DEVELOPMENT OF STRATEGY ON CITRONELLA PRODUCTS TO OPTIMIZE AGRIBUSINESS POTENTIAL IN RURAL AREAS (STUDY IN CIPATAT VILLAGE KEC. CILENGKRANG WEST JAVA)

Dinda Kayani Putri Bestari
Ni Putu Nurwita
Mariana Rachmawati
Annisa Lisdayanti
Gallang Perdhana Dalimun
Fansuri Munawar

Dinda Kayani Putri Bestari, Widyatama University
Email: Dinda.kayani@widyatama.ac.id

Ni Putu Nurwita, Widyatama University

Mariana Rachmawati, Widyatama University

Annisa Lisdayanti, Widyatama University

Gallang Perdhana Dalimun, Widyatama University

Fansuri Munawar, Widyatama University

Abstract

The Rural Agribusiness Empowerment Strategy arises from the problem of inequality in regional development between cities as centers of activity and economic growth with producing areas as centers of less developed agricultural activities. . This condition occurs in Cipatat Village, Cilengkrang District, Ciporeal Village, West Java. This village, is an area that has good potential to be used as land or land for Agribusiness, but this potential is not utilized optimally by the community around the village, where Cipatat Village has a mainstay product of Citronella fragrant. This study aims to find the effect of product quality and distribution of Cipatat Village's fragrant lemongrass products on purchasing decisions. The method used in this study is descriptive verification with data analysis techniques using multiple regression analysis. The number of respondents in this study were 36 respondents where the respondents were consumers of Cipatat Village Citronella Fragrant. From the results of the study, it was found that there was an influence between product quality and distribution of Cipatat Village's Citronella fragrant products on purchasing decisions with an influence value of 36.8%.

Keynote: Strategy, Product Quality, Distribution, Purchase Decision, Agribusiness

Introduction

Rural development is very necessary for Indonesia because most of Indonesia's population does agriculture as a livelihood, and they live in rural areas. Currently, farmers are faced with weak conditions (capital, skills, knowledge and land tenure). Since the implementation of agricultural development in Indonesia, several business-scale agricultural development systems have been implemented, both for food and non-food commodities. If we examine further the goals and objectives of the development system that has been implemented in the agricultural sector, in essence it is the development of the agricultural sector in a comprehensive and integrated manner, namely not only increasing production, but also procuring production facilities, product processing, procurement of business capital and joint marketing of products. or work with entrepreneurs. This kind of agricultural sector development system, if we use the current term, is nothing but agricultural development based on agribusiness, or in other words agribusiness development.

The Rural Agribusiness Empowerment Strategy arises from the problem of inequality in regional development between cities as centers of activity and economic growth with producing areas as centers of less developed agricultural activities. The development of the agricultural sector is now very important, because if the development of this sector in the region is not successfully developed, it can

have mpacts negative on national development as a whole, namely the occurrence of widening gaps between regions and between groups, among others regarding income levels. The development of agribusiness in rural areas is the right and strategic choice to be able to move the wheels of the economy and empower the economy of rural communities. This is possible because of the high ability of agribusiness in absorbing labor, given the nature of the labor-intensive and mass-based agricultural industry based on the community, in an effort to improve the rural economy. This condition occurs in Cipatat Village, Cilengkrang District, Ciporeal Village, West Java. This village, is an area that has good potential to be used as land or land for Agribusiness, but this potential is not utilized optimally by the community around the village, where the land there looks not maintained and arranged for agricultural land, fisheries, and livestock. One of the agribusiness products produced in Cipatat Village is lemongrass. The citronella plant has several uses, one of which is as a conservation vegetation, which has the potential to prevent soil erosion and rehabilitate critical lands. Lemongrass plants, especially stems and leaves, can be used as mosquito repellents because they contain substances such as geraniol, methyl heptenone, terpenes, terpenes-alcohol, organic acids, and especially citronellal as an insect repellent spray. And citronella oil as a result of production from the citronella plant is useful as a bio-additive for fuel oil. Sereh fragrance is an essential commodity that is very prospective. The demand for citronella oil is quite high and the price is stable and tends to increase. Uniquely, the cultivation is not too complicated and this plant can live in marginal lands. The demand for citronella is quite large, because market demand always increases 3-5% per year. The importing countries for Indonesian citronella oil are Singapore, Japan, Australia, Mexico, India, Taiwan, the United States, France, England, Germany and Spain. World consumption of citronella oil reaches 2,000-2,500 tons and only 50-60% has been fulfilled. China as a major producing country is only able to supply 600-800 tons per year. Meanwhile, Indonesia is currently able to meet 200-250 tons of citronella oil demand per year. This is an opportunity to cultivate citronella in Cipatat Village as an effort to optimize agribusiness in rural areas. In addition to increasing the cultivation of citronella, citronella farmers must also improve the quality of the citronella produced. Inresearch [1], states that product quality affects the formation of company performance. In addition to improving the quality of crop yields, the application of appropriate marketing strategies needs to be a concern for Serai Wangi farmers in order to improve the performance of farmers in rural areas. In this study, the authors

will only focus on strategies in the distribution of fragrant lemongrass yields in Cipatat Village, Cilengkrang District, Kelurahan Ciporeal, West Java.

Literature Review

Product Quality

Product quality is one of the references for customer to choice the product. The quality product it means one perception customer and company. Instead, they define quality based on value creation and satisfaction customer[2]. According to [3], this is the eight dimension of quality product:

1. Performance. The dimension about the functionality about this product.
2. Product features. The dimension about how to adding the value of product.
3. Reliability. This means about probability of product success with this function
4. Conformance. Related product with the specifications
5. Durability means the life economy about the product.
6. Serviceability. Characteristics related to speed, competence, convenience, and accuracy in providing services for repairing goods.
7. Beauty is a subjective characteristics about the product
8. Perceived quality Consumers do not always have complete information about product attributes.

Distribution

Distribution is the distribution that is channeled by products and services from producers to intermediaries and finally reaches the hands of consumers and customers [4]

There are indicators that can be measured in distribution, namely [5]Ordered as follows:

1. Availability of goods
2. products
3. Speed in delivery
4. Ease of obtaining products

Purchasing decisions

According to [6] consumer purchasing decisions are the final decisions of individuals and households who buy goods and services for personal consumption. In this study, four indicators are used to determine purchasing decisions taken from [6], namely:

a. Stability in a product In making a purchase, consumers will choose one of several available alternatives. The choice is based on quality, quality, affordable prices, and other factors that can strengthen the consumer's desire to buy the product whether the product is really wanted to be used or needed.

b. Habits in buying products Consumer habits in buying products also affect purchasing decisions. Consumers feel the product is too attached to their minds because they have felt the benefits of the product. Therefore, consumers will feel uncomfortable if they try new products and have to adjust again. They tend to choose products that are already used.

c. Provide recommendations to others In making a purchase, if consumers get the benefits in accordance with a product, they will definitely recommend the product to others. They want other people to feel that the product is very good and better than other products.

d. Repurchase Consumer satisfaction in using a product will cause consumers to repurchase the product. They feel that the product is suitable and in accordance with what they want and expect.

Hypothesis

Ho: Product quality and product distribution affect the purchasing decisions of Cipatat village fragrant lemongrass products

Ha: Product quality and product distribution do not affect the purchase decisions of Cipatat village fragrant lemongrass products

Research Methods

In this study the authors used descriptive and verification research methods with a quantitative approach. The descriptive method according to [7] is a research conducted to describe independent variables, either only on one or more variables (stand-alone variables) without making comparisons and looking for that variable with other variables. While the notion of the verification method according to [7]is a research conducted on a particular population or sample with the aim of testing the established hypothesis. Sources of data obtained through primary data (through questionnaires) and secondary data (reports, news and other supporting documents). Respondents in this study were consumers of lemongrass farmers in Ciapatat Village who are domiciled in the city of Bandung. The number of respondents in this study were 36 consumers. The data obtained will then be analyzed using Multiple Linear Regression Test with SPSS tool.

Results and Discussion

Based on data processing from a sample of 36 respondents who are consumers of lemongrass in Cipatat village, it can be seen as follows:

1. Gender

Based on the data above, it can be seen that the gender of the respondents is 23 women and 13 men. It can be analyzed that the majority of citronella consumers are women

2. Age

Based on the data above, it can be seen that the age of the respondents, it can be analyzed that the majority of consumers of Cipatat Citronella are in the range of 26-35 years.

Test the validity and reliability of the

R table for 36 samples is 0.329

Variable X1

For the results of the test for the validity of the variable X1 see the table below:

Table 1

Correlation

		VAR00001	VAR00002	VAR00003	VAR00004	VAR00005	VAR00006	VAR00007
Var00001	Pearson Correlation	.371.310 .070 .146 .214 .601	*					1**
	Sig. (2-tailed)		.066 .684 .397 .209				.026	<.001
	N	36	36	36	36	36	36	36
VAR00002	Pearson Correlation	.098.294.5 58*	1		.126		.192	.371**
	Sig. (2-tailed)	.026		.569	.464	.082	.261	<.001
	N	36	36	36	36	36	36	36

VAR00003	Pearson Correlation	.310	.098	1	.593**	.135	.679**	.738**
	Sig. (2-tailed)	.066	.569		<.001	.434	<.001	<.001
	N	36	36	36	36	36	36	36
VAR00004	Pearson Correlation	.070	.126	.593**	1	.148	.655**	.644**
	Sig. (2-tailed)	.684	.464	<.001		.388	<.001	<.001
	N	36	36	36	36	36	36	36
VAR00005	Pearson Correlation	.294.148.511		.135		1	.113	.146**
	Sig. (2-tailed)	.397	.082	.434	.388		.511	.001
	N	36	36	36	36	36	36	36
VAR00006	Pearson Correlation	.214	.192	.679**	.655**	.113	1	.719**
	Sig. (2-tailed)	.209	.261	<.001	<.001	.511		<.001
	N	36	36	36	36	36	36	36
VAR00007	Pearson Correlation	.601**	.558**	.738**	.644**	.511**	.719**	1
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	.001	<.001	
	N	36	36	36	36	36	36	36
*. Correlation is significant at the 0.05 level (2-tailed).								
**. Correlation is significant at the 0.01 level (2-tailed).								

It can be seen from the results of the table that if R count > R table then the measured indicator becomes valid. Based on the table above, all indicators are valid.

For the results of the reliability test of the X1 variable

Table 2

Reliability test

Reliability Statistics	
Cronbach's Alpha	N of Items
.680	6

Based on the reliability test of the X1 variable, it can be seen that the value of Cronbach's Alpha is 0.680. Because the Cronbach alpha value is above 0.6, the X1 variable and the indicator are said to be reliable.

Variable X2 The

following are the results of the validity test for all indicators on the variable X2

Table 3

Correlation

		VAR00001	VAR00002	VAR00003	VAR00004	VAR00005
VAR00001	Pearson Correlation	1	.177	.686**	.285	.762**
	Sig. (2-tailed)		.302	<.001	.092	<.001

	N	36	36	36	36	36
VAR00002	Pearson Correlation	.177	1	.485**	.691**	.682**
	Sig. (2-tailed)	.302		.003	<.001	<.001
	N	36	36	36	36	36
VAR00003	Pearson Correlation	.686**	.485**	1	.575**	.902**
	Sig. (2-tailed)	< .001	0.003		<.001	<.001
	N	36	36	36	36	36
VAR00004	Pearson Correlation	.691	.285**	.575**	1	.763**
	Sig. (2-tailed)	.092	<.001	<.001		<.001
	N	36	36	36	36	36
VAR00005	Pearson Correlation	.762**	.682**	.902**	.763**	1
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	
	N	36	36	36	36	36

**. Correlation is significant at the 0.01 level (2-tailed).

It can be seen from the data that all measured indicators have a value of r-count > r – table (36 samples – 0.329) which means that all measured indicators are declared valid.

The results of the reliability test for X2 The
following are the results of the reliability test for X2

Table 4

Reliability test

Reliability Statistics	
Cronbach's Alpha	N of Items
.772	4

Based on the results of the table above, the Cronbach alpha value> 0.6 is 0.772 which means that the variable is declared reliable.
Variable Y
Test the Validity of Variable Y The
following are the results of the validity test data for the variable Y

Table 5

Correlation

		Var00001	VAR00002	VAR00003	VAR00004	VAR00005
Var00001	Pearson Correlation	1	.577**	.577**	.369*	.750**
	Sig. (2-tailed)		<.001	<.001	.027	<.001
	N	36	36	36	36	36
VAR00002	Pearson Correlation	.577**	1	.647**	.589**	.878**
	Sig. (2-tailed)	<.001		<.001	<.001	<.001
	N	36	36	36	36	36
VAR00003	Pearson Correlation	.577**	.647**	1	.438**	.827**
	Sig. (2-tailed)	<.001	<.001		.007	<.001
	N	36	36	36	36	36
VAR00004	Pearson Correlation	.369*	.589**	.438**	1	.764**
	Sig. (2-tailed)	.027	<.001	.007		<.001
	N	36	36	36	36	36
VAR00005	Pearson Correlation	.750**	.878**	.827**	.764**	1
	Sig. (2-tailed)	<.001	<.001	<.001	<.001	
	N	36	36	36	36	36
**. Correlation is significant at the 0.01 level (2-tailed).						
*. Correlation is significant at the 0.05 level (2-tailed).						

Based on the data above, the r-count value for each indicator in the Y variable > r-table (0.329) which means that all indicators in the Y variable are declared valid.

Variable Y reliability test The
following are the results of the reliability test for the variable Y

Table 6

Reliability test

Reliability Statistics	
Cronbach's Alpha	N of Items
.816	4

Based on the results of the table above, the Cronbach alpha value > 0.6 is 0.816 which means that the variable is declared reliable.

Hypothesis
Testing F Test
Based on a sample of 36, the F table calculation based on the formula becomes as follows:
F table = F (k ; nk) = F (2; 34) = 3.32
After the F-table calculation above, the F-test is carried out calculate via SPSS

Table 7

ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	44,494	2	22,247	9,596	< .001b
	Residual	76,506	33	2,318		
	Total	121,000	35			
a. Dependent Variable: Purchase decision						
b. Predictors: (Constant), Distribution, Product Quality						

Based on the output above, it is known that the significance value for the effect of X1 and X2 simultaneously on Y is 0.000 <0.05 and the calculated F value is 9.596 > F table 3.32 so that it can be concluded that H0 is accepted, which means that there is an effect of X1 and X2 simultaneously on Y.

Table 8

Coefficient of Determination

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.606A	.329 1.52261		.368
a. Predictors: (Constant), Distribution, Product Quality				

Based on the output above, it is known that the R Square value is 0.368, this implies that the effect of the X1 and X2 variables simultaneously on the Y variable is 36.8%.

Conclusions and Suggestions

Based on the results of the analysis of the data above, it is concluded that there is an influence between product quality and product distribution on the purchasing decisions of Cipatat village fragrant lemongrass products. In terms of the quality of the fragrant lemongrass products produced by the Cipatat village, it is sufficient to meet the expectations of the consumers of the fragrant lemongrass products in the Cipatat village. The distribution of lemongrass in Cipatat village includes the availability of goods, speed of delivery and ease of obtaining products.

It should be a concern from the manager.

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