COMPARISON OF HYBRID MAIZE PRICE FEASIBILITY BY MARKETING CHANNEL

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Abstract. Price viability is essential for improving farmers' welfare. This study aims to analyze the feasibility of the prices received by hybrid maize farmers in the Jampang Tengah Subdistrict of Sukabumi District. The method employed is descriptive quantitative analysis, utilizing the Farmer's share value indicator, which represents the percentage of the price received by farmers compared to the consumer selling price. The results indicated that in channel I (farmer-consumer), the price received was IDR 5,300, resulting in a Farmer's share of 100%. In channel II (farmer-major trader-consumer), the price received by farmers was IDR 4,500, resulting in a Farmer's share of 85.71%. In channel III (farmer-collecting trader-large trader-consumer), the price received by farmers was IDR 4,000, leading to a Farmer's share of 76.92%. Based on these results, the price received by farmers was deemed feasible because the Farmer's share value exceeded 40% across all distribution channels.

Keywords: price viability; Farmer's share; hybrid maize;

1 Introduction

In order of the main food commodities, Hybrid maize occupies a strategic position after rice. It has an important role in supporting food security and the raw material needs of the animal feed industry in Indonesia [1]. Maize consumption continues to increase in line with population growth, diversification of processed products, and the rapid development of the poultry farming industry. According to the Ministry of Agriculture [2] The demand for maize to meet animal feed is predicted to grow by an average of 13.82% per year.

This increase in demand opens up great opportunities for maize-producing areas, one of which is Jampang Tengah District in Sukabumi Regency. Based on BPS [3], maize productivity in this region reached 59.84 quintals per hectare, with a total production of 15,319.5 tons from a harvest area of 2,560 hectares. This figure shows that Central Jampang has great potential in the sustainable development of hybrid maize commodities. High productivity does not guarantee an improvement in the welfare of hybrid maize farmers if the selling price received does not reflect economic feasibility. This is a challenge for hybrid maize farmers in Central Jampang District.

Price feasibility refers to the correspondence between the income received by farmers and the costs and effort expended in the production and distribution process. According to Hasanudin [4] One of the components that has an impact on price feasibility is the marketing channels used by farmers. The feasibility of the price received by farmers is not only determined by the selling price but also by the efficiency of the marketing channels used.

Previous research indicates that the structure of marketing channels can have a significant impact on farmers' incomes. Sehgal and kumar [5] It found that farmers who used

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direct-to-consumer channels obtained greater profit margins compared to those who relied on middlemen. Stating that it states that the longer the distribution chain, the share of profits obtained by producers tends to decrease [6]. This situation affects the economic welfare of farmers, who actually have decent income potential.

Therefore, this research is very necessary to present how marketing channels affect the feasibility of the price received by farmers. With this information, it is hoped that farmers can be more careful in choosing the most profitable distribution, as well as become a reference for policy makers in designing strategies to improve the welfare of hybrid maize farmers. The purpose of this study is to analyze the variation in the feasibility of hybrid maize prices received by farmers according to the marketing channels they use in Central Jampang District, Sukabumi Regency.

2 Research method

This research combines qualitative and quantitative approaches. Mixed methods are research approaches that combine qualitative and quantitative data [7]. to describe the marketing channels of hybrid maize, while the quantitative method to analyze the price affordability received by hybrid maize farmers using data analysis, Farmer's share.

2.1 Population and Data Collection

This research was carried out in Central Jampang District, Sukabumi Regency. The determination of the subjects in this study consisted of farmers and marketing institutions. Farmer respondents were selected using a probability sampling technique, namely simple random sampling. According to Sugiyono [8] is the recruitment of members from a population that is carried out randomly regardless of the strata that exist in that population. The use of this technique aims to enable researchers to obtain various types of marketing channels used by farmers. either through direct or indirect marketing. The subjects in this study are farmers who have hybrid maize farming and carry out buying and selling activities from the production. The sample of farmers in this study amounted to 30 respondents. Refers to [8] The ideal sample size in a study ranges from 30 to 500 respondents.

Meanwhile, to determine the respondents of marketing institutions, snowball sampling was used. According to Sugiyono [8] Snowball sampling is a sampling technique that starts with small respondents and then progresses gradually. In Imansari and Kholifah's book [9] it is stated that the researcher initially selected one or two informants; however, due to incomplete data, additional informants with deeper knowledge were included. This method is carried out by observing the marketing flow of hybrid maize from farmers to marketing institutions. This approach aims to find out how hybrid maize is marketed so that respondents are obtained from marketing institutions such as middlemen, retailers and wholesalers.

2.2 Measurement and Data Collection

The measurements in this study are focused on the price feasibility variables received by hybrid maize farmers and the marketing channels used by hybrid maize farmers. The price feasibility indicator is Farmer's share. The data used are primary data and secondary data.

Primary data is data derived from internal sources obtained through the implementation of observation, namely direct observation in the field, and other methods [10]. Primary data in this study was found directly by researchers at the research location through, survey methods, interviews, and questionnaires to farmer respondents and marketing institutions in Central Jampang District. Secondary data is data obtained indirectly sourced from literature studies, journals, literature studies.

2.3 Variables and Data analysis

The price affordability received by hybrid maize farmers and marketing channels was a variable in this study. Descriptive analysis was used in this study to identify the marketing channels that hybrid maize traveled. To find out how much of the price that farmers receive from the final selling price of hybrid maize, Farmer's share analysis is used. This is a common indicator in assessing the efficiency of a marketing channel. The more efficient the marketing channel, the greater the proportion of prices received by farmers, so that the price can be considered economically feasible [11] .

Farmer's share formula:
$$Fs= Pf/Pr \times 100\% \qquad (1)$$
Information:
Fs : Farmer's share
Pf : Prices at the farmer level
Pr : Prices at the consumer level
Sudoyono in the research of Yanuar et. Al [12] The marketing efficiency criterion in Farmer's share is >50%.

3 Results and discussion

3.1 Marketing Channels

Marketing channels refer to a series of product distribution activities that involve various marketing intermediaries before the product reaches consumers [13]. Hybrid maize marketing in Central Jampang District pThe distribution of roses involves several perpetrators including collectors and wholesalers. The number of intermediaries in the marketing channel affects the price affordability that farmers receive. The involvement of many intermediaries in distribution has an impact on reduced prices at the farmer level [14]. From this study, it is indicated that there are three types of hybrid maize marketing channels in Central Jampang District that are common in the region:
Figure 3.1. Map of Hybrid Maize marketing channels in Jampang Tengah District, Sukabumi Regency

Information:

——— Marketing Channel I
——— Marketing Channel II
——— Marketing Channel III
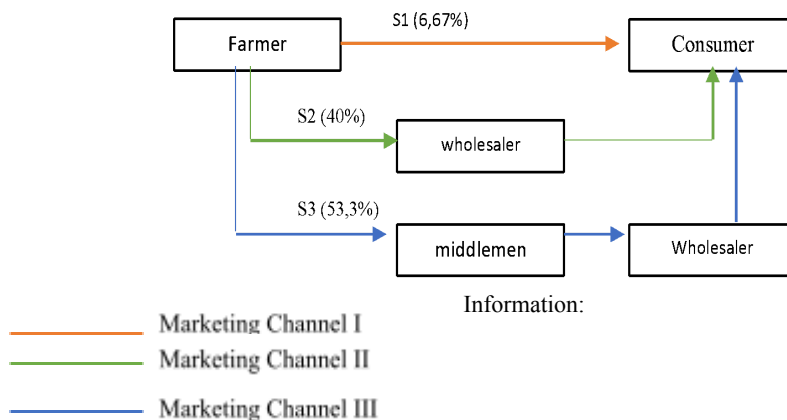
From the picture above, there are three hybrid maize marketing channels
1. Farmer-Consumer (direct marketing)
2. Farmers-Wholesalers- Consumers
3. Farmer-Middleman-Consumer Wholesaler

From the data collected through respondents, the majority of farmers use channel III with a percentage of 53.3%, followed by channel II by channel II at 40%, and only 6.67% of farmers use channel I or direct-to-consumer marketing. Some crops that have gone through the drying and shelling process are directly distributed to end consumers. While some of them are sold to collectors or wholesalers for further distribution. The consumers referred to here are animal feed parbrik located in Sukabumi and Cianjur. Marketing intermediaries determine the selling price. This encourages farmers to choose traders who provide higher selling prices.

3.2 Feasibility analysis of the price received by farmers

Farmer's share is an indicator to find out how much of the selling value a hybrid maize farmer gets when compared to the price paid by the end consumer [15]. Farmer's share is measured in the form of a percentage, to show the share of prices received by farmers based on the marketing channels of hybrid maize that are commonly used in Central Jampang District. The percentage of Farmer's share for each marketing channel in Jampang Tengah District, Sukabumi Regency can be seen in the following table:

Table 3.1 Percentage of Farmers Share based on hybrid maize marketing channels in Central Jampang District

Marketing channels	Prices at the farmer level (IDR)	Consumer Price (IDR)	Farmer's share (%)
I	5.300	5.300	100
II	4.440	5.275	84
II	4.000	5.200	76

Data source : Primary (processed 2025)

Based on table 3.1. The price received by farmers in the marketing of hybrid maize shows a fairly good feasibility based on the value of the Farmer's share obtained. Farmer's share is a percentage of the selling price received by farmers compared to the price paid by the final

consumer. The highest Farmer's share value was found in marketing channel I, which was 100%. Followed by the second marketer channel with 84%. Marketing channel to III 76%. Based on general provisions in the study [12] that the value of Farmer's share above 50% proves that the marketing channels used are efficient. Thus, this value shows that the price received by farmers is still at a decent level. Table 3.1 shows channel I (direct marketing). The value of Farmer's share reaches 100% because all selling prices are received directly by farmers. This channel is used by 6.67% of the total respondents used by large-scale farmers with a production yield of more than 10 tons/season. Farmers' decision to choose this channel is based on adequate access to logistics, sufficient capital capability, and already have market connections. Table 3.1 also shows that Channel II is used by about 40% of the respondent farmers. Farmers sell maize to wholesalers and then distribute it to consumers. Although there is one intermediary, the results of the analysis show that the value of Farmer's share is at a value of 84% which means that it is at a decent value. In practice, wholesalers can actively contact or visit farmers to buy dried maize, or conversely, farmers who offer their crops directly. In this second channel, farmers have market information and can choose wholesalers whose selling prices are higher.

4 Conclusion and recommendation

This study reveals the existence of three patterns of hybrid maize marketing channels in Central Jampang District, namely: (1) Channel I, where farmers sell directly to consumers; (2) Channel II, from farmers to wholesalers, then to consumers; and (3) Channel III, which involves farmers, middlemen, wholesalers, and consumers. The first channel shows the highest Farmer's share at 100%. However, this channel is only accessible to large-scale farmers who have large capital, market access, and adequate transportation facilities. The second marketing channel shows the value of the Farmer's Share of 84% which is classified as efficient or includes a decent price received by farmers. Meanwhile, the third marketing channel is the longest channel that gives the lowest Farmer's share of 76%.

These findings show that the shorter the marketing channels used by farmers. The greater the proportion of prices received by farmers. However, limited access to market information, capital and infrastructure are major obstacles for small-scale farmers to access more profitable marketing channels. Therefore, related agencies are expected to provide support in the form of training, counseling to increase the capacity of farmers.

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