# SIAM CITRUS MARKETING EFFICIENCY IN JEMBER REGENCY

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## Abstract

Citrus was could to increase farmer prosperity, to arise regional and national economics. Therefore, it needs research about citrus marketing in Jember Regency. This objective of the study was (1) to identify and analyze channel of siam Citrus marketing in Jember Regency; (2) to identify and analyze citrus marketing efficiency. The study was conducted in selected areas of Umbulsari, Jember Regency, East of Java. The determination of research area was based on purposive sampling method. The method of data analysis used in this study was marketing efficiency analysis. The result of research indicate that (1) There are three category that showing channel of siam citrus marketing, there is : (a) from farmer to PP I (compiler merchant) then to PP II (consignor merchant) last to PBLK ( market), (b) from farmer to PBLK through of PP II, (c) from farmer directly to PBLK (market). (2) Second (2nd) channel of siam citrus marketing is efficient channel. Others there was still imbalance distribution of marketing margin, profit and marketing cost, as well as the ratio of profit to marketing cost of the market actors.

Keywords : *siam citrus marketing channel, marketing efficiency.*

## Introduction

Oranges are one of horticultural commodities are quite beneficial for members to use and has been shown to improve the welfare of farmers. Potential economic value that can be utilized from a relatively large citrus crop. Besides consumed as fresh fruit, citrus can potentially be processed into various products that have high economic value. The result of a citrus fruit that is commonly done is in the form of pure juice, juice fast food, watches, jelly, and mamalade.

Approximately 70-80% developed type of orange citrus growers still a Siamese, while other types are tangerine and pamelo. Most of the citrus fruit produced from the entire production centers traded and consumed in fresh form (Ministry of Agriculture, 2005).

Jember is a regional production centers in East Java, Siam oranges, better known by the name of Orange Semboro, because the first work in the area of orange groves. Siam Jember famous orange with a sweet taste, soft texture and fresh fruit with a gentle aroma and easily exfoliated skin. In the years 1998-1999 for the first time Umbulsari oranges cultivated in the district, followed Semboro District and District Bangsalsari. This is because he has done eradication in some central areas caused by the Siamese orange

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CVPD attack. In all three areas of this district, citrus crops are generally cultivated in the land / paddy field with Latosol and Alluvial soils. It is backed by the economic value of citrus Siem very promising for farmers compared to conventional commodities cultivated during this and the public interest / farmers who are still high (Department of Agriculture and Food, 2005).

Based on the tendency of such a society and so that farmers can obtain accurate information on citrus agribusiness in Jember siem, it is necessary to do research on Factor Analysis of a Group Determinants of Farmer Participation, Revenue and Marketing in Orange Siem Jember.

Citrus marketing is happening right now through the traditional pattern of the system blow, bonded to the collectors. Bargaining position of farmers as producers still felt weak.

Problem:

1. How is siam citrus marketing channel in Jember?

2. How is the efficiency of marketing citrus in Jember siam?


**Theoritical Framework**

1. All-items approach: an approach to measuring marketing involving certain goods move from producer to final consumer point.

2. Versatile approach to the functions: marketing mempelkajari classification in terms of activities and functions, including:

   a. Exchange function: there are two sides of the transaction or the seller and buyer.

   b. Provision of physical function: the transfer of physical goods from producers to consumers.

   c. Supporting functions: to support the activities of other functions which consists of the provision of funds, underwriting risk, product standardization, grading and market information.

3. Paced approach to learning institutions in terms of marketing organizations or institutions involved dala marketing activities such as manufacturers, wholesalers, retailers, extension agents such as transport companies, storage companies and auxiliary agents such as advertising agencies, financial and others.

According Soekartawi (1993), the difference in prices paid by manufacturers and prices are provided by the consumer after deducting the cost tataniaga called profit or marketing marketing margin. The profit margin is closely related to margin and cost tataniaga tataniaga. In the marketing of agricultural commodities is often found that the length of the marketing chain so that many market participants involved in the marketing chain. The result is too the fortunes of the market (marketing margin) are taken and or marketing costs incurred by the marketing agents.

Some of the causes of the marketing chain or agricultural marketing channel length is as follows:

1. The market does not work perfectly.

2. Weak market information.

3. The weak position of the manufacturer to make an offer gunamendapatkan good results.

4. Weak producers take advantage of market opportunities.

5. Implementation of farming that is not oriented to the market but hereditary.

In Masyrofie (1994), the marketing agency is a legal entity or individual conducting the business of marketing, delivering commodity services from producers to final consumers as well as having relationships with other entities or individuals. The need for consumers to obtain the commodity in accordance with the time, place and form that led to the need for the presence of unwanted marketing agencies.

According to the mastery of a traded commodity marketing agencies can be divided into three:

1. Institutions that do not have but the master object, such as an intermediary agent, broker (broker, selling broker, buying broker).

2. Institutions that own and control of agricultural commodities are bought and sold as collectors, middlemen, exporters, importers.

3. Institutions that do not own and control of agricultural commodities are traded, as the provider of transportation facilities, insurance marketing, the company determine the quality of agricultural products (Laboratory of Agribusiness Management Team, 2001).

Market structure affects the performance, while the determination of good or bad depending on the level of market performance efficiency and productivity of the enterprise

or farm. Marketing efficiency used to assess the market performance of the marketing process. Efficiency is the ratio increased output - input is measured by:

a. Output fixed while the input is reduced.

b. Output increases while input remains.

c. Increase in output is greater than the increase in input.

d. Output decline more slowly than the decrease in input.

In theory the concept of agricultural marketing efficiency many definitions, but all contain the advantages and disadvantages. There is no limit to the efficiency of marketing of agricultural raw materials, but in this study the researchers tried to cite the opinion that the concept of efficiency in Masyrofi Mubyarto (1994) is said to be efficient when marketing 1) capable of distributing agricultural products from farmers at a cost producers to consumers as cheaply -cheap, 2) capable of holding a fair share of the total price paid by end consumer to all parties involved in the production and marketing of these commodities. Further indicators of the efficiency of marketing of agricultural products according to Masyrofi (1994) can use the following sizes: marketing margin, Intensity of Competition, and Analysis of Price Transmission Elasticity.

According Syaifuddin (1986) that the definition of efficiency in the view of private entrepreneurs with different consumer interests caused by perbedan. In the view of private entrepreneurs, the notion of efficiency is when the sales of its products can be profitable for him at a low cost, where it is divided into two kinds of technical and economic efficiency. Technical efficiency is the product of physical control, eliputi procedure, technically, the scale of operations with the aim of physical savings. While economic efficiency means companies with techniques, skills and knowledge to work on the basis of low cost and earn profit. Meanwhile, the efficiency in the eyes of the consumer or the consumer if the social is easy to obtain the desired goods at low prices and achieve maximum satisfaction level.

Indicator of marketing efficiency by Masyrofie (1994) include the marketing margin, the intensity of competition, price elasticity analysis of transmission and market integration. One of the highlights for the use of these indicators in the marketing of agricultural commodities is the analysis of price elasticity tansmisi. Analysis is used to study the response of prices of agricultural commodities at the farm level (farm gate price) due to changes in consumer prices through price information. Therefore, the definition of price transmission elasticity is the percentage change in retail prices as a percentage of

producer price at farm level. According to the empirical experience that most agricultural commodities, the elasticity at the farm level is lower than the price elasticity at the retail level, so the price elasticity of agricultural commodities such transmission is smaller than one.

Market structure (market structure) affects the market behavior can be learned from the market conduct (the aggregate relation between all buyers and / or any seller) and market performance (the performance or results of the aggregate relationship). Oligopoly market structure of inputs such as prices tend to be detrimental to farmers on market structure is likely to be higher than the price in a perfectly competitive market. In contrast, the output market structure tends to depress prices oligopsonis output is also detrimental to producers. If a relatively large number of sellers and each seller can not create excessive profits (economic rent) then the market is likely to compete and this meant no harm petani.Dalam market structure such circumstances there is no reason to say that the input or output market structure negatively affect the production .

According Soekartawi (1993), a technique SCP (Structure, Conduct, Performance) is a technique that can improve marketing efficiency and also pay attention to "Welfare Society" (for example, can absorb labor, reasonable prices hurt consumers but not producers, the existence of an efficient marketing and create healthy competition). This concept can be used to identify the overall marketing efficiency. The things to note are:

1. Market Structure

   Both producers and consumers need to know and understand the market structure, things to know include the size (the size) the number of producers and sellers as buyers in the process of determining the amount of high quality and low price competition, entry and exit system that need to be known as well as a sufficient number of producers to supply the goods in the amount available at any time given the characteristics of agricultural commodities.

2. Market Conduct

   Market behavior is a pattern of behavior of market participants in making adjustments to the market structure faced. In this case the market participants need to understand the flow of goods into the hands of consumers. The four aspects that need to be seen is how the price of the item form (eg additional treatment so that the standardization of the quality of these goods have a higher value), whether the goods are taxed the same thing happens in a healthy market, in analyzing whether the goods from producers to

consumers required treatment specifically to the quality of products meet consumer tastes.

3.  Market Performance

    Understanding of the market performance is required by market participants to be able to read exactly how the marketing mechanism itself. Activities related to the appearance of this market such as the use of technology in marketing, market growth, efficient use of resources, saving costs and increasing the amount of goods that are marketed so that maximum benefit.

**Logical Framework**

For times to come, every agricultural commodity will face increasing competition due to the increasingly complex marketing distribution. Production technology has been developed to suit the market uptake at the right time and at reasonable prices. Marketing / distribution of citrus commodities require adjustment based on the will and the need to pursue the path of the most profitable. Long before the study began, studies and market data search must begin. From the data that's effective marketing demand and the market is held as a benchmark, both the volume and quality required, time required, or even kemampan business / production to ensure business continuity. Market in the form of processed citrus products is still a feeling though that the technology is still sufficient and independent of the information that can be held as a benchmark.

Distribution of citrus commodities through marketing channels involving several marketing agencies to conduct activities / marketing functions of each. Some marketing agencies who will be involved in the distribution of these commodities are citrus farmers (as producers), middlemen (traders I), merchant sender (II traders or wholesalers in the city), a wholesaler out of town (the market), retailers and consumers . With the expected commodity marketing channels can be channeled from the citrus farmers to consumers through a variety of marketing channels.

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Market integration aims to determine the effect of the central market price (the manufacturer) to the market (consumer) on certain commodities (Marwa, 2001). Also added by Masyrofie (1994) that the analysis of market integration can be used to look at market behavior. Meanwhile, according to Monke and Petzel in Mawra (2001) states that to measure the level of market integration can be used linear regression models. Therefore, farmers need for information is a commodity market price of oranges, then it should also be seen how much the response of orange commodity prices on farm level due to changes in consumer prices over the prices (Masyrofie, 1994).

The tendency of farmers to choose marketing channels to distribute commodities citrus can be based on age, education and length of farming experience oranges. This trend is the approach used to determine market behavior (Conduct), but is known from the vertical integration approach. While to know the market performance (Performance) it is necessary to approach the marketing margin, profit share, share expenses and share prices received by farmers (producers).

**Hypothesis:**

1) There is integration on the market price of oranges at the farm level Jember Siamese with prices at wholesale level outside the city (b $\neq$ 0) and the percentage change in price at the farm level equal to the percentage change in prices at the level of wholesalers out of town and a perfectly competitive market (b = 0).

2) Channel Jember siam citrus marketing is efficient.

**Methodology**

**Determination of Regional Research**

Research conducted in the District Umbulsari, Jember, East Java, using the method of deliberate or purposive Method (Nazir, 2003). Basic considerations in the area of this study is that Umbulsari District has a population of citrus siem most of which 3500 ha 5600 ha among seven other districts in Jember and is one of the central areas in East Java (Department of Agriculture and Food Security Jember, 2006)

## Research Method

The method used is descriptive analytical method, a method of research by collecting data, preparing data, describe and then analyze the data to establish relationships and position (status) of one variable with another variable (Surakhmad, 1990).

## Sampling Method

Sampling conducted by the marketing agency Snowball Sampling method is a method that starts from a number of farmers (80 respondent) who were asked to indicate on the farmers who sell their commodities and subsequently on the merchant who sells oranges he had bought, and so on (Suratno and Arsyad , 1998).

## Method of Data Collection

Data collection methods used in the study, carried out directly from the farmers and traders orange (respondents) and of the agencies associated with this research. Method of data collection is done by:

1. Observation and direct interviews with respondents using questionnaires (quesioner), the data obtained in the form of primary data.

2. Search for data and information from the agencies related to research in order to obtain secondary data.

## Analysis of Data

1) Analysis of the formulation of marketing margins as follows:

MP = K + BP

or

MP =  Pe - Pp

Description:
MP = Margin Marketing
K = Advantages
BP = Cost of Marketing
Pe = the consumer price
Pp = producer price

2) The ratio of Share Benefits and Advantages to the marketing costs to i is:

$$Sk_i = \frac{K_i}{P_e - P_p} x100\%$$

$$K_i = P_{ji} - P_{bi} - \sum_{j=i}^{n} B_{ij}$$

Description:
Ski = Share profit marketing agency to i
Ki = Return to the marketing agency i
ISP = selling price to the institution i
Pbi = purchase price to the institution i
Bi j = i Marketing costs to the institutions of various types of costs from the cost

3) Share the cost of the institution to the i and j are the types of costs to:

$$S_{bi} = \frac{Bi}{Pc - Pp} x100\%$$

4) Share prices received by farmers

$$SP = \frac{Pp}{Pc} x100\%$$

Description:
Sbi = Share the cost of marketing agencies to i
Bi = The cost of marketing agencies to i
Pp = price selling by producers (farmers)
Pc = price selling by the market (wholesalers out of town)

Criteria of decision making:

a. Share comparative advantage of each institution involved in the marketing process is relatively evenly distributed, and

b. Comparison share profits with marketing costs of various marketing agencies involved in the marketing process is relatively quite logical

To be able to know the type of market it is necessary to know the farmer level, price changes are influenced by changes in consumer prices, were tested using analysis approach to the integration of vertical market with a simple regression model as follows (Hamin, 2001):

Description:
a = intercep
b = regression coefficients
PC = Average price of orange in the consumer

PP = the average price of orange in the producer

Regression coefficient indicates that the market structure forms also occur with the provision that:

If b <1 leads to a monopoly market

If b = 1 is running perfectly competitive market

If b> 1 lead to an oligopoly market

To test for the presence or absence of vertical market integration, then the value of regression coefficient (b) will be performed using the t test with the null hypothesis is as follows:

H0: there is no integration of the price (b = 0)

H1: the price of integration (b ≠ 0)

Decision-making:

If the t-hit ≤ t - table, then H0 is received or no integration between the price farmers with consumer prices.¬

If you hit t-¬> t - table, then the H1 accepted or there is integration between the price farmers with consumer prices.

Analysis followed by a test that uses price transmission elasticity approach, with the response of orange siem commodity prices at the level of farmers due to changes in price levels merchants. These equations in linear form is:

$$Pc \; Ln = \ln a + b \ln Pp$$

Description:
a = intercep
b = coefficient of elasticity of price transmission
Pp = the average price of oranges in the producer / farmer
Pc = price of oranges in the average merchant or consumer

Meaning of testing statistical hypotheses proposed regression coefficient as follows:

Ho: b = 0 or the percentage change in prices at the farm level equal to the percentage change in consumer prices and a perfectly competitive market.

Ha: b ≠ 0, or the percentage change in prices at the farm level is less than the percentage change in consumer prices. Prices at the farm level is less responsive to changes in consumer prices.

**Result and Discussion**

In terms of marketing siam citrus crops, farmers did not experience such difficulties in the years since many farmers have started to send its own siamnya citrus crops to markets outside the city (Large Outside the City). This is caused by two things:

1. Payment system by merchants sender (Large Inner City) to the farmer is paid later, and often jammed payment of up to several weeks. This makes the farmer became restless with promises of money and want to market their own products to market orange siamnya (such as Yogyakarta, Surabaya, etc.).

2. Farmers want to earn greater profits by sending itself to market its products outside the city (Large Outer City) without going through dealers or collectors poster (Large Inner City).

Siam citrus marketing channel for the Village District Sukoreno Umbulsari Jember found there are several channels which are:
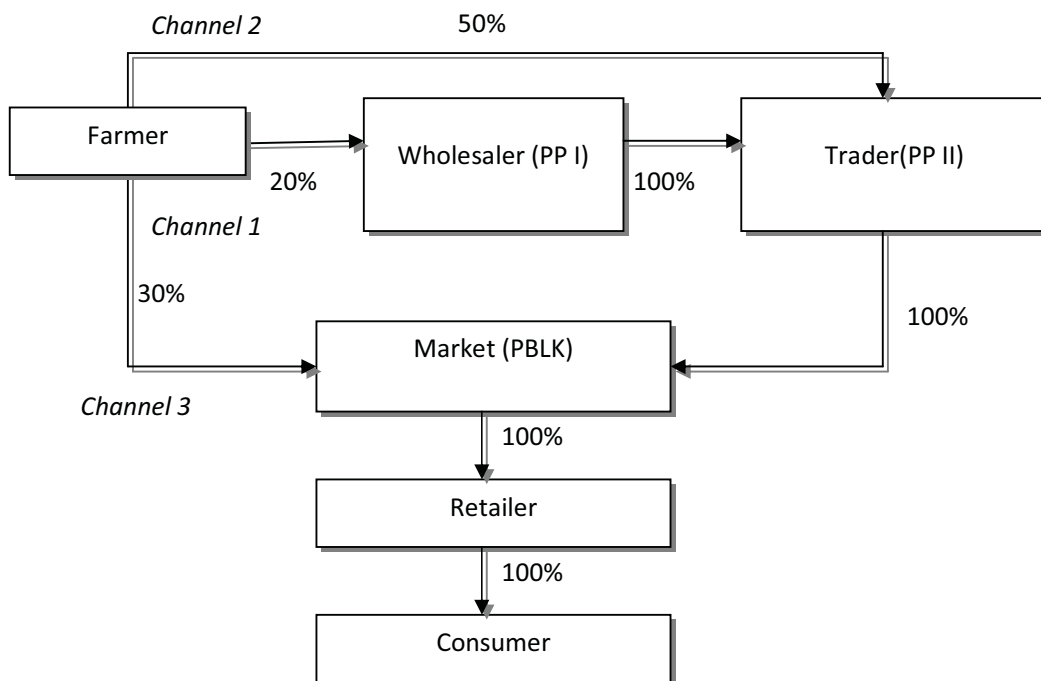


Figure 18. Siam Citrus Marketing Channels schema in Jember

Description:

PP I = Trader collector (better known as middlemen or collectors)

PP II = Merchant Author

PBDK = Large In The City (better known as the merchant sender)

PBLK = Large Outer City (better known as the owner of the market bedhag)

By meeting a demand for the product in quantity and quality between consumers and producers farmers then there siam citrus marketing system in the Village District Sukoreno Umbulsari Jember. Based on the purpose of marketing, there are some cities that are known to date is considered a relatively large contribution to the absorption of citrus products from Jember. Area in question is Yogyakarta, Surabaya, Tulungagung, Bandung, Jakarta, Semarang. So the marketing channels of the farmer to the final consumer can not be separated from areas such marketing purposes.

Some farmers respondents who have supported the spirit to go forward with a relatively wide area of land, usually market their products directly to the traditional markets in 6 (six) of the city. But for some farmers who berlahan narrow, citrus products marketed through other marketing institutions (merchant services) both at the village or district, or known as traders and merchants also sender (PBDK). The next poster collector or dealer will deliver the State of Large Cities (PBLK) in one of the targeted cities

In general, siam citrus farmers in Jember farming began to leave the orientation of the orientation of the product into the market orientation. It is proved that the resulting product has been manufactured in accordance with market demand for both quantity and quality. If there is over supply in the market, the farmers will soon adjust the number of products offered by harvest timing and regulation of flowering.

Are of theoretical, the longer the marketing channel that is formed will be even less efficient because of the marketing agencies that are involved are also becoming more widely (Soekartawi, 1993). But not always true that the shorter the marketing channel that is formed to make the channel more efficiently. Because the efficiency of the marketing channel depends also on the behavior of these marketing agencies and sales systems that do farmers, so the price received by farmers and are charged to different consumers. Differences are influenced by the amount of marketing expenses as a result of activities undertaken marketing agencies and the profit rate is taken as compensation. Shortest marketing chain can be found in the marketing channel III. The problem that arises is that if market conditions in a state of over supply is suddenly (usually citrus from some other areas will come), then PBLK not be able to accommodate large amounts of citrus fruits. This can result in a sale at market prices that do not correspond with the expectations of

farmers. Another problem is also possible to happen if a farmer is not able to manage time for the garden and also to market conditions. This is because some market goals using the payment system later (delayed a few days).

According Sudiono (2002) that the marketing margin analysis can be viewed from two sides, namely from the standpoint of price and marketing costs. However, the marketing analysis is often used is the concept of marketing margin from the point of view of the price difference between the price paid by the consumer (retail) to a product with the price received by farmers (producers).

The marketing margin on channel I is greater than the channel II. As for the third channel is not known because the marketing margin on these channels, the farmers sell directly to markets outside the city. The purchase price of the farmer does not exist and can not be 0 (zero), so that marketing costs can only be known at the third line of Rp. 616.05 per kg and the selling price to the market town of Rp. 3170.92 per kg.II looks more efficient channel for marketing margins less than the margin on the line I. According to the economy, the channel I is better than the second channel, because the channel I involves a lot of marketing agencies. Moreover, if associated with Table 16, shows that the SP on the channel I is greater than the SP in channel II.

Siam citrus products from all of the channel is always aimed at the market outside the city or called party PBLK. PBLK generally take profits through commissions (for the market Jakarta, Semarang and Bandung by 8% while the market for Yogyakarta and other 6%) of total sales. Mostly atatu least profit per marketing agencies will be presented in table 16. Farmers who submit themselves to the market destination not all will get their money directly (cash), because some cities still use the destination markets and payment systems.

In the merchant sender (PP II) in marketing citrus products to the market outside the city siam (PBLK) engage in activities that are a function facility, which is grading citrus products before being sold into the market siam. Some of the PP II or sender that sends farmers into the market with the goal of Jakarta, Semarang or Jakarta, then the grading process (the term is nge villagers Sukoreno-size) made in Jember. So, before going to market, then the product is included in the Siamese orange crates (50 kg capacity) in accordance with standards ranging from A, B, C and D are in different regions of each name. For example, for the Yogyakarta area, the term A, B, C and D, respectively Cenol, Super, Polos and bombs, while for Semarang is the mainstay, Polos, Tronton and Antiques,

to Jakarta and Bandung is Exclusive, Tronton, Super and plain, and to Surabaya is the numbering is 1,2,3 and 4. A wide range of standardized terms and the size of the requested pieces tailored to consumer demand in that market. To market with the purpose of Surabaya and Yogyakarta, the standardization process carried out in markets outside the city. So, just use gronjong PP II (the term for the container when placed in the orange truck diesel) with a capacity of 90 kg each.

Nge-size to that in Jember used traditional equipment and use the labor of about 8 people at a cost amounting to Rp. 35,000 for each one-time rhythm, while the jamming power in the market size is carried out of the city an average of Rp. 150,000 to about 5 people for each one-time rhythm. Farmers are exploring markets in marketing their own products siamnya oranges certainly needs adjustment with actual market conditions. Because the transaction occurred in the market is not fully known by farmer who still fairly new in the competition in the market. PBLK parties in the market outside of the intended sender farmers, generally would make farmers willing to sell the products at low prices. If the farmers refuse to buy products not because harvest usually in conjunction with several other regions (except Jember). For example the oranges that come from Medan, Sulawesi, Pontianak, Purwoharjo (a flavor similar to orange Jember) and Banyuwangi also marketed to Dalkeith and Giwangan market (in Yogyakarta). From the farmers, of course, will not be a problem even if only a little profit because of the products sold are the property of his own. This is what will cause damage to the prices in the market, so the sender merchants who previously operated in those markets, it will look for other markets. Farmers who submit themselves siamnya citrus products generally marketed to Surabaya or the Yogyakarta area. So that an alternative market for traders sender (PP II) is an area of Jakarta, Bandung, Semarang and others.

Tabel 1. Marketing Share in siam Citrus

| | | | | | | |
|---|---|---|---|---|---|---|
| *Channel 1* | | | | | | |
| No | Marketing Institution | Buy Price | Marketing Cost | Sell Price | Profit | Margin |
| 1 | Petani | | | 1789.51 | | |
| 2 | PP I | 1789.50 | 113.25 | 2160.09 | 257,34 | 370,59 |
| 3 | PP II | 2160.09 | 516.87 | 3088.80 | 411,83 | 928,70 |
| 4 | PBLK | 3088.80 | | | | |
| *Channel 2* | | | | | | |
| 1 | Petani | | | 2256.97 | | |
| 2 | PP II | 2279.12 | 566.93 | 3070.95 | 247,05 | 813,98 |
| 3 | PBLK | 3070.95 | | | | |
| *Channel 3* | | | | | | |
| 1 | Petani | | 616.05 | 3170.92 | | |
| 2 | PBLK | 3170.92 | | | | |

Sumber : Primary Data

The value of efficient marketing margin would have on channel 2, amounting to Rp. 813.98 (marketing margin is the smallest). This happens because in the marketing channel II, the relationship between farmers and traders have been good so that all matters relating to the financial payments in question do not exist. For the marketing channels I have a marketing margin of Rp.1299, 29, because the marketing agencies that are involved in it the more it will theoretically inefficient. In addition, the efficiency of marketing can also be measured by the parameters of profit share, share the cost, a cost benefit ratio, and the share price received by farmers, as shown in Table 2.

Tabel 2. Marketing Profit Share

| | | | | | |
|---|---|---|---|---|---|
| A. Channel 1 | | | | | |
| No | Marketing Institution | Ski (%) | Sbi (%) | Rasio k/b | SP (%) |
| 1 | Petani | | | | 82.84 |
| 2 | PP I | 19,81 | 8,72 | 2,27 | |
| 3 | PP II (PBDK) | 31,70 | 39,78 | 0,80 | |
| 4 | PBLK | | | | |
| B. Channel 2 | | | | | |
| 1 | Petani | | | | 73.49 |
| 2 | PP II (PBDK) | 97.22 | 69.65 | 1.39 | |
| 3 | PBLK | | | | |
| C. Channel 3 | | | | | |
| 1 | Petani | | | | 100.00 |
| 2 | PBLK | | | | |

Sumber : Primary Data

Share gains in each marketing agencies in their respective marketing channels siam orange will show the amount of the percentage of the profits earned by each of the activities of marketing institutions in distribution pemsaran siam orange. So that will be presented information that showed a large or a small difference in the percentage of profit per share on each channel marketing agency marketing orange siam. Meanwhile, to share the cost of each marketing agencies in each marketing channel will show the amount of orange Siamese percentage of costs incurred by each agency in the marketing of citrus siam distribution activities. This information will be compared with the share of profits earned. So it would seem a cost-benefit ratio will be displayed on the ratio k / b on any marketing agencies. 51.51

PP I share gains in channel I of 51.51% less than the profit share of PP II that has a value 97.22%. So that the channel I, the difference in profit on each share is still large marketing agencies. It is also the problem of inequality would appear (the uneven distribution of marketing value) at the siam citrus distribution in channel I, which is shown in the ratio k / b on a channel I of 3.07 greater than the ratio k / b second channel which is 1.39. This is made clear again by the magnitude of marketing margins in the channel I (1299.29) is still larger than the margin of marketing channels II. Therefore we can conclude that the channel I is not efficient even though share prices received by producers (farmers) of 82.84% is quite large. On the channel I when viewed in terms of economy, so it is better than any other channel, because it involves a lot of marketing agencies in it although theoretically the longer the channel is not efficient. The value of the SP if it occurs in the channels that share profits equally and not less efficient, then logically these conditions will not always benefit the farmers.

In the marketing channel II, it appears that the distribution of the value of marketing in PP II institutions gain share profit of 97.22% and 69.65% share of the cost. Value of the difference in the percentage share of this profit is smaller than the condition in line I. Although the value of the ratio k / b on the line II is the smallest, but also the margin needs to be seen on channel II (813.98) which is the smallest margin than the channel I and channel III. So it can be concluded that channel II is a channel that is almost evenly distributing the values of marketing and is an efficient marketing channel even though the share price received by producers (farmers) of 73.49% is the smallest of the three channels. This is because the price the consumer / retail is not just enjoyed by the farmers but also enjoyed by other merchants marketing agencies. In the marketing channel II, farmers are

not willing to take risks if there is damage to the product to arrive in the market for agricultural products generally do not last long (perishable) and consuming a large volume (bulky). That's not to mention if the conditions in the market that tends to oligopoly market structure and there is vertical integration.

Share of profits received by farmers in the third line can not be identified because the purchase price from the farmers do not exist and can not be considered to be 0 (zero). The purchase price of the farmers were not able to be raised from the farming unit / average cost (AC), because the channel I and channel II also did not use the purchase price of the AC. In the marketing channel is known SP III obtained was greatest, the farmers directly sell their products to market orange siamnya out of town. This data if it is associated with Table 15, it appears that although the SP III is the largest tract of marketing costs to be borne by the farmers is also great as well, namely 616.05. In the third line of farmers have multiple functions other than as a farmer as well as merchants. Theoretically, the channel is not efficient, because not all farmers can act like that. It takes farmers innovative, creative and daring to risk and good at managing time to reach the farmer as well as the merchant function. III channel marketing costs greater than the channel II, but the cost of channel III is still smaller than the cost of marketing channels I. This is because the channel I engage in it many marketing agencies, which support the social economy.

The amount of marketing costs on the line III as a possible risk factor of damage, ballooning marketing costs and high market prices fluktuatifnya. In addition, the condition of siam citrus products in the garden that need attention to quality and quantity. Factor prices can fluctuate due to market mafia, where the market by deliberately damaging the prices that farmers are sending their own products are sold at a cheap price. The role of farmers as well as the actual sender of the merchant as a form of the solution due to disappointment with the merchant sender (PP II). So it can be concluded that the marketing channel III is not efficient.

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