

Analysis of Pt Mest Indonesiy's Marketing Strategy In Order To Increase Trust And Fertilizer Sales

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ABSTRACT – Each The objectives of this research are 1) to describe and analyze PT's marketing strategy. Mest Indonesiy in order to increase trust and fertilizer sales. 2) To describe and analyze the obstacles to PT's marketing strategy. Mest Indonesiy in order to increase trust and fertilizer sales. 3) To describe and analyze solutions to PT's marketing strategy obstacles. Mest Indonesiy in order to increase trust and fertilizer sales. This type of research is a qualitative approach using descriptive methods. The population in this study were 5 informants at PT. Mest Indonesiy. The sampling technique uses a purposive technique, the samples are the Managing Director, Marketing Director, Marketing Manager and two consumers. Data collection techniques use Focus Group Discussion, Interview, Observation, Documentation Method. The data analysis technique used is SWOT analysis. The results of this research show that 1) PT. Fertilizer marketing strategy. Mest Indonesiy emphasizes the superior quality of its products, encouraging continuous research and development. Product prices are considered taking into account market analysis and competitive factors to provide appropriate value to customers. Collaboration with agricultural institutions, universities and research institutions can increase customer confidence through workshops and seminars. The packaging design reflects the quality and value of the product. 2) PT. Mest Indonesiy faces obstacles in increasing trust and sales of fertilizer, including difficult access to the product, limited stock, and a lack of information about use and dosage. Consumers have difficulty finding products in local farm stores, often have competition, and experience inconvenience in the purchasing process. 3) Solutions to overcome obstacles involve increasing fertilizer formulation innovation, closer collaboration for distribution, and adjusting promotional strategies. Supply chain transparency, optimizing online shipping, and diversifying warehouse locations are important strategies to overcome logistics constraints. Efficient financial management, focus on local markets or diversification, and competitive pricing are solutions to face external challenges. Implementation of this strategy is expected to strengthen PT's position. Mest Indonesiy in the market, build customer trust, and increase sales of fertilizer products.

KEYWORDS: *Management, Marketing Management, Marketing Strategy, Trust, Sales, Fertilizer*

1.0 INTRODUCTION

Fertilizer is an organic or inorganic material of natural or artificial origin that is given to plants either directly or indirectly to add certain essential nutrients for plant growth. Fertilizer is an important production factor in farming, especially in order to increase food crop production. Based on distribution and procurement, fertilizer is divided into two, namely subsidized fertilizer and non-subsidized fertilizer. Non-subsidized fertilizer is fertilizer that is procured and distributed outside the Government program and does not receive subsidies. Non-subsidized fertilizer can be distributed anywhere without any location restrictions.

PT. Mest Indonesiy is a form of business whose activities are buying fertilizer raw materials and selling NPK fertilizer produced by factories that collaborate exclusively with the aim of making a profit. PT. Mest Indonesiy is one of the largest sellers of non-subsidized fertilizer in Indonesia, and is one of the businesses engaged in selling fertilizer directly to consumers and to traders. This business provides various types of non-subsidized fertilizer. Non-subsidized fertilizers include MOP/KCL, Rock Phosphate, TSP, Za, Kieserite, etc. Based on the results of observations, problems were found in the national economy, namely the decline in consumer purchasing power for fertilizer. The decline in consumers' purchasing power for fertilizer is due to very high price increases due to the national shortage of fertilizer. This means that agricultural and plantation actors cannot apply fertilizer to their plants.

Furthermore, based on observations, it was found that problems in the international economy were due to distribution channels from international fertilizer sources being disrupted due to political conditions in Russia, which is the main producer of fertilizer raw materials in the world.

Table 1. National Fertilizer Consumption by Product Type (Tons)

Produk	2017	2018	2019	2020	2021
Urea Non Subsidi	5.970.397	6.265.196	5.425.657	5.994.437	5.738.365
Fosfat	860.270	861.707	819.195	534.148	402.701
Potash	980.505	1.004.704	1.017.168	795.429	772.245
NPK	2.597.586	2.802.246	3.088.176	3.159.311	3.301.209
Organik	693.162	733.673	767.316	624.284	518.810
Jumlah	11.101.920	11.667.526	11.117.512	11.107.609	10.733.330

Source: Indonesian Fertilizer Producers Association

Table 2. PT. Mest Indonesiy Sales by Product Type (Tons)

Produk	2017	2018	2019	2020	2021
Urea Non Subsidi	895.560	939.779	1.085.131	899.166	860.755
Fosfat	258.081	258.512	245.759	160.244	120.810
Potash	117.661	120.564	122.060	95.451	92.669
Pupuk NPK	441.590	476.382	524.990	537.083	561.206
Jumlah	1.712.891	1.795.238	1.977.940	1.691.944	1.635.440

Source : PT. Mesti Indoneiy 2023

PT. Mest Indonesiy highlighted the fertilizer crisis that is currently hitting the world, starting during the pandemic and now continuing due to the political conditions of war between Russia and Ukraine. The reason is that the fertilizer scarcity crisis can cause crop failure in the agricultural sector, which then impacts food availability. The decline in sales was caused by many companies delaying purchases due to prices rising by up to 40% and distribution channels also being disrupted. As a result of the disruption of fertilizer distribution channels from the two countries, this resulted in fertilizer shortages and an increase in market prices so that fertilizer production and sales decreased during that period. Based on this background, it is necessary to carry out research "Marketing Strategy Analysis of PT. Mest Indonesiy in Order to Increase Trust and Fertilizer Sales"

2.0 METHODOLOGY

2.1 *Material*

Companies must design and implement marketing strategies to maintain their business in order to remain competitive. Marketing strategies can help companies achieve long-term goals as well as short-term company goals. According to Kurtz (in Haque-Fawzi, 2022:10), marketing strategy is the company's overall program in determining market targets and satisfying consumers by building a combination of elements from the marketing mix; product, distribution, promotion, and price. According to Kotler and Armstrong (in Haque-Fawzi, 2022:10), marketing strategy is a marketing logic where business units hope to create value and gain profits from their

relationships with consumers. According to Philip Kotler (in Haque-Fawzi, 2022:10), the definition of marketing strategy is a marketing mindset that will be used to achieve marketing goals, where there is a detailed strategy regarding the target market, positioning, marketing mix, and budget for marketing. Furthermore, according to Tjiptono (in Haque-Fawzi, 2022: 10-11), marketing strategy is a fundamental tool designed to achieve company goals by developing sustainable competitive advantages across the markets entered, and the marketing programs used to serve these target markets. According to Stanton (in Haque-Fawzi, 2022:11), marketing strategy is something that encompasses all systems that have relationships with the aim of planning and determining prices to promoting and distributing products (goods or services) that can satisfy consumers. From the opinions of the experts above, it can be concluded that marketing strategy is a process of determining plans by analyzing the market so that company goals can be achieved in accordance with predetermined targets. Trust is defined as a subjective probability where consumers expect the seller to carry out certain transactions in accordance with consumer trust expectations (Romindo et al., 2019: 94). Wiedyani and Prabowo, (2019:535) state that customer trust is the customer's response to evaluating the perceived discrepancy between expectations and actual performance in their use. Trust is a factor that is the main key in maintaining long-term business relationships (Morgant & Hunt in Adabi, 2020:35). One party plays the role of controlling the asset (product or service provider) and the other party is the user who believes in the benefits of the service product. One party's belief in another party will give rise to interactive behavior that will strengthen the relationship and help maintain the relationship. Ultimately, trust will be a valuable component of creating a successful relationship.

Based on the definition above, it can be concluded that trust is a belief in which a person gets what is expected from another person. Trust is also an assessment of a person's relationship with other people who will carry out certain transactions in accordance with expectations in an environment full of uncertainty.

2.2 INFORMAN

The informants in this research are management and consumers, where the management consists of; Main Director, Marketing Director, Marketing Manager while 2 consumers are consumers. The reason for selecting Informants from Management is because they are business actors who feel how competitive fertilizer sales are, experiencing product shortages and competitive prices. Meanwhile, consumers feel that when they need fertilizer, fertilizer is scarce and the price is expensive.

2.3 ANALYSIS METHODE

Analysis in research uses SWOT analysis. SWOT analysis is used to obtain information related to PT's marketing strategy. Mest Indonesiy in order to increase trust & fertilizer sales. The SWOT analysis matrix is as shown in the following Figure 1.

IFAS	Strengths (S) Internal strength factors	Weaknesses (W) Internal weakness factors
EFAS Opportunity (O) External opportunity factors	Strategi (SO) Create strategies that use strengths to exploit opportunities	Strategi (WO) Create strategies that minimize weaknesses to take advantage of opportunities
Threat (T) External threat factors	Strategi (ST) Create strategies that use strengths to overcome threats	Strategi (WT) Create strategies that minimize weaknesses to avoid threats

Figure 1. Matrix Analysis SWOT (Rangkuti, 2018:18)

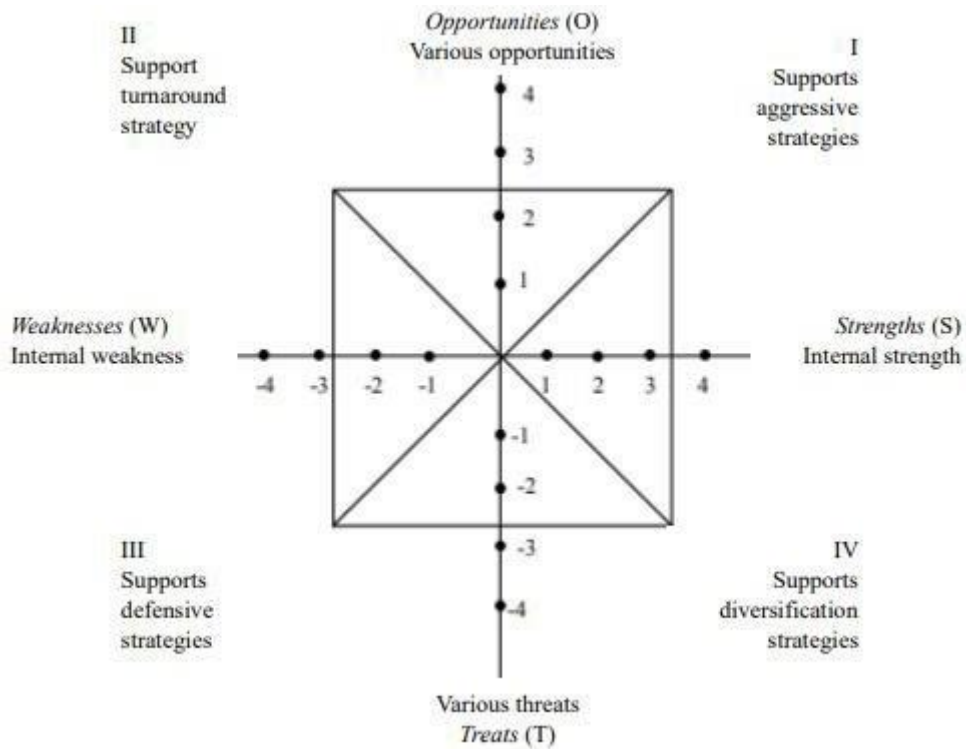


Figure 2. Matrix Analysis SWOT

3.0 ANALYSIS METHODE

Table 3. IFAS Calculation at PT. Mest Indonesiy (*Strenght*)

No	Strength Internal Factors (<i>Strenght</i>)	Weight	Ratings	Score (Weight x Rating)
1	Maintained Product Quality	0,33	4,00	1,33
2	Staff who have high depdication and competence	0,27	4,00	1,07
3	Sustainable product promotion strategy	0,20	2,00	0,40
4	Determining competitive selling prices and payment terms	0,13	3,00	0,40
5	Collaboration and strong relationships with business partner distributors	0,07	1,00	0,07
	Total	1,00		3,27

Table 4. IFAS Calculation at PT. Mest Indonesiy (**Weaknesses**)

No	Weakness Internal Factors (<i>Weakness</i>)	Weight	Ratings	Score (Weight x Rating)
1	Import process for procurement of raw materials	0,33	1,00	0,33
2	Lack of goods delivery transportation fleet	0,27	2,00	0,53
3	The number of stock point warehouses is limited	0,20	2,00	0,40
4	Dependence of cash flow on company receivables	0,13	3,00	0,40
5	Limitations of the product outreach team	0,07	4,00	0,27
	Total	1,00		1,93

Table 4. EFAS Calculation at PT. Mest Indonesiy (*Opportunities*)

No	Opportunity External Factors (<i>Opportunities</i>)	Weight	Ratings	Score (Weight x Rating)
1	Increasing domestic demand for fertilizer	0,33	4,00	1,33
2	Changes in Market Trends and technological developments	0,27	4,00	1,07
3	Positive response from customers	0,20	3,00	0,60
4	Accessibility and Online Information	0,13	2,00	0,27
5	The need to expand product distribution networks	0,07	1,00	0,07
	Total	1,00		3,33

Table 5. EFAS Calculation at PT. Mest Indonesiy (*Threats*)

No	Threat External Factors (<i>Threats</i>)	Weight	Ratings	Score (Weight x Rating)
1	Increase in raw material prices	0,33	1,00	0,33
2	Disruption of supply routes for raw materials from abroad	0,27	1,00	0,27
3	Consumer purchasing power decreases	0,20	2,00	0,40
4	Product price competition	0,13	3,00	0,40
5	There is product counterfeiting	0,07	3,00	0,20
	Total	1,00		1,60

Table 6. Recapitulation of Score Values IFAS dan EFAS

Skor Internal	Skor Eksternal	Pilihan Strategi
$S > W (+)$ 3.27 > 1.93 (+)	$O > T (+)$ 3.33 > 1.60 (+)	<i>Growth</i>
$S < W (-)$	$O < T (-)$	<i>Survival</i>
$S > W (+)$	$O < T (-)$	<i>Diversification</i>
$S > W (-)$	$O > T (+)$	<i>Stability</i>

To determine a more specific strategy choice, the values obtained are included in the strategy choice diagram, because the results from Table 6 show that the existing scores lead to a choice

of growth strategy and then determine a more specific growth strategy. Based on the score which shows that the strengths (Strengths) are greater than the opportunities (Opportunities), so the results appear in the diagram and table below.

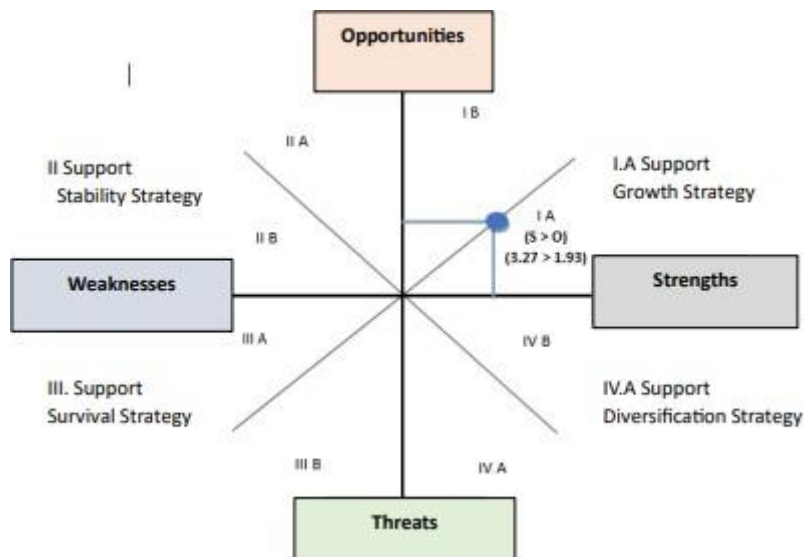


Figure 3. Diagram Analysis SWOT PT. Mest Indonesiy

From the SWOT analysis above, the author can conclude that the realm of progress in a PT is sufficient. Mest Indonesiy, although there are several shortcomings. PT. Mest Indonesiy has good quality. This proves that PT. Mest Indonesiy has increased consumer confidence today. Even though there is tight competition between PT. Mest Indonesiy with other products because they have similarities in product aspects, market share and location which are not much different. However PT. Mest Indonesiy is able to maintain all aspects and distribution runs quite effectively and efficiently.

4.0 CONCLUSION

The fertilizer marketing strategy carried out by PT. Mest Indonesiy is a fertilizer product from PT. Mest Indonesiy has superior quality and needs to be maintained through continuous research and product development. Fertilizer product prices are considered based on market analysis and competitive factors to provide appropriate value to customers. Collaboration with agricultural institutions, universities and research institutions can help increase customer confidence through workshops and seminars. PT Fertilizer product packaging design. Mest Indonesiy is attractive and reflects the quality and value of the product.

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