

Cashew market behavior with environmental considerations in Southeast Sulawesi

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Abstract. Market behavior will determine price changes. This study aims to examine the behavior of the organic cashew market with an environmental approach in Southeast Sulawesi. This research was carried out in Southeast Sulawesi Province which was divided into several clusters in Buton Regency, South Buton Regency, Central Buton Regency, Baubau City and Muna Regency, which was conducted in April to July 2019. Determination of the research area was purposive using cluster sampling techniques. The determination of this area is based on the fact that the five regencies/cities are producing organic cashew nuts because they do not fertilize and spray using pesticides. Market behavior was analyzed descriptively qualitatively by observation and interview methods. The number of informants is 437 people from 821 population. Market behavior reviewed includes: (a) Payment system, (b) Determination of prices shows the conditions of price determination at the time of the transaction, (c) Cooperation of marketing institutions. The results of the research show that market behavior is shown in every activity of marketing functions by carrying out activities such as drying, sorting and grading, financing, by establishing cooperation that is built on mutual trust in terms of providing capital, fulfilling the supply of cashews, shipping cashews together, determining prices based on market mechanisms, cost analysis, number of requests and offers by applying a cash, partial, initial and debt payment system. The dominant determinant of prices is traders not farmers although there is a bargain between farmers and traders and prices that occur based on prices that occur in the market and cashew farmers know about market prices available through the farmer's own network, so that the position of farmers is only as a price recipient (price taker) is not a price maker.

1. Introduction

Cashew in Southeast Sulawesi is included as an organic commodity because of the treatment of farmers, that is, leaving the cashew without pesticides or fertilizing it with chemical fertilizers, also does not use genetically modified seeds. This plant was originally a greening plant and was planted using the government budget in this case the Forestry Service and was planted simultaneously throughout the Southeast Sulawesi region, so that the conditions were close to one another, with a spacing of 5 x 5m, because it was not to be cultivated. as time goes on the community begins to care for the cashew trees by cleaning it from weeds, thinning it by cutting down trees that shade each other. At the time of harvesting the fruit and seeds are picked and some are allowed to fall to the ground and picked up, then dried in the sun and the seeds are carried out by the process of glassization and packaging with plastic. All of these activities are classified as organic, as well as classified as environmentally friendly products. Products that are organic and environmentally friendly are liked by



many people and become the main reference or choice even though the price is a bit high from products that are not environmentally friendly.

Empirical facts show that environmentally friendly products have a dominant contribution because the outer loading value is the highest and is used as the main consideration according to the informant's assessment compared to products that are not environmentally friendly. An environmentally friendly product is a product that uses safe ingredients for the environment, efficient energy and uses materials from renewable resources. The production process is carried out in a way to reduce negative impacts on environmental pollution from production to consumption. Environmentally friendly products by SMEs in the City of Baubau regarding their production processes are identical to the use of environmentally friendly raw materials that are guaranteed by the existence of certificates or permits from certain institutions. Some of the SMEs, have carried out environmentally-friendly production processes, and apparently experienced increased sales and income, because the public believed that the product produced was very clean, using truly safe raw materials, as well as SNI and halal labels, efficiency in the use of raw materials, energy and water which all can reduce operating costs [1].

As a comparison that uses chemical pesticides and fertilizers, so far cocoa farmers in Waliabuku Village always use chemical pesticides, but the condition of the plants decreases in the number of fruits produced even though the plants are still under the average age of ten years, ie sometimes one tree is only seen 2-5 other intact fruits have been attacked by pests and leaf conditions in plants are increasingly yellowing [2].

Environmentally friendly products will certainly produce products that are safe and have a higher price than products that are not environmentally friendly. For agricultural products, the process until after harvest does not use chemicals but uses organic ingredients that are in nature. The use of plant-based pesticides for pest and plant disease attacks on cocoa plants should farmers use plants that have the potential as plant-based pesticides around them, because (1) Besides being environmentally friendly to create organic cocoa plantations, they are also inexpensive so they can be reached by farmers with a price ratio of 1:10 with the same size even if produced by themselves the price is getting cheaper because the ingredients are not all purchased, because they are in the environment of the farmers; (2) Effectiveness in handling pests and diseases is 70-80%, so farmers can enjoy a better harvest than before and farmers can be made to sleep soundly and farmers do not doubt the impact caused by pesticides vegetable is not dangerous [3].

Cashew plants (*Anacardium occidentale L.*) which are organic, certainly have high economic value and are quite potential because almost all of its parts can be utilized and have a significant contribution in increasing the country's foreign exchange, income sources of farming communities, as producers of raw materials for the food industry, can open up employment and as regional development that provides considerable benefits in accelerating the development progress of an area. Besides cashew commodities can function as reforestation and erosion prevention plants and also as an export commodity.

Cashew production is marketed not only domestically but abroad. This can be seen in figure 1.

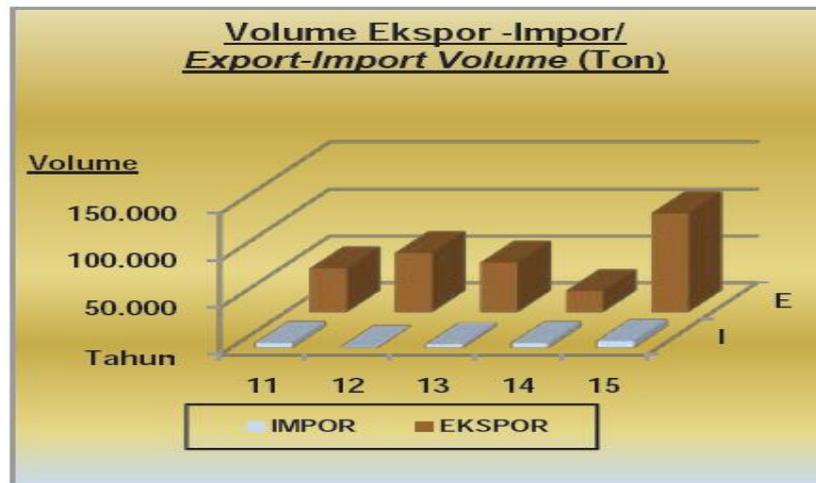


Figure 1. Development of Indonesian Cashew Export Volume

Figure 1 shows that the cashew export volume in 2011 was 46,027 tons with a value of US\$ 78,826,000, in 2012 the export volume of cashew nuts increased to 62,596 tons with an revenue of US\$ 95,362,000. However, in 2013 and 2014 exports volume declined. This is due to the impact of climate change that is uncertain with the presence of high rainfall occurring in a long time interspersed with solar heat causing some cashew flowers to fall and some flowers to survive but black color causes the low amount of cashew production produced. This explanation is in accordance with the opinion [4,5] that climate change can cause changes in weather parameters, temperature, air, rainfall that can affect the productivity of the plants produced.

Based on statistics from Indonesian plantations, Vietnam is the largest export destination for cashew nuts in Indonesia and India as the second export destination country. With the increase in cashew export volume, this does not mean that there will be efficient marketing. This explanation is in accordance with the opinion that only increasing the value of commodities at the export market level cannot create efficient marketing, but is determined by the prices received by producers and traders, costs and profits [6]. Furthermore [7] states that prices are determined by several factors such as the strength of demand and supply, production costs, margins, the ability of buyers to bargain and the number of products purchased. Based on this, the plantation sub-sector does not perform efficiently in marketing due to poor economic performance, poor production, lack of price information, low prices and poor quality sectors and products. Therefore there needs to be an improvement in the behavior of the cashew market, including promoting the technical cashews.

Southeast Sulawesi Province is one of the suppliers of Indonesian cashew which ranks third after the provinces of East Nusa Tenggara and South Sulawesi. Contributions to the production of cashew nuts in Southeast Sulawesi in 2016 amounted to 28,657 tons, East Nusa Tenggara Province amounted to 165,038 tons while South Sulawesi Province amounted to 49,309 tons.

Conditions of availability of cashew supply that cannot meet market demand should be able to place farmers as producers of cashew that has a strong bargaining position that acts as a king and as a decision maker in determining prices, as the law of supply is increasingly the smaller the number of goods offered and the more demand the higher the price of the goods but the reality on the ground shows farmers as recipients of a lower price (price taker) when compared to marketing institutions that obtain higher prices in the marketing system. The price prevailing at the farm level is IDR 120,000/kg while the price prevailing at the consumer level is IDR 155,000/kg. The low price received by farmers is a problem in the marketing system.

Other factors that are a problem for farmers are still doing traditional marketing systems that are not integrated production centers and processing centers, varying quality of cashew nuts, limited human resources, treatments carried out are still traditional, not integrated, there is an imbalance of roles between farmers and market players others, the lack of price information received by farmers, is still difficult to break away from its association with traders.

A marketing institution that performs marketing functions to deliver goods or products from farmers to consumers. In the process of product travel to reach consumers, marketing institutions incur marketing costs from marketing functions carried out to increase the use of time, form, place and ownership. Activities carried out by the marketing institutions will determine the efficiency of the marketing system that occurs. The marketing system that is formed will be effective and efficient if there is a fair distribution of services performed by each marketing institution and farmers receive a favorable fair price. The condition of this effective and efficient marketing system can be achieved if supported by price information that is not only known by traders but also known by farmers so farmers are not in a weak position as recipients of low prices.

Based on data from the Indonesian Statistics Agency, the development of cashew prices in 2007-2013 at the producer level tended to increase with an average growth of 12.97 percent. In 2007 the price of cashew nuts was IDR 39,394/kg, rising to IDR 45,000/kg in 2008. The increase in cashew prices continued to increase until 2011.

The price of cashew production sold by farmers in the form of cashews gives a higher acceptance when compared to being sold in the form of cashew nuts. The condition of the development of Indonesian cashew nut prices in 2016 showed that within one year there was a fluctuation with the lowest price range of IDR 16,463 which occurred in August while the highest price in January was IDR 21,069, with an average price of IDR 18,355/kg.

The profit received depends on the costs, and the margin and magnitude of marketing margins depend on the prices prevailing at the trader and farm level. Low profit levels and high marketing costs will provide high marketing margins so that the marketing system that is formed becomes inefficient.

Price changes can be determined by market structure, market behavior and will be reflected in market performance. Market structure will describe the type or type of market whether monopoly, oligopoly or perfect competition. While market behavior emphasizes business activities carried out by marketing actors, so that it will affect margins that are reflected in market performance [8].

2. Methods

This research was conducted in Southeast Sulawesi Province which was divided into several clusters in Buton Regency, South Buton Regency, Central Buton Regency, Baubau City and Muna Regency, which was conducted in April to July 2019. Determination of the research area was purposive using cluster sampling techniques. The population of cashew farmers contained in this study was 821 people. To determine the sample as an informant, the sampling is based on a predetermined population area. This cluster sampling technique is used in two stages: the first stage is to determine the sample area, and the next stage is to determine the people in the area by sampling [9]. Determination of the sample of traders with snowball sampling technique is a chain sampling technique by following the flow of commodities from farmers to the consumer level. The sample of farmers in this study using the Slovin formula [10] as follows:

$$n = \frac{N}{1+Ne^2} \quad (1)$$

Where:

- n = number of samples
- N = number of population
- e = error tolerance limit ($\alpha = 0.05$)

To determine the sample size in each village, a proportional allocation is done by:

$$\text{Number of samples per village} = \frac{\text{Number of samples}}{\text{Number of population}} \times \text{Number of each village} \quad (2)$$

Information about the number of samples can be seen in table 1:

Table 1. Determination of research sample sizes in Southeast Sulawesi Province 2018

No	Type of Respondent	districts	sub-district	Village	Population (Soul)	total Informant
1.	Farmers	Buton	Kapontori	Barangka	96	51
		Buton Selatan	Batauga	Lawela	79	42
		Buton Tengah	Lakudo	Moko	-	-
		Baubau	Liabuku	Kalia-Lia	56	30
		Muna	Tongkuno Selatan	Labasa	120	64
2.	Processing Farmers	-	Kapontori	Barangka	6	4
		-	Batauga	Lawela	25	14
		-	Lakudo	Moko	199	119
		-	Liabuku	Kalia-Lia	-	-
		-	Tongkuno Selatan	Labasa	40	24
3.	Processor				200	40
4.	Marketer				-	49
Total					821	437

Market behavior is analyzed descriptively qualitatively by the method of observation and interview to explain the practice of pricing done by traders, payment systems and cooperation of marketing institutions. Market behavior is a reflection of the market structure so that it will affect sales and buying activities. Pricing and pricing activities are analyzed to obtain a more dominant level of institution in pricing. Marketing agency collaboration is analyzed to determine the dominance of marketing institutions. Market behavior variables include (a) Determination of prices: conditions of pricing at the time of the transaction, (b) Payment system, (c) Cooperation of marketing institutions. Market behavior is a habitual pattern and activity carried out by marketing institutions in determining cashew prices and forms of cooperative relationships and payment systems.

3. Results and discussion

3.1. General description of Southeast Sulawesi

Southeast Sulawesi Province is located in the Southeast peninsula of Sulawesi Island, astronomically located in the southern part of the equator with a land area of 38,067.7 km². Based on its geographical position, Southeast Sulawesi Province in the north is bordered by South Sulawesi Province and Central Sulawesi Province, in the south it borders with East Nusa Tenggara Province in the Flores Sea, in the east it borders Maluku Province in the Banda Sea and in the west it borders South Sulawesi Province in the Gulf. Bone. With the existence of Southeast Sulawesi Province which borders with various provinces is a very strategic position as one of the centers where cashew supply is being imported.

Judging from statistics, it shows that the average cashew production in the period 2010-2014, there are five provinces as cashew production centers, namely East Nusa Tenggara, South Sulawesi, Southeast Sulawesi, West Nusa Tenggara and East Java. The five provinces contributed 82.91 percent of Indonesia's average cashew production. Southeast Sulawesi Province is one of the largest suppliers of cashew nuts in Indonesia, which ranks third after East Nusa Tenggara and South Sulawesi with a contribution of 12.94 percent. Distribution of smallholder cashew plantation production in regencies/cities in Southeast Sulawesi Province is 6,162 tons or 40.84 percent of cashew production from Konawe Selatan, Muna Regency production is 2,610 tons or 17.30 percent, Konawe Regency is 2,562 tons or 16.98 percent and North Buton Regency amounted to 847 tons or 5.6 percent while other districts including Buton District contributed 19.26 percent to cashew production in Southeast Sulawesi.

3.2. Market conduct

Market behavior is an activity or activities carried out by traders involved in the marketing of cashews in the face of the existing market structure for the purpose of getting maximum profit. Activities shown by traders include buying and selling activities, payment systems, pricing processes, marketing agency collaboration, marketing functions activities [11]. Analysis of market behavior can be explained as follows:

3.2.1. Pricing mechanisms. Price determination mechanism is a process carried out by the buyer and seller in determining the price of cashew nuts and organic cashew nuts. Technically the price of organic cashew nuts and cashew nuts is determined based on the quality level of organic cashew nuts and cashews which are shown from the structure that appears from their skin color, yield and water content, as well as the determination of the price of organic cashew nuts is determined by the conditions of supply cashew nuts or the availability of cashews, the number of requests, the quality of cashews produced by grade. The research findings are consistent with opinion [12] which explains that the demand and supply situation is the main factor considered in setting the selling price. It is further emphasized by [13] which states that the decision taken by a company in deciding prices is influenced by factors of market nature, demand, and competition.

The results of the study showed that in general the price of cashew nuts was determined by traders, both traders of the village, processing of large traders and processing of large traders, although there was a bargaining between the two parties. It can be further explained in this research that each marketing institution has rules that must be followed. This is indicated by the condition when determining the price of cashews sold by processing farmers, the trader determines the price of IDR 145,000/kg can even raise the price higher by IDR 150,000 on condition that payment will be made some time after the Eid. This explanation is confirmed opinion. Every market participant (trader) has rules that are followed. Information on the pricing mechanism of market participants can be explained as follows:

1) Farmers

The process of determining the price of communication occurs related to the price prevailing at the time of going to sell. Between the two parties and each one already knows the amount of cashew and cashew prices, although in the process there is still a bargain, but the price formed is usually not far from the price set by the trader. In this condition, farmers have a low bargaining position as a result farmers do not have the power to determine the price of cashew nuts so that prices are determined by traders based on prices that occur in the market. This explanation is in line with the opinion [11] that the market is a place where there is the strength of demand and supply and the formation of prices. In principle, farmers receive a fixed price. The situation of price information can be known by farmers because farmers also have a strong network as well as village collector traders.

The process of determining the price of cashew nuts is seen from the quality of the cashew nuts offered by the suppliers and the amount of supply. At the farmer level, when they are going to sell

cashew logs to big traders in Baubau City, big traders will contact and ask about the current price of cashew nuts.

This condition shows that the price at the farm level is determined by large traders. In general it can be concluded that the position of farmers in Southeast Sulawesi when price determination occurs, farmers have a low bargaining position despite the bargaining process of the price of cashew nuts, but only as a price taker rather than as a price decision maker and in the end what determines the price is the trader/processor based on the price that occurs in the market.

This is due to the relatively small number of cashew nuts sold by farmers so that they cannot influence the market, the number of traders is relatively small when compared to the number of farmers producing cashew nuts, the large supply of cashew nuts entering the market, the a strong network owned by traders to bring cashew nut supply, the capital owned by farmers is relatively small and the price condition of cashew nuts that fluctuates within a span of time in one week can even occur every day.

2) Processing farmers

Some Southeast Sulawesi farmers carry out cashew nut sales activities to processing traders. In the process of determining the price of cashews, it is the collecting/processing trader and processing large trader based on market mechanism. The price is influenced by the existence of the supply of cashews (supply) and the amount of demand that occurs in the market.

3) Large traders

Most of the big traders in Baubau City sell cashew nut to village/processor traders in Moko, Lombe and Labasa villages that determine the price is the market in the sense that the price has been formed and each party already knows the price of the cashew. In determining the price of cashew nuts it is done with careful calculation, because there is a difference of IDR 500/kg will cause buyers to switch to other places so that large traders must be active in hearing price changes.

Further search results from large traders regarding the behavior of collecting / processing traders show extreme actions in determining the price of cashew nuts. One of the village traders / processors buys cashew nuts at a higher price than the price of cashew nuts in Lombe Village which is one of the villages in Gu District as the center for the management and sale of cashew nuts. The unique behavior carried out by the collecting traders is not the price offering from the receiving trader but from the collecting trader by offering an increase in price of IDR 100/kg - IDR 200/kg. This is done with the reason to win the competition among fellow traders and to provide space to be considered by large traders when making transactions with traders. Under these conditions the collecting / processing trader acts as a marketer because of various bidding actions so that the large trader decides to sell the organic cashew nut to the collecting trader.

The price determination process when traders come to sell cashew nuts begins with telephone communication. This communication can be done in two directions, meaning that when the village collector traders have received cashew supply from the farmers, the village collector traders will directly communicate with the big traders of the City of Baubau. In this communication negotiations take place on the selling price of cashew nuts and the amount of supply to be offered and if an agreement is made the seller processes the sale to large traders (exporters) and some traders also come directly to sell cashew cashew results without conducting initial communication via telephone . When conducting sales activities, the wholesaler determines the price even though there is a bargaining process.

Most of the big traders in the process of determining the price are based on the results of the analysis of the costs to be incurred and the risk of loss that will be received if the cashew is bought in a damaged condition and shrinkage risk. With all due consideration because the cashew that is bought is sold back to large companies /traders in Surabaya so that there still needs to be additional treatment such as sorting, drying, packing and purchasing sacks which certainly requires a fee.

Large traders (exporters) sell cashew nuts to traders / companies. In this condition, the party that determines the price is the company/wholesaler, even in the event of communication, the Baubau trader has offered a price. However, the price determination was not final at the time of negotiations because the agreed price could decrease after the envoy of the buyer came to the exporter merchant's place to see the condition of cashew and conducted several tests to determine the quality level by analyzing the yield level.

The process of determining the price carried out by large traders in Surabaya can be said to be very complicated and can provide a great risk of loss for large traders Baubau (exporters), because the price is determined based on the results of tests/tests both the moisture content test, the number of seeds test and viewed from physical appearance cashew produced.

4) Village collector traders/processors

Moko Village traders/processors sell cashew nuts to processing big traders. There is a price determination process that is determined by processing big traders based on market mechanism, meaning that both parties have known each other the price of cashew nuts at the time of sale. Collector traders fully submit the price of cashews determined by large processing traders. In determining the amount of the sale price based on the purchase price information from retailers in Jakarta through representatives of large processing traders in Jakarta. (launcher). This condition is different from the process of determining the processing wholesalers in Lombe, Gu District, who determine prices based on an analysis of the costs incurred for poisoning, stripping, drying, packaging, transportation and shipping costs and the purchase price of cashew nuts in each kilogram. From this information, the price of cashew nuts will be sold and purchased.

5) Cashew nut wholesalers

Determination of the price of cashew nuts at the time the Lawela village traders sell organic cashews to large traders is determined by large traders. Pricing is based on an analysis conducted based on the availability of cashew nuts (supply), the demand conditions of cashew nuts on the market and the results of communication with major processing traders in the Lombe District related to the price of cashews. The research findings are consistent with the opinion [12] that the demand and supply situation is the main factor considered in setting the selling price.

The results of the search show that the big traders in determining the price do not communicate with fellow big traders in the City of Baubau so that it gives an opportunity for the collecting / processing traders to find information on the price of cashews that apply at the time of the transaction.

Further search results related to changes in the price of cashews in the City of Baubau price fluctuations can last two weeks to one month. This condition is different from the conditions that occur in Central Buton Regency as a center for the management and processing of cashew nuts, price changes can occur every week or even every day.

6) Big processing traders

The process of determining prices during transactions between large processing traders and retailers in Jakarta is determined by the market in the sense that both parties position themselves as price determinants so that there is a bargain. Large processing traders will ship cashew nuts upon request and have agreed upon the price, class and amount of cashews. Cashew nuts are delivered every week with a total of 16 tons delivered by three large processing traders.

7) Retailers

Determination of the price at the time the retailers carry out the activity of buying cashew nuts from processing farmers, wholesalers and collecting villages processing villages is determined by traders. Collector/wholesaler. Traders determine prices based on consideration of the condition of the supply of cashews and market conditions.

The results of in-depth interviews with one of the retailers in Baubau City, the process of determining the price of cashew nuts at the time of the transaction was determined by the condition of the number of cashews owned and whether or not the transactions that occurred with consumers. If the amount of cashews is large and the conditions of transactions with consumers are reduced, retailers determine the price and vice versa if the supply of cashew nuts in the warehouse decreases and transactions with buyers (consumers) are smooth, there will be bargaining between retailers and retailers. the sellers (processing farmers, collecting traders / processors) but in the end the retailers as the buyers determine the prices.

3.2.2. Payment system. The payment system is a system imposed by market participants involved in the marketing of organic cashew nuts and cashew nuts. This payment system shows the transaction activities carried out by processing village collecting traders, processing wholesalers, processing cashew traders, as well as traders retailer. Marketing institutions involved in the marketing of organic cashew nuts and cashew nuts apply a diverse payment system that is adjusted to the state of the quantity of cashew nut supply to be sold and the financial condition of the traders and the familial relationship between the traders.

The findings at the research location show that there are 4 payment systems applied by market participants at the time of the transaction including cash payments, down payments, partial payments and payments with the debt system. These findings differ from the results of the study [14] which consists of two systems of cash payments and later payments. The existence of differences in payment systems carried out by market participants when transactions occur is influenced by several factors, namely the condition of capital owned by traders, products purchased in large quantities, the level of closeness of the relationship, the length of time that exists between the seller and the buyer.

Related to capital ownership, in marketing cashew / cashew nuts it requires a very large capital. With large capital, you can buy cashew nuts and cashews in large quantities so that you can implement a cash payment system. These findings are consistent with research [15] that the more capital owned by traders, the more products that can be purchased. This will give a positive effect on value of agriculture sector [16]. Regarding the payment system applied by marketing institutions involved in the marketing of organic cashew nuts and cashew nuts, it can be explained as follows:

1) Farmers

The payment system that occurs when a transaction between a farmer and a village trader is made by cash payment. The whole cash payment was made by traders in Southeast Sulawesi. These activities are carried out by traders who have sufficient capital and the number of cashew nuts sold by farmers is not too large 50 Kg - 100 Kg of cashew nuts in one season while farmers' activities in selling cashew nuts to traders are not carried out one time but in stages according to the ability of farmers to collect cashew nuts and when farmers are pressed for needs that must be met.

The total sales of cashew nuts ranges from 10 kg to 50 kg. With these conditions make it easier for traders to make payments in cash. In contrast to the farmers in the Kalia-Lia Village, Baubau City, they sell cashew nuts in a very small amount when compared to other villages in Central Buton, Buton and South Buton. The farmer will sell every time he collects the results of the cashew nut, he will directly sell it to the village trader, even if only 5 (five) kg.

2) Processing farmers

Processing farmers are part of market participants. Processing farmers when making cashew transactions that are produced to the village / processor traders and processing large traders are done with a cash payment system. Whereas when a processing farmer buys cashew nuts from a village collecting trader or a large processing trader using a down payment system, partial payment and a later payment system (debt). In this condition, it can be explained that when farmers need cashew supply, farmers come to collectors and processing large traders to negotiate the amount of cashew to be purchased and the payment system applied. In the communication system, an advance payment system

was agreed on the proposal of the processing farmer. This is done by the processing farmer to get certainty about the purchase of cashew as well as helping traders in the ownership of capital at the beginning of the purchase of cashew.

The amount of the advance payment is only a part of the total cashew payment and after the collecting traders have purchased the cashew nut, the processing farmers make additional payments, but the processing farmer at the same time increases the number of cashew nut shells beyond the agreed amount, which means the processing farmers have not pay off the entire payment with the agreement will pay it off after the sale of cashews and cashews will be sold to the traders. This is done as a bond between farmers and traders and as an effort to maintain the availability of cashew nuts when processing large traders meet the sales demand from retailers from outside Southeast Sulawesi.

Some processing farmers at the time of buying cashew nuts to traders to implement a payment system later (debt). This condition can be explained that the application of this payment system is based on an agreement /commitment from the processing farmer to resell in the form of cashews and will pay debts (cashew that has not been paid) when a transaction occurs between the processing farmer and the trader.

3) Wholesalers

Recipient traders and spreaders of cashew nuts implement a cash payment system to farmers who come to sell the cashew nuts they produce and apply a down payment system, a cash payment system and a partial payment system to traders/processors. The advance payment system, known as the down payment traders, is carried out not based on the wishes or rules applied by large traders who act as recipients and spreaders, but rather the desires of the processing village collecting traders from Moko Village, Labasa Village and Lombe Village.

The results of in-depth communication with one of the traders/processors related to the down payment/down payment is made when the collecting traders come directly to the place where the big traders carry out cashew nut purchases and transactions occur. If the amount of cashew purchases according to the collecting traders cannot meet the demand, the collecting traders will make an advance payment for the next purchase. This is done on the grounds that it will be more secure and secure to get cashew nuts and at the same time be able to help the distributing recipient traders in carrying out purchasing, weighing, bulk activities that require fees to pay employee wages and payment of cashew nut delivery to the collecting traders at cost IDR 26.000/50 kg. The payment is made through the transfer of the recipient's merchant account after the cashew nut reaches the collecting/processing trader.

Large traders who act as recipient and distribution traders also apply the payment system behind. The payment system behind this is a payment system that is made after the cashew nut arrives at the collecting/processing trader with the payment amount according to the price prevailing at the time of the purchase in cash. The payment system behind this happened after there was an agreement between the big traders and the traders/processors without having to meet face to face, but communication via telephone negotiated related to price, quantity and quality. The payment through an account is carried out based on the agreement of both parties.

4) Village collector traders

The products sold by collecting traders at the time of selling activities to large processing traders in the Lakudo District of Moko Village are cashew nut products. The cashew products are cashew nuts which have been processed by the poisoning process. The payment system that occurs at the time of the transaction between village collecting traders and processing wholesalers and cashew nut supplier suppliers is done in four versions, namely cash payment and partial payment, back payment (debt), and advance payment.

Cash payments are made with consideration when the large processing traders have large capital and the amount of cashew nuts that are not supplied in large amounts while the partial payment at the time of the transaction and the rest is paid in the back is done when the capital conditions of the large

processing small traders and large amounts of cashew nuts that are supplied. But it can be explained that the payment system does not last long only around 2- 4 days. The payment system had previously been agreed between the village collector traders and large traders by telephone. In this communication it was agreed that the number of cashews to be sold and the payment system would be carried out in stages provided that the first stage of payment was 40 percent of the total sales proceeds and 60 percent after the major processing traders received the cashew nut sales from retailers at Jakarta.

It is different from the payment system carried out by village collection traders when making payment transactions to large traders who act as recipients and spreaders of cashew nuts applying the advance payment system. Village collector traders handed over money to the recipients and spreaders of cashew nuts. without proof of acceptance. This is done because they have trusted each other and have long subscribed. With the psychological advance payment, the recipient trader will prioritize when the cashew supply is available and will immediately make the shipment, which was preceded by talks and negotiations related to the quantity and price of the cashew nut, and after arriving at the village trader, the payment will be made by transferring through the recipient and spreader merchant accounts.

The condition of the payment system applied by each trader involved in the marketing of cashew/cashew nuts is inseparable from the situation of village collecting traders as buyers and suppliers of cashew nuts. This can be explained that if the cashew nuts owned by suppliers from various regions are in abundant condition without conducting initial communication with the village/processor traders as the recipient, the supplier traders immediately bring the cashew nuts to the village/processor traders. This condition will cause the recipient to not make a transaction in cash or be paid in part but will be paid later (debt) until the village/processor trader has sufficient capital to make the payment.

5) Large processing traders

Processing big traders implement a cash payment system, when processing farmers do sales activities to processing big traders. Some collector traders in Labasa and Moko villages receive partial payment. The partial payment system is carried out by processing large traders, which has insufficient capital to pay large quantities of cashew nuts on average 200 kg. This is done with consideration that the collecting traders who come to sell are traders who have long been the partners of large traders and will be repaid after two to three days. As proof of partial payment, receipts are provided to the seller and when the trader has received payment from the sale of cashew nuts from retailers in Jakarta, the large processing traders contact the village / processing collectors to settle the payment.

Most of the big processing traders apply a cash payment system at the beginning of the purchase of cashew nuts to traders outside Southeast Sulawesi (Taliabo Region) by transferring some cashew cash payment to be sent through an account. In this condition it can be explained that the large processing traders make payment transfers before the cashew nut arrives at the processing large traders and without prior meeting between the two parties and there is no guarantee only through the intermediaries of the large Baubau traders. The cash payment was made as an implementation of the results of communication with traders outside Southeast Sulawesi. However, in the process of the cooperation journey, large processing traders were disadvantaged. This condition occurs as a result of the absence of a written contract that has legal force from both parties between the supplier (Traders outside Southeast Sulawesi) with the buyer (large processing traders and collecting traders processing village of Moko Village) so that the seller (traders outside Southeast Sulawesi) receives money without sending a certain amount of cashew according to the agreement by telephone.

6) Large cashew cashew traders

The big traders in this study consisted of five people who had different marketing function activities that caused different behaviors. Two traders (exporters) whose marketing orientation is intended to supply large traders of Surabaya, although sometimes they also meet the demands of Southeast

Sulawesi traders and three traders who supply the demand of traders in Moko, Lombe and Labasa villages.

The payment system applied by Baubau wholesalers (exporters) in purchasing cashew at the collecting trader level using a cash payment system. This is done because large traders in purchasing cashew nuts collaborate with large Surabaya traders by providing capital used for purchasing cashew nuts. However, the capital provided is a down payment of a large trader to the Baubau wholesaler (exporter). In this condition it can be explained that Surabaya wholesalers/companies when they need cashew supply to meet the demand for cashew export, communicate via telephone. In the communication, there was a sale price negotiation, the amount of cashew needed and the payment system to be implemented.

In connection with the large number of cashew requests, large Baubau traders will agree with the provision that the Surabaya wholesaler make a down payment of 90 percent and the remaining payment will be made when the company delegation arrives at Baubau and conducts cashew test and cashew activity Organic spindles have been packaged and already in containers and ready to be delivered at the time that the remaining 10 percent payment is made in full through the account of the large trader (exporter).

Payments made in stages are intended to prevent and worry about the quality of the cashew that has been agreed via telephone is not in accordance with the conditions in the field at the time of testing/quality testing and organic. This is done by the buyer not wanting to be harmed. Because cashew business requires a very large cost and incorrectly determining the price in each kilogram can have a large loss effect for both Baubau and Surabaya big traders. Payment of cashew nuts in three containers, which means that in one container is 18,000 kg if the demand for three containers means that the amount of cashew prepared is 54,000 kg with a valid price of IDR 23,000, total payment of IDR 1,242,000,000.

Large traders whose orientation is primarily aimed at meeting the demands of traders Moko, Lombe and Labasa apply a cash payment system to farmers who come to sell cashew nuts they produce and apply a down payment system, a cash payment system and a partial payment system to the collector / processor trader. The advance payment system, known as the down payment traders, is carried out not based on the wishes or rules applied by the big traders, but on the wishes of the collecting/processing traders from Moko Village, Labasa Village and Lombe Village.

The results of in-depth communication with one of the traders / processors related to the down payment/down payment is made when the collecting traders come directly to the place where the big traders carry out cashew nut purchases and transactions occur. If the amount of cashew purchases according to the collecting traders cannot meet the demand, the collecting traders will make an advance payment for the next purchase. This is done on the grounds that it will be more secure and secure to get organic cashew nut and at the same time be able to assist the distributing recipient traders in carrying out purchasing, weighing, bulk activities that require costs to pay employees' wages and payment of cashew nut delivery to the collecting traders at cost IDR 26,000/50 kg. The payment is made through the transfer of the account of the big trader after the cashew nut reaches the collecting / processing trader.

Large traders also apply the payment system behind. The payment system behind this is a payment system that is made after the cashew nut arrives at the collecting/processing trader with the payment amount according to the price prevailing at the time of the purchase in cash. The payment system behind this happened after there was an agreement between the big traders and the traders / processors without having to meet face to face, but communication via telephone negotiated related to price, quantity and quality. The payment through an account is carried out based on the agreement of both parties.

7) Cashew nut wholesalers

Village collection traders carry out cashew nut sales activities to large traders. In making transactions with collecting traders, a payment system is done in cash and some large traders apply partial

payment. This partial payment was made because the traders did not have enough capital to pay the entire price of cashews sold by traders who came from the villages of Lawela and Barangka. This situation is based on the collector traders when they are going to do sales activities to large-scale traders, not only one collector but 3-4 people. This is done by Lawela village traders to make the cost of transportation more efficient with a stocking system.

8) Retailers

Retailers implement a payment system in cash and partial payment when making cashew nuts from collectors / processors and processing farmers. The results showed that cash payments were made by retailers to processing traders when the amount of cashew nuts that were purchased was 10 -100 kg. Partial payment is applied to retailers when the amount of cashew nuts purchased is above 100-200 kg in each purchase.

This partial payment is made in two stages. The first phase is paid together with the purchase of cashew nuts with a percentage of 50 percent of the total payment and the second stage of payment is made one week after the second stage of payment and no later than 10 days.

Some retailers in Jakarta which are the destination of the big processing traders in Moko and Lombe villages apply a cash payment system and partial payment. The results of in-depth interviews with one of the major processing traders explain the behavior of retailers in making the payment of cashew nuts that are purchased varies, for example sales made in the Tangerang area apply a cash payment system while retailers in Bekasi with partial payment systems with three payments up to four payment stages depending on the number of cashews purchased.

3.2.3. Marketing institute cooperation. Marketing agency collaboration is a behavior carried out by market participants to support the smoothness and ease of marketing activities so that they can meet the needs of consumers on time, shape and price. The results showed that the cooperation had been carried out by market participants in distributing cashew nuts from farmers who then carried out the poisoning process by traders who produced cashews to consumers. The traders involved in marketing collaborate based on the length of time the traders carry out buying and selling activities and the mutual trust and family relations that exist between the traders. Collaboration between marketing institutions can be explained as follows:

Cooperation at the farmer level already exists, this can be seen from the formation of groups that facilitate farmers in carrying out management activities, cashew poisoning, cooperation in terms of sharing price information delivery among farmers. The cooperation benefits farmers and processing farmers when they sell cashew nuts at the level of the traders in the processing villages and the big traders in the processing.

Collaboration at the level of large cashew nut traders in Baubau City has built cooperation with fellow recipient traders, especially when determining the price of cashew nuts sold by farmers so that the price of the traders does not lose customers. Because based on the results of the search explained that when there is a difference in price of IDR 500/kg farmers will switch to selling other large traders who according to farmers will offer a higher selling price of cashew nuts.

Collaboration is also carried out by traders and recipients of cashew nuts by providing capital to farmers for land-clearing activities for farmers when harvesting will be in the amount of IDR 500.000 - IDR 1.000.000. The amount of capital given depends on the area of land owned by farmers. Provision of capital is carried out only to farmers who have long subscribed and become suppliers of cashew nuts. However, in providing capital there is no proof of receipt given as proof of capital receipt. This is done because farmers and traders already trust each other. The collaboration that was established was not in the form of an institution.

Large traders who act as recipients and spreaders in addition to building cooperation with farmers as suppliers of cashew nuts also establish cooperation with traders of cashew nut processing / processing. This cooperation is carried out so that the supply of cashew nuts is always available during the cashew harvest season and can meet the demand of processing traders who come from Moko

Village, Lakudo District and Labasa Village, South Tongkuno District, which are used as raw materials for processing cashews. Cooperation that is done is not in written form which does not have legal force.

Wholesalers who act as recipients and spreaders of cashew nuts in building cooperation with the collecting traders are related to fulfilling the demand for cashew nut supply and determining the price of cashew, even the provision of cash advances as the price of cashew nuts to be supplied to the regions cashew nut processing trader. This condition occurs naturally without any supervision. Most of the big traders act as recipients and spreaders do not accept offers of cooperation in the provision of capital assistance from cashew nut traders. The rejection was made on the grounds that the recipient and spreader traders did not want to be bound and pressured by the big city traders (exporters) of the City of Baubau because in the end it would continue to determine the price determined and must meet the amount of supply offered.

Cooperation at the processing wholesaler level has been well established. This can be seen at the time of sending cashew nuts to Jakarta, the traders cooperated in the payment of container/cashew nut fees. The merchants carry out the function of transporting cashews together to the City of Baubau and proceed with shipping to Jakarta at a container fee of IDR 22,000,000 each time sending with cashews together, so that the shipping costs are reduced for each large trader processor.

The cooperation between large-scale Baubau traders (exporters) and big traders in Surabaya has been long established in a period of 15 years. The implementation of the cooperation can be realized in the form of a down payment or can be used as capital in the purchase of cashew nuts in large enough quantities. Likewise, cooperation with other large traders, especially in helping meet the supply of cashew nuts.

The collaboration also includes meeting the demand for cashew supply by retailers in Jakarta. This collaboration is carried out by village/processor traders by selling processed cashew nuts to large processing traders, where some of the collecting traders have not yet received the proceeds from the sale of cashew nuts in the form of payment of the cashew nuts sold.

Cooperation is also well established by village collectors/processors in determining the wage of pengacip workers applied with the same wage amount of IDR 3,000/kg so that the activities of poisoning can be done well without any unfair business games among traders. Cooperation at the village / processor level traders has been well established, especially in terms of determining the price of cashews that have the same price information. Likewise with cooperation in terms of meeting the demand for cashews owned by collecting traders. This is done when large traders carry out sales activities to destination areas such as Jakarta, Surabaya, the collecting / processing traders will divide the number of cashews to the processing big traders so that there will be harmonization between the traders. This situation was carried out on the basis of the existence of family ties among the traders. Likewise, the determination of the price of cashews is very open and there is no price speculation game that only benefits unilaterally.

Collaboration at the wholesaler level has been conducted, although not in writing. But only in the form of talks that do not have legal force. The collaboration that has been built for decades between the two parties has had a positive impact on the large traders in the City of Baubau. This can be explained when the price of cashew nuts has increased in other large traders according to information obtained from the collecting / processing traders but for traders not going to sell to these big traders. This situation occurs because large traders during the marketing process between the two parties do not commit price information fraud, even large traders when there is an increase in the price of cashew nuts, large traders will immediately contact the processing traders and said there will be an increase in prices even when the number of cashews large-scale surplus merchants who have been subscribed to will still receive all cashews offered at the current price and made in cash.

Collaboration is also carried out by large traders by providing capital as an aid in the cost of cashing cashew spices but some village traders / processors in the Lawela Village did not accept the offer on the grounds that they still had sufficient capital to fund the process of the polling.

Collaboration at the retailer level of Baubau City with various village traders in the location of the research has been carried out but not in written form. The collaboration can be explained related to the purchase of cashews. If the supply of cashews owned by retailers is in a surplus, retailers will still buy cashews offered by traders who have become business partners at standard selling prices without lowering their prices. This is done with the consideration of not wanting to disappoint the traders who have long been subscriptions since 2007.

Different treatment for traders who only sell once a year which can be said is not a business partner/not a customer, then retailers when the cashew supply is in a surplus state refuse to buy cashew nuts.

The cooperation that has been developed between some retailers in Jakarta, which is a business partner of the Lombe village processing large traders, has been well established, although not in written form, but is well implemented and mutually beneficial. The cooperation that was established was certainly preceded by communication and continued with a meeting between the two parties. The big processing traders come to retailers in Jakarta without bringing cashews, but negotiations and agreements are mutually beneficial for both parties. Furthermore, after the agreement of the two parties, the big processing traders do cashew nut sales activities as requested in the original form to retailers and sell cashew nuts and payment is made after three days the retailers receive the cashews.

The purchase of cashew nuts is then carried out without the need for large processing traders to come to Jakarta but only to be sent via Indonesian National Shipping vessels and retailers make payments through accounts according to the results of initial discussions with processing large traders.

4. Conclusion

Market behavior is shown in every activity of marketing functions by carrying out activities of drying, sorting and grading, financing, by conducting cooperation built in mutual trust in terms of capital provision, fulfillment of cashew nut supply, delivery of cashew nuts together, pricing based on market mechanisms, cost analysis, number of requests and offers by applying a cash, partial, initial and debt payment system. The dominant determinant of prices is traders not farmers although there is a bargain between farmers and traders and prices that occur based on prices that occur in the market and cashew farmers know about market prices available through the farmer's own network, so that the position of farmers is only as a price recipient (price taker) is not a price maker.

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