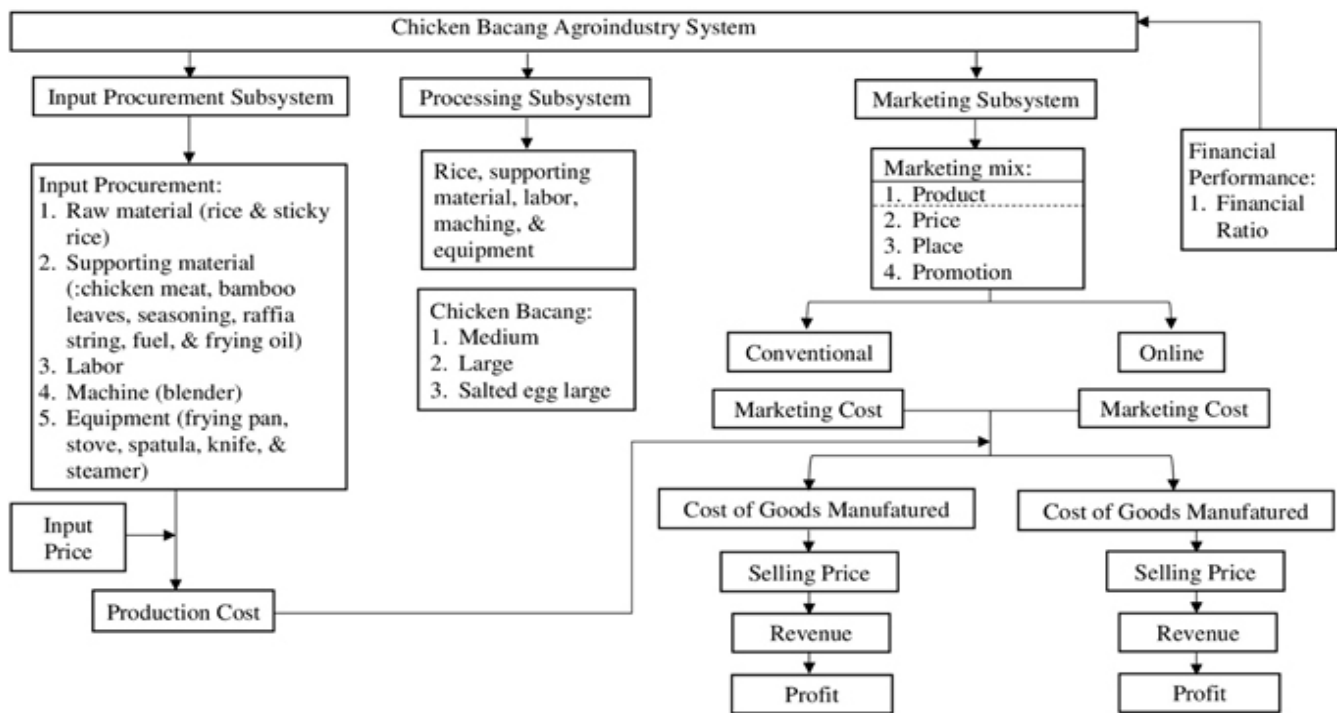


Figure 1. Research framework

Profit analysis was used to analyze the amount of profit obtained by bacang agroindustry and business feasibility in conventional marketing and online marketing. According to Soekartawi (2000), profit analysis is mathematically formulated as follows:

$$\pi = TR - TC = Y \times P_y - (\sum X_i \times P_{x_i} - TFC)$$

Where: π (Profit); TR (*Total revenue* (Rp)); TC (*Total cost* (Rp)); Y (Production (Rp)); P_y (Product price (Rp)); X_i (Input variable ($i = 1,2,3,\dots,n$)); P_{x_i} (Input variable price (Rp)); TFC (Total fixed cost).

The calculation of production costs consists of raw material costs, supporting material costs, equipment depreciation costs, and electricity and water costs in this study are carried out by calculating joint costs. The calculation of the joint cost is necessary because bacang agroindustry produces two types of bacang, that are rice and sticky rice, with three variants, namely medium, jumbo, and salted egg jumbo. The calculation of the joint cost carried out refers to the theory of Mulyadi (2015), namely the weighted average method. This method was used because the amount of material used was different between medium and jumbo bacang.

R/C analysis can be done after calculating the profit. R/C is the ratio between total revenue and total cost. According to Soekartawi (2000), R/C decision-making

criteria are: if $R/C > 1$, the agroindustry is profitable; if $R/C < 1$, the agroindustry suffers a loss; and if $R/C = 1$, the agroindustry is break-even.

According to Mulyadi (2015), the analysis of the cost of goods manufactured (CGM) uses full costing and variable costing methods. The variable costing method is a method of determining the cost of goods manufactured by taking into account the variable production costs, which consist of raw material costs, direct labor costs, and factory overhead costs, plus non-production variable costs (marketing and administrative costs). The full costing method is the determination of the cost of goods manufactured by taking into account all elements of production costs, which consist of raw material costs, direct labor costs, and factory overhead costs, plus non-production costs (marketing costs and administrative costs), both of variable or fixed cost.

Financial performance analysis based on growth ratio and profitability ratio. According to Harahap (2016), the growth ratio is a ratio that describes the percentage increase in sales or revenue this year compared to last year, a company's growth is good if there is a consistent increase in its main operating activities. The profitability ratio in this study was measured using the net profit margin (NPM). The formula of NPM according to Maith (2013) is:

$$NPM = (\text{Net profit /Sales}) \times 100\%$$

The impact analysis of online marketing is carried out by paired sample t-test. Paired sample t-test according to Sugiyono (2011) formulated as follows:

$$t\text{-count} = \frac{\bar{x}_1 - \bar{x}_2}{\sqrt{\frac{S_1^2}{n_1} + \frac{S_2^2}{n_2}}}$$

Where: X1 (Agroindustry sales by conventional marketing); X2 (Agroindustry sales by online marketing); S₁ (Standard deviation of sales with conventional marketing); S₂ (Standard deviation of sales with online marketing).

The research hypothesis is based on Santoso (2017), namely:

H₀ = The two population means are identical.

H₁ = The two population means are not identical.

The decision-making criteria analysis of this difference test are: If the probabilities > 0,10, H₀ accepted, and If probabilities < 0,10, H₀ rejected.

RESULTS

Respondent Characteristic

Respondents in this research are the owners of the El Shaddai Food Agroindustry which is included in the unproductive age (65 years old). The owner completed his education up to 4 grades in Elementary School. The owner bears one person, which is his wife. Agroindustry which is included in the micro-scale has been established since 1994 (26 years old). The level of education affects the owner's understanding of online marketing so that online marketing was just implemented in 2018 with the help of his son. If online marketing has been implemented for a long time, there will be more bacang customers through online marketing.

El Shaddai Food Agroindustry markets its products through four retailers consisting of two women and two men. The education of the bacang retailers have education levels of unschooled and elementary school graduates with the ages range is 50-65 years. The 16-18 years' experience of bacang retailers supports the smooth running of his trading business.

Bacang Production

The production activities of the bacang agroindustry are carried out five times a week. Agroindustry produces about 200 pieces of bacang every day or 4,000 pieces of bacang in a month. Bacang production increases up to 5,000 pieces in one month on Bacang Day (June 25). The production of agroindustry is presented in Figure 2. The most widely produced product by agroindustry was medium bacang, in both marketing methods. Medium bacang are produced every day to be displayed by retailers and will be paid by retailers every week, while jumbo and salted egg jumbo bacang will be produced if there is demand from consumers. The selling price of medium bacang is also more attractive to consumers because consumers can get more amount of bacang with their budget, and try the taste of Bacang at a lower cost.

The sales of rice bacang were higher than the sticky rice bacang in both marketing methods because the taste of rice bacang was more familiar to the Indonesian people. Agroindustry markets its products through conventional marketing and online marketing (via Tokopedia and WhatsApp). Revenue from the sales of bacang is presented in Figure 3.

Figure 3 shows that the agroindustry was able to earn up to IDR30,499,750.00 from the sales of bacang every month. Agroindustry gets the greatest revenue from conventional marketing because conventional marketing has been applied from the beginning of the establishment of agroindustry compared to online marketing which was only carried out in 2018, so there are more customers on conventional marketing than online marketing.

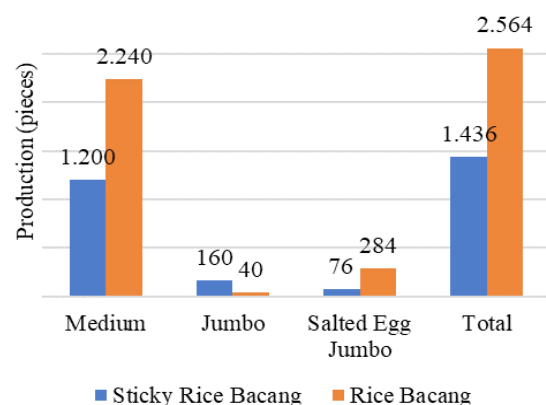


Figure 2. Bacang agroindustry production every month

Revenue from online marketing through WhatsApp was greater than through Tokopedia because sellers offer their products through various ways, such as WhatsApp status, broadcast messages, or private chats with customers. Online marketing through WhatsApp was also carried out earlier than Tokopedia so that the agroindustry already has consumers in online marketing through WhatsApp. Online marketing through WhatsApp also has a higher family relationship than Tokopedia, so that consumer confidence in buying products is higher.

The production of bacang agroindustry costs raw materials, supporting materials, contributions from other production factors, direct and indirect labor, and equipment depreciation calculated for each product using the weighted average value joint cost method. The joint cost allocation of all costs, except for the cost of raw materials, because the agroindustry produces rice bacang and sticky rice bacang with the same and not separated production factors. Joint cost allocation in the bacang agroindustry is presented in Figure 4 for raw materials and Figure 5 for other production factors (besides raw materials) in El Shaddai Food Agroindustry.

The cost of raw materials is the cost for obtaining raw materials in the form of rice (rice bacang) and sticky rice (sticky rice bacang). The cost of supporting materials to obtain chicken meat, seasonings (sugar, salt, flavoring, garlic, shallots, and soy sauce), cooking oil, bamboo leaves, and fried onions, while the salted egg is Rp. 3,000.00 for one piece of jumbo salted egg bacang. The cost of other production factors, namely raffia rope, boxes, transportation costs, as well as electricity and water costs. The cost of supporting materials and the cost of other production factors are calculated to produce all types of bacang (rice and sticky rice bacang). The use of cost for bacang production every day can be seen in Table 1.

Table 1 shows that the largest cost comes from the cost of supporting materials and the smallest cost comes from equipment depreciation. The supporting materials produce the taste of the product so it was very important for the agroindustry to obtain the appropriate supporting materials, besides the high price of chicken meat has resulted in the acquisition cost of chicken meat being quite large in the cost of supporting materials. The smallest cost in the bacang agroindustry was the depreciation cost of equipment because production was still done traditionally, so the equipment can be obtained at a fairly cheap price.

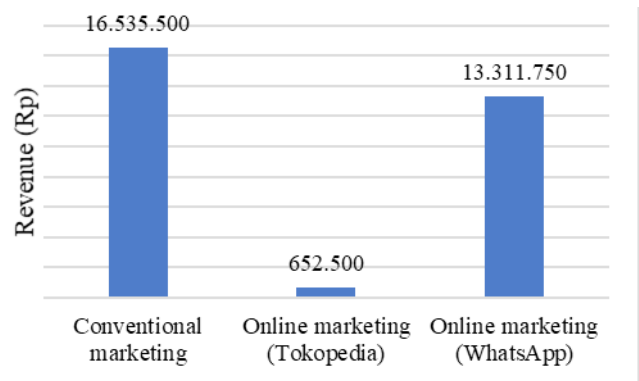


Figure 3. Bacang agroindustry revenue every month

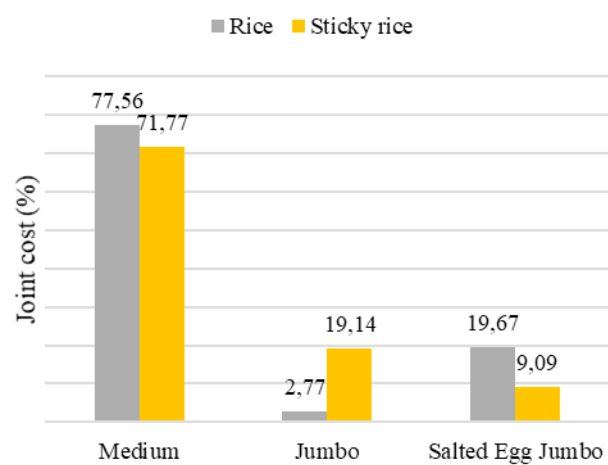


Figure 4. Joint cost of raw material

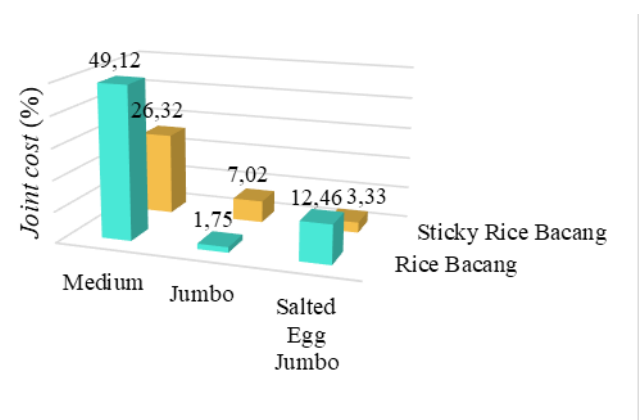


Figure 5. Joint cost of production factor

Table 1. El Shaddai Food Agroindustry production cost

Costs	Bacang variant			Total (Rp)	Percent (%)
	Medium (Rp)	Jumbo (Rp)	Salted Egg Jumbo (Rp)		
Rice Bacang					
Rice	85,318.56	3,047.09	21,634.35	110,000.00	10.77
Direct labor	49,122.81	1,754.39	12,456.14	63,333.34	6.2
Supporting material	217,982.46	7,785.09	97,874.12	323,641.67	31.7
Contributions from other production factors	24,807.02	885.96	6,290.35	31,983.33	3.13
Indirect labor	88,421.05	3,157.89	22,421.05	114,000.00	11.17
Equipment depreciation	6,262.63	223.67	1,588.02	8,074.32	0.79
Total	471,914.53	16,854.09	162,264.03	651,032.66	63.76
Sticky rice bacang					
Sticky rice	50,239.23	13,397.13	6,363.64	70,000.00	6.86
Direct labor	26,315.79	7,017.54	3,333.33	36,666.66	3.59
Supporting material	116,776.32	31,140.35	26,191.67	174,108.34	17.05
Contributions from other production factors	13,289.47	3,543.86	1,683.33	18,516.66	1.82
Indirect labor	47,368.42	12,631.58	6,000.00	66,000.00	6.46
Equipment depreciation	3,354.98	894.66	424.96	4,674.60	0.46
Total	257,344.21	68,625.12	43,996.93	369,966.26	36.24
TOTAL COSTS	729,258.73	85,479.21	206,260.97	1,020,998.93	100.00

Direct labor costs were lower than indirect labor because the process of boiling chicken bacang was quite long, which was four hours, and carried out by indirect workers. Agroindustry has two workers with a standard working hour was nine hours. Workers have different tasks, namely washing and making aron rice and cooking seasoned chicken, and other workers were in charge of filling and tying the bacang.

The cost of electricity and water was the largest cost of other factors of production. Because agroindustry used electricity for refrigerators to store the remaining unsold products and water pumps. Agroindustry used a lot of water for the production of bacang. Overall, the largest cost is used to produce medium bacang due to higher sales of medium bacang compared to other bacang types. The cost of producing rice bacang was higher than sticky rice bacang, because the agroindustry produced rice bacang more. Overall, the production cost of bacang was IDR1,020,998.93.

Bacang Profit Analysis

The purpose of establishing agroindustry is definitely to make a profit. The profits of bacang agroindustry are divided into two conditions due to differences in marketing methods. The profits and R/C value of the

bacang agroindustry are presented in Figure 6. It can be seen that online marketing gives greater profits than conventional marketing. Because online marketing impacts stronger competitiveness for the agroindustry so that the price received can be determined by the producer. Online marketing also provides information about prices to agroindustry through the Tokopedia application. The R/C value of rice bacang shows that for every IDR10,000.00 of money spent by the agroindustry will give IDR15,000 over cash costs and IDR12,100.00 over total cost for agroindustry's revenue on conventional marketing, while the agroindustry will receive IDR25,200.00 over cash costs and IDR 20,900.00 over total cost through online marketing. Overall, the agroindustry will receive IDR19,100.00 over cash costs and IDR15,500 over total costs.

R/C value of sticky rice bacang shows that every IDR10,000.00 spent by the agroindustry, the agroindustry will get IDR14,900.00 over cash costs and IDR12,000.00 over total cost through conventional marketing, while the agroindustry will get IDR25,600.00 over cash costs and IDR21,100.00 over total cost through online marketing. Overall, the agroindustry will get IDR17,100.00 over cash costs and IDR13,800.00 over total costs. Based on acceptance ratio (R/C) value, it can be seen that the bacang agroindustry business

was profitable and feasible to run, both in conventional marketing and online marketing, because the R/C value obtained is more than one.

These results were in line with Lestari, Haryono, and Murniati (2020) past research that showed coconut sugar agroindustry was profitable based on R/C value. This also gives the same result with Amir and Mustikawati (2019) research about Implementation of Digital Marketing in Increasing The Income of Flower Traders in Sidomulyo Village, Batu City which indicated that the income of traders implementing a digital marketing system was higher than the offline marketing system. This shows that the application of online marketing gives greater profits than conventional marketing.

Cost of Goods Manufactured Analysis

Based on Mulyadi (2015), one of the benefits of determining the cost of goods manufactured is to determine the selling price and calculate profit and loss periodically. The analysis of the cost of goods manufactured in the El Shaddai Food Agroindustry was based on a one-time production with variable costing and full costing methods. The analysis of the cost of goods manufactured in the two marketing methods is presented in Table 2.

As can be seen in Table 2, the cost of goods manufactured in online marketing was higher than conventional marketing in both production conditions. The cost of goods manufactured in high production conditions was due to an increase in the price of bamboo leaves from IDR4,583.33 per bunch to IDR8,000.00 per bunch in consequence of the increase in the demand for bamboo leaves in the market.

The biggest cost of goods manufactured was salted egg jumbo bacang in both marketing methods because of the additional cost of salted eggs. The positive value of the variance between the selling price and the cost of goods manufactured in both conditions and the two marketing methods indicates that the selling price has been applied higher than production costs. Therefore, agroindustry was still making a profit at the current selling price of bacang. Rice bacang gave a greater positive value than sticky rice bacang because agroindustry applies the same selling price to rice bacang and sticky rice bacang although the price of sticky rice bacang was more expensive than rice bacang.

The cost of goods manufactured in online marketing was higher than in conventional marketing due to additional costs, such as plastic bags, promotional costs from giving bonuses, depreciation of handphones that require certain specifications to use WhatsApp and Tokopedia applications, and internet quotas. The biggest cost of goods manufactured was salted egg jumbo bacang in both marketing methods because of the salted egg cost of IDR 3,000.00 for one bacang. The positive difference between the selling price and the cost of goods manufactured in both conditions and the two marketing methods indicates that the selling price has been higher than the cost of goods manufactured. Therefore, the agroindustry was still making a profit at the current selling price of bacang. The result was in line with Afrani and Khodijah (2019), videlicet the price determination of marrow rice still made a profit from the calculation of the cost of goods manufactured.

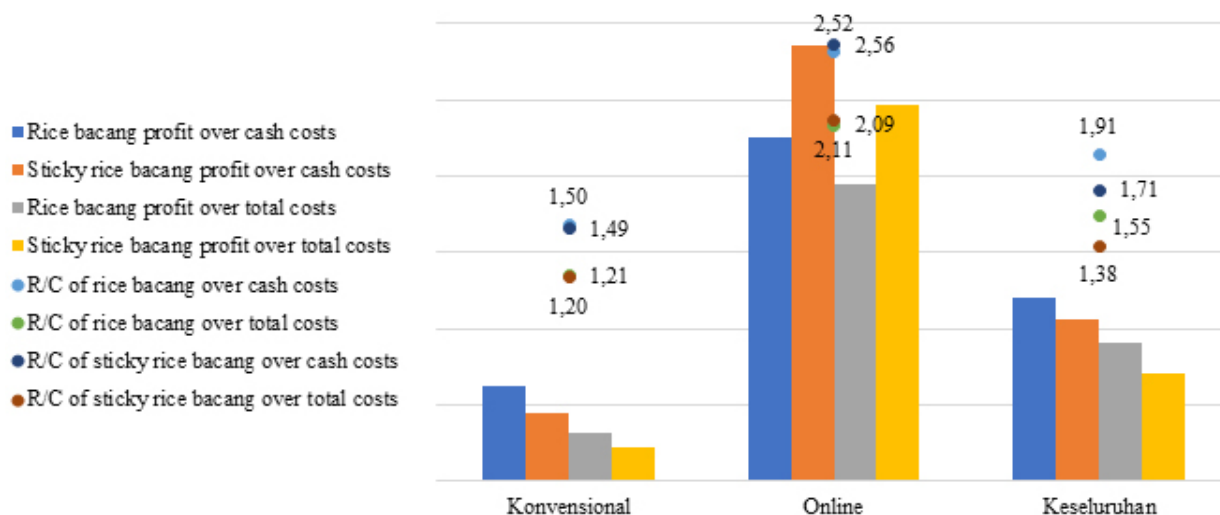


Figure 6. Agroindustry profit per 100 liters of raw materials and R/C value of bacang agroindustry

Table 2. Cost of good manufactured analysis for one piece chicken bacang in El Shaddai Food Agroindustry

Production Conditions	Bacang Variants	Selling Price (IDR)	Cost of Good Manufactured (IDR)			
			Rice		Sticky Rice	
			Variable costing	Full costing	Variable costing	Full costing
Normal	Conventional marketing					
	Medium	5,000.00	4,203.03	4,259.21	4,278.58	4,334.75
	Jumbo	11,000.00	8,360.64	8,472.73	8,511.73	8,623.82
	Salted Egg Jumbo	17,500.00	11,360.64	11,472.73	11,511.73	11,623.82
	Online marketing					
	Medium	9,775.00	4,704.26	4,810.85	4,779.81	4,886.39
	Jumbo	18,000.00	8,861.87	9,024.37	9,012.97	9,175.46
	Salted Egg Jumbo	21,875.00	12,290.78	12,453.28	12,441.87	12,604.37
	High	Conventional marketing				
Medium		10,000.00	4,722.50	4,783.61	4,798.05	4,859.16
Jumbo		15,000.00	9,079.93	9,192.03	9,231.03	9,343.12
Salted Egg Jumbo		25,000.00	12,079.93	12,192.03	12,231.03	12,343.12
Online marketing						
Medium		15,000.00	5,543.46	5,650.04	5,619.01	5,725.59
Jumbo		22,000.00	9,581.17	9,743.67	9,732.26	9,894.76
Salted Egg Jumbo		27,000.00	13,010.08	13,172.57	13,161.17	13,323.67

Financial Performance

The analysis of the sales growth ratio, profit growth, and probability from 2017 to 2019 in El Shaddai Food Agroindustry can be seen in Figure 7. Figure 7 shows 11.44 percent of the average sales growth ratio from 2017 to 2019. The biggest sales growth came from 2018 to 2019. This was due to the implementation of online marketing. Consequently, it can be said that the agroindustry has performed quite well due to an increase in the sales growth ratio from 2017 to 2019.

Figure 7 shows 34.28 percent of the average agroindustry profit growth. The net profit growth ratio decreased in 2019. The reason behind this is the absence of innovations in that year which resulted in a smaller profit increase this year compared to 2018 which carried out marketing innovations. Taking the positive net profit growth ratio into consideration, it can be concluded that the agroindustry is performing quite well.

The agroindustry NPM ratio has increased every year. The higher this ratio, the better the financial performance of the agroindustry. The NPM ratio from 2017 to 2019 was more than 20 percent or more than the industry standard according to Kasmir (2015), so the financial performance of the agroindustry was included in the fairly good category.

Based on the growth ratio analysis, we can conclude that the financial performance of the agroindustry is quite good. Dwichayani et al. (2019) research also gave the same result, which is the financial performance of the palm oil agroindustry of PT. ABC was in a good category.

Marketing Mix

The marketing mix is a controllable tactical marketing tool needed by agroindustry in achieving agroindustry goals in the target market. The components of the marketing mix carried out by the El Shaddai Food Agroindustry are presented in Table 3. The bacang marketing activities carried out in the bacang agroindustry were still inadequate. Agroindustry products did not yet have a brand or certification from BPOM and LPPOM MUI because agroindustry did not yet have a business license. Rincon-Ballesteros et al. (2019) identify the motivations for manufacturers obtaining certification as improving product safety and quality, guaranteeing consumer welfare, accessing foreign markets, upholding ethical principles, complying with consumer demands, improving the processes and procedures, complying with food safety legislation, increasing sales and market share and to improve productivity.

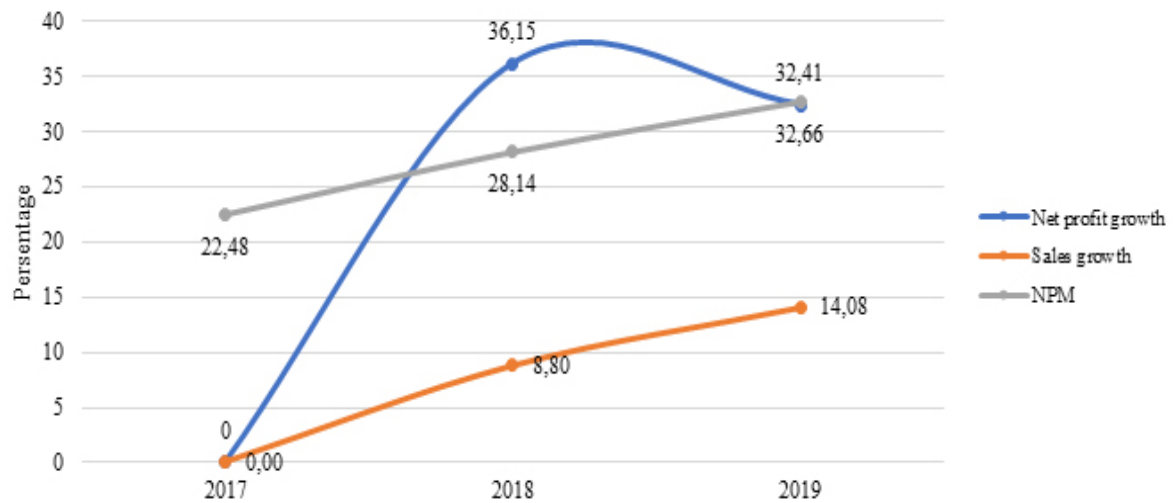


Figure 7. Financial performance graphics of the bacang agroindustry

Table 3. Marketing mix implementation in El Shaddai Food Agroindustry

Components	Conventional marketing	Online marketing
Product		
Form, size, and production quantity		According to consumer demand
Packaging form		Bamboo leaves with raffia rope
Merk		Did not had merk yet
Durability		2-7 days
Price		
Pricing	Based on production costs and prices prevailing in the market	Based on competitors' prices and production costs
Chicken bacang price	Affordable	Affordable
Payment method for chicken bacang	In cash	Bank transfer
Place		
Bacang sale	Marketed directly and through retailers	Marketed through online shopping sites, such as Tokopedia and WhatsApp
Marketing goals	General public	General public
Marketing place	Medan Market, Kampung Bebek Market, Aladin Baru St., and GSJA Bandengan	Jakarta, Bogor, Depok, Tangerang, and Bekasi
Agroindustry location	Not strategic	Strategic enough
Promotion		
Promotion activities	Direct marketing	Direct marketing (through WhatsApp & Tokopedia application) Sales promotion

However, it was difficult for small food industry such as El Shaddai Food Small Industry to certify their product. Evans et al. (2021) concluded that small businesses are under continuous pressures and challenges which they react to and 'flex' as required, and it is contradictory to the ability of a business to implement a Food Safety Management System as the requirement of certification. Therefore, there is a need for government policy or organization to educate the small food industry owner and make an easy procedure for certification.

Bacang products could only last a maximum of two days without storage techniques and could last about one week if stored in the refrigerator. This condition makes it difficult to market bacang because the product cannot be shipped too far from the location of the agroindustry. Until now, the marketing reach of bacang in conventional marketing is limited to the production site (DKI Jakarta) and only used direct marketing.

Furthermore, the location was not strategic because it was located in an alley, so manufacturers try to overcome it by marketing their products through retailers. Agroindustry seeks to expand market reach by marketing its products through the Feeds feature on Tokopedia, as well as invitations and buyer testimonials through the WhatsApp status feature.

Buyer testimonials on Tokopedia are presented in the rating feature so that potential buyers can find out what buyers think about the product. This method expands the reach of the agroindustry market, namely in Jakarta, Bogor, Depok, Tangerang, and Bekasi (Jabodetabek). Santoso et al. (2015) stated that effective and efficient marketing, such as online marketing means and forging partnerships will increase profits and expand MSME market share. In addition, Chang and Meyerhoefer (2020) found the online food platform (Ubox) sales increased by 5.7 percent due to an additional Covid-19 case.

Additionally, product packaging was also still simple, which is bamboo leaves and raffia rope, because the agroindustry tries to minimize production costs. Bigliardi (2019) stated that consumers rejected the package innovation, even if it did not change any property of the traditional food products (TFP) because they were not willing to pay more for the TFP than the standard price, even if the innovated product had an extended shelf life and healthier properties. It means El Shaddai Food Small Industry could not increase the

bacang price if they innovate the package, and it will reduce their profit.

Agroindustry presents its products in the form of images and services in online marketing. Images are arranged so that the product looks big and has an aesthetic that attracts consumers. Agroindustry strives to provide friendly and responsive services to consumers so that consumers feel valued and interested in buying agroindustry products.

Agroindustry applies various prices to increase consumer purchases, for example on medium bacang with a price of IDR10,000.00 for a minimum purchase of 10 pieces and IDR9,600,00 for a minimum of 20 pieces. Consumers will be interested in increasing the number of purchases with the assumption that the purchase of 20 pieces is more economical. Agroindustry implements price increases during Bacang Day due to rising prices for bamboo leaves, electricity and water costs, fuel, and labor. Prices are determined based on production costs and the prevailing price range at the market. Prices for online marketing are higher because the price range is quite high, for example, the price of medium bacang which has many buyers ranges from IDR9.000,00 until IDR18.000,00. Thus, sellers apply prices in this range so that the product is not judged to be of low quality because the price is cheaper or not worth it because of the higher price.

The payment method in online marketing is more convincing for consumers because it is through bank transfers, where the money flow will be recorded and have transfer-proof that can be used if consumers want to file a complaint. Tokopedia also implements a fund holding system until consumers confirm receipt of purchase. Consumers who buy on WhatsApp can also buy products with a minimum payment of 50 percent in advance and pay off the payment when the product arrives. This will increase consumer confidence. Based on Sari and Setiaboedhi (2017) research, trust affects online buying interest, so maintaining consumer trust is expected to increase consumer buying interest online.

Research has found that the online marketing mix was better than conventional marketing, agroindustry promoted its products through free products with a certain number of purchases terms, surprise discounts to increase a sense of kinship to consumers, and cashback promotions. Promotions are carried out regularly so that consumers know about products, promotions are held

by agro-industry, and increase consumer trust so that they are interested in buying products. This research is in line with Akbar et al. (2020) research which shows the promotion mix had not been implemented optimally because it was still using the personal selling method.

Online Marketing Impact Analysis

The analysis of online marketing impact is presented in Table 4. Online marketing had an impact on sales of jumbo bacang in 2019. Online marketing has no impact on increasing sales of medium and jumbo salted egg bacang agroindustry in 2018 and 2019, as well as sales of jumbo bacang in 2018. The reason behind this is the agroindustry has not considered increasing the amount of production because the increase in product demand from online marketing can still be fulfilled from the previous amount of production and because of limited production capacity. Jumbo bacang sales decreased from 2017 to 2018, but increased in 2019, so online marketing had an impact in 2019 on jumbo bacang sales.

Online marketing also did not affect the revenue of the agroindustry in 2018 because the agroindustry only implemented online marketing in 2018 so they were still looking for customers. Online marketing has an influence on agroindustry revenues in 2019 and agroindustry profits in 2018 and 2019. This is because sellers have market information so they could determine selling prices higher. Promotions could also be done easily at a lower cost, as well as with a wider

marketing reach. Bodini and Zanoli (2011) stated that agro-food firms should adopt e-commerce practices to benefit from the advantages that the new technology offers, such as e-commerce can distribute physically one-to-one at reasonably low costs.

Online marketing had a considerable impact in 2019 because in 2018 the bacang agroindustry was still looking for online customers. The bacang agroindustry online store at Tokopedia already had buyer ratings and testimonials in 2019, thereby increasing the trust of potential customers. The owner had not increased the amount of bacang production due to the limited equipment and time. The bacang agroindustry had two steamers with a capacity of ± 100 pieces of bacang per steamer. Bacang needs to be boiled for four hours, meaning that the agroindustry needs to increase the boiling time to eight hours per day just to meet the 10 to 60 pieces of additional bacang sales from online marketing.

This result of the research is in line with Rasidin (2019) research about potato chip sales analysis in CV. Agronaz Gizifood. Rasidin (2019) research showed that sales of potato chips after using e-commerce increased by IDR410,833.33 with a probability value of less than 0.05 (0.000), meaning that the use of e-commerce influences sales greatly.

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

This study has some limitations that should be recognized. This research was only held in El Shaddai Food Small Industry for a certain time. The research also lacked literature about bacang food industry. Chicken bacang agroindustry was profitable. Profits and R/C value in conventional marketing were lower than online marketing. The selling price for the three varieties of bacang (medium, jumbo, and salted egg jumbo) was already higher than the cost of goods manufactured by variable costing and full costing methods. The financial performance of the bacang agroindustry was in fairly good condition. The application of the agroindustry marketing mix was still not good. Online marketing had an impact on jumbo bacang sales, revenue in 2019, and profit in 2018 and 2019.

Table 4. Paired sample t-test result

Product	2017 with 2018		2017 with 2019	
	Sig. (2 tailed)	t-count	Sig. (2 tailed)	t-count
Sales				
Medium	0.839	0.209	0.650	-0.466
Jumbo	0.883	0.150	0.082	-1.917*
Saltedegg jumbo	0.786	-0.278	0.360	-0.956
Revenue	0.147	-1.561	0.003	-3.709***
Net profit	0.001	-4.268***	0.000	-5.760***

Recommendations

The owner of bacang agroindustry should improve their marketing mix, especially through online marketing. The bacang marketing should be expanded through other shopping sites, such as Shopee, thereby the market range become wider.

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