

Identification of Market Operator and Marketing Channels in Fish Landing Center

(A Case Study Lhok Pawoh Fish Landing Center)

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Abstract—Marine and fisheries sectors are the important sector in Aceh Province where most of Acehnese depended on this sector for their livelihood. As the result, the existing big potential market on this sector need to be studied in order to know how the market being organize, especially fish that landed in PPI Lhok Pawoh. The study aims to identify the market operators and marketing channels that used to sell fish which landed in PPI Lhok Pawoh by fisherman. The study was conducted in PPI Lhok Pawoh, Sawang Sub-district, South Aceh District and followed qualitative and quantitative of data collection which are interview, focus group discussion and observation. It is found that there are 5 types of market operator and 5 marketing channels. Market operators consist of Toke bangku, Toke ikan, Muge besar, Muge lapak, and Muge motor. In addition, the five marketing channels indicates that all fish landed in PPI Lhok Pawoh is marketed within and outside of South Aceh District.

Keywords: *market operator, marketing channel, fish marketing, PPI Lhok Pawoh*

I. INTRODUCTION

Marine and fisheries sectors are being the important sectors in Aceh Province. It is more than 55% Acehnese are basically depended on this sector for their livelihood [1]. Since 2006, after tsunami, Aceh fish production graphic starts improving from 126,400 tons in 2006 to 159,500 tons in 2014 [2]. The huge amount of fish production is also followed by Acehnese fish consumption index which is above the national index. Acehnese fish consumption index is 45.83 kg/cap/year, while national fish consumption index is 38.14 kg/cap/year [3]. It indicates that fish market in Aceh is quiet enormous.

The enormous potential market is not followed by sufficient information regarding how the fish is distributed to consumer as the ending part of a marketing process. The understanding of how operated market being mechanize in fisheries sector is still limited. Most of available market information are focus on export market, both quantity and value of the market. While on the other hand, there is only little information about how domestic, regional and local fish market is being operated. As the result, the market is limited toward access and information [4]. Therefore, it is hard to

measure the quality and security of fish being marketed in a local market.

The fulfilment of fish with good quality and security for the consumer will only be achieved by an effective organization of marketing system [5,6]. Some parts of the system are market operator and marketing channel. Everyone who participate in every level of market is called market operator [5] or market actor [7]. While marketing channel can be defined as an array of exchange relationships that create customer value in the acquisition, consumption, and disposition of products and services [8]. Today, marketing channel decisions are as important as the decisions companies make about the features and prices of products [9]. In this case, fish marketing channel is a route or path through which fishes are shifted from the harvesting or capturing spots to the ultimate consumers [10]. Discovering of the existing marketing system, market operator and marketing channel, is important as a base of fish quality and security measurement which distributed to consumer in the local market, especially fish that produced from fish landing centre in the area. Hence, the research is aimed to identify marketing channels and its market operator in Lhok Pawoh fish landing centre (PPI Lhok Pawoh).

II. METHODS

A. Study Area

The research was conducted in PPI Lhok Pawoh, Lhok Pawoh village, Sawang Sub-district, South Aceh District. PPI Lhok Pawoh has at least 13 motor boats, sized 25 – 60 GT, active in caching fish [11]. It is situated just beside the Indian Ocean and only 15 Km from the capital city of the district, Tapaktuan. Hence, it is easily accessible both geographically and informatively.

B. Data Collection and Respondent

The research followed qualitative and quantitative of data collection. Data collection were done by utilizing direct interview with some respondents and in order to gain depth information, group discussion was done on the site. In addition, observation method was also used to capture the

existing selling and buying activities of fish in every stage of marketing process. Data collection was performed in six months, from May to October 2019.

III. RESULTS AND DISCUSSION

Through the observation that has been done on the field, it is revealed that the fish business running in PPI Lhok Pawoh involves three main parties. They are fisherman as the producer who caught fish from the sea, market operator as the agent who facilitate the marketing process of fish and fish consumer as the ending part of the supply chain who consume the fish. The consumer is spreading in three sub-districts nearby the PPI. There are Sawang Sub-district where PPI Lhok Pawoh is located, Samadua Sub-district and Tapaktuan Sub-district. Most of those parties were met frequently at an auction market located in PPI Lhok Pawoh where all of the fish are traded.

A. Market Operator

Market operator in PPI Lhok Pawoh is the agent who catalyse the process of marketing in order to facilitate the supply chain of the fish smoothly from fisherman to consumer. The research found that PPI Lhok Pawoh has five types of market operator. It comprises *Toke Bangku*, *Toke Ikan*, *Muge Besar*, *Muge Lapak* and *Muge Motor*. The names of the market operator were taken from the local community as a part of a respect to local wisdom. Table 1 will list all the existing market operator in PPI Lhok Pawoh.

TABLE I. LIST OF MARKET OPERATOR IN PPI LHOK PAWOH

No.	Market Operator Types	Role			Quantity
		Collector	Big Trader	Retailer	
1	Toke Bangku	√			3
2	Toke Ikan		√		1
3	Muge Besar		√	√	5
4	Muge Lapak			√	12
5	Muge Motor			√	21
Total market operator					42

1) *Toke bangku*: Toke bangku is the one who collect all fish caught by fisherman and organize auction process in the auction market. Toke bangku is also the confidant of boat owners regarding marketing process in the action market. There are 3 Toke bangku in PPI Lhok Pawoh. Every Toke bangku will organize fish from several motor boats that operate by some fisherman. Hence, Toke bangku has two functions which are fish collector and auctioneer.

2) *Toke ikan*: Toke ikan is a fish big trader. After buying fish from Toke bangku, the fish will be sold out of South Aceh District. Most of fish caught is bought by Toke ikan. Data taken from Toke bangku, since May – October 2019, reveals that 85 – 90 % of fish bought by Toke ikan. The PPI fish production capacity is ± 30 tons per week [11]. It means that 25.5 – 27 tons’ fish are bought by Toke ikan in every week. Although in PPI Lhok Pawoh has only one Toke ikan, its capacity in buying the fish makes Toke ikan be the important market operator in the PPI.

3) *Muge besar*: Muge Besar plays two roles as the PPI market operator. First, Muge Besar is a big trader. Although Muge Besar buy small quantity of fish compared to Toke ikan from Toke bangku, he is the only one who able to buy fish in big quantity to sell in local market within South Aceh District. This big amount of fish will be sold to other market operator and also directly to consumer. Second, Muge Besar is also acting as retailer because he sells fish directly to consumer. In total, there are 5 Muge besars in PPI Lhok Pawoh.

4) *Muge lapak*: Muge lapak is a non-movable fish retailer with fixed place in tradional market and some also can be found beside the main street in South Aceh District. There are two ways how Muge lapaks get the fish. Some Muge lapaks get fish from Toke bangku in auction market and the other get it from Muge besar. As retailers, Muge lapak is the last intermediaries in the supply chain who actively interact with the consumer. There are 12 Muge lapaks who take fish from PPI Lhok Pawoh frequently to sell it to the local market. Hence, Muge lapaks has significant role in creating consumer’s trust toward the fish produced from PPI Lhok Pawoh.

5) *Muge Motor*: Muge Motor has the same function with Muge lapak. The only thing that make them different is the way they meet consumer. Muge motor is a movable retailer which actively approaching the consumer directly to consumer’s house or a point that many consumers usually gather for some purposes by riding motor bike. They do not have a fixed place to sell fish. While Muge lapak is less active in approaching the consumer. They wait for consumer to buy fish at their fixed selling place. PPI Lhok Pawoh has 21 Muge motor who daily come to get fish from auction market. Therefore, Muge motor has no fixed place to sell fish and actively find consumer by ridding motor bike in three sub-district, which are Sawang, Samadua and Tapaktuan.

All market operators in PPI Lhok Pawoh plays their own role in order to make fish from PPI absorbed smoothly to the surrounding market available both within and out of South Aceh district.

B. Fish Marketing Channel

Those market operators link together and create some fish marketing channels. The study discovered that all channels are starting from *Toke bangku* and consist of 5 fish marketing channels which describe as follows.

1) *Channel I*: In this channel, two market operators are involved which are Toke bangku and Toke ikan. The channel starts from Fisherman as fish producer, Toke bangku, Toke ikan and Food processor which is located in Medan, North Sumatera Province. Its schematic diagram is shown in figure 1.



Fig. 1. Schematic diagram of fish marketing in channel I.

2) *Channel II*: Channel II is the longest channel found in PPI Lhok Pawoh. There are three market operators are involved in this channel. They are Toke bangku, Muge Besar and Muge lapak. The channel starts from Fisherman as fish producer, Toke bangku, Muge besar, Muge lapak and consumer. The schematic diagram of the channel demonstrates in figure 2.

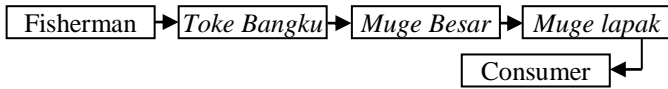


Fig. 2. Schematic diagram of fish marketing in channel II.

3) *Channel III*: Channel III is almost the same with channel II. There is only a small difference where the Muge besar sell fish directly to the consumer without any intermediaries between them. Hence, channel III only consists of two market operators which are Toke bangku and Muge Besar. The channel starts from Fisherman as fish producer, Toke bangku, Muge besar, and consumer. Channel III schematic diagram shows in figure 3.

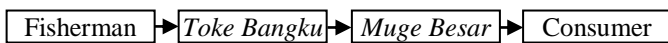


Fig. 3. Schematic diagram of fish marketing in channel III.

4) *Channel IV*: Without having fish from Muge besar, some Muge lapaks buy directly in auction market that organize by Toke bangku. channel IV dismiss the function of muge besar in the supply chain process. In the result, channel IV is operated by only two market operators which are Toke bangku and Muge lapak. The channel starts from Fisherman as fish producer, Toke bangku, Muge lapak, and consumer. Schematic diagram of channel IV is illustrated in figure 4.

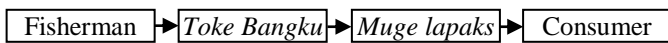


Fig. 4. Schematic diagram of fish marketing in channel IV.

5) *Channel V*: Channel V consists of two market operators which are Toke bangku and Muge motor. Muge motor get fish directly from Toke bangku in the auction market, then Muge motor sell it to consumer in the local market. The channel starts from Fisherman as fish producer, Toke bangku, Muge motor, and consumer. Schematic diagram of channel V can be seen in figure 5.

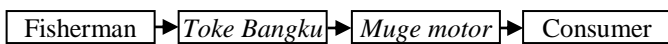


Fig. 5. Schematic diagram of fish marketing in channel V.

The five fish marketing channels above have two difference ending target in marketing the fish. They are consumer and food processor. In this case, consumer are people who consume the fish, while food processor is the one who transform fish into a new kind of food product. The study shows that the consumer of fish landed in PPI Lhok Pawoh spreads within South Aceh District, especially in Sawang,

Samadua and Tapaktuan sub-districts and food processor is only can be found in Medan, North Sumatera. Therefore, Channel II, III, IV and V aim to sell fish in the local market within South Aceh District, while the purpose of Chanel I is to fulfil the need of food processor which is located out of South Aceh District.

IV. CONCLUSION

In PPI Lhok Pawoh, there is only a market where the market operators gather for fish auction process. There are 5 types of market operator that exist in PPI Lhok Pawoh which are *Toke bangku*, *Toke ikan*, *Muge besar*, *Muge lapak*, and *Muge motor*. The roles and relations among market operators create 5 fish marketing channels. Those fish marketing channels are divided into 2 main groups based on the ending target of their marketing process. The first group is aimed to sell fish in the local market and the second group is purposed to fulfil the need of fish outside of South Aceh District, especially food processor. Fish sold within South Aceh District is only 10-15% of fish landed in PPI Lhok Pawoh. It is much smaller compared to fish sold out of South Aceh District which is 85-90% of fish landed in PPI Lhok Pawoh. Hence, fish landed in PPI Lhok Pawoh is sold through 5 marketing channels with 5 types of market operator to fulfil the need of fish within and outside of South Aceh District.

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