

Evaluation of Plasma Farmers Satisfaction on the Broiler Partnership System and the Relationship between Partnership Duration and Satisfaction Level (Case Study: PT. Mitratama Karya Abadi)

Nuzul Azmi^{1*}, Bambang Ali Nugroho², Siti Azizah²

¹Master Student, Faculty of Animal Husbandry, University of Brawijaya, Malang, East Java, Indonesia-65145

²Department of Socio-economic, Faculty of Animal Husbandry, University of Brawijaya, Malang, East Java, Indonesia-65145

* Corresponding author: azmi.nuzul@gmail.com

Abstract— The purpose of this study was to evaluate the plasma farmers satisfaction on the broiler partnership system of PT. Mitratama Karya Abadi and to find out the relationship between partnership duration and satisfaction level. The respondents in this study were 30 plasma farmers of PT. Mitratama Karya Abadi. Determination of respondents was done by purposive sampling. Data analysis used in this study was descriptive analysis, importance-performance analysis, and Spearman's rank correlation analysis. Overall, the plasma farmers were satisfied with the performances and services of PT. Mitratama Karya Abadi, indicated by a customer satisfaction index value of 66.75%. The Spearman's rank correlation analysis showed a significance value (Sig 2-tailed) of 0.983. This value was greater than α (0.05) so that it can be interpreted that there was no significant relationship between the partnership duration and plasma farmers satisfaction.

Keywords— Business partnership, importance-performance analysis, plasma farmers satisfaction.

I. INTRODUCTION

Currently, broiler meat consumption in Indonesia is still very low compared to the other countries. According to the Official Reports on Livestock Statistics [1], the broiler meat consumption of Indonesian people was around 12.5 kg/capita/year, which was still very low compared to the other countries in Southeast Asia. This data indicates that the prospects of the broiler industry in Indonesia is still very promising. In addition, the price of broiler meat is relatively affordable compared to the other livestock meats so it will be the main choice for the community to fulfill the animal protein needs [2].

Besides having promising business prospects, the broiler industry also inseparable from the various risks which can occur during the rearing period. Moreover, not only production risk, the market risk and price fluctuations also become threats to broiler farmers. Another problem is the increased cost of production facilities (feed, day-old-chicks, drugs, and vaccines) which are not followed by the increase in selling price and price stability of broiler. In order to avoid this problem, many broiler farmers are switching from an independent business to the partnership business systems [3].

Plasma farmers satisfaction is an important factor that needs to be considered in the development broiler partnership system. The plasma farmers satisfaction to the core company will have a positive impact on the sustainability of the

partnership business. Plasma farmers who feel satisfied with the core company tend to maintain cooperation with the company. According to Irawan [4], customer satisfaction is a feeling of satisfaction that customers get because they get value from suppliers, producers, or service providers. This value can come from products, services, systems, or something that is emotional. Furthermore, Irawan [4] stated that customer satisfaction indirectly reflected how far the company has responded the market desires and expectations. In the short-term period, the relationship between customer satisfaction and profitability is often not seen. Whereas, in the long-term period, customer satisfaction is a powerful defensive strategy to retain the customers, which ultimately could generate profitability.

In order to reach an ideal partnership between the core company and plasma farmers, which is in accordance with the principles of partnership, plasma farmers satisfaction on the performance of the core company is very important. Plasma farmers satisfaction on the performance of core company will have a positive impact on the cooperation of both parties. This is very important to be considered due to the intense competition on the broiler partnership business. Based on these descriptions, this study was carried out to determine the plasma farmers satisfaction on the broiler partnership system of PT. Mitratama Karya Abadi and to find out whether there was a relationship between the partnership duration and the satisfaction level.

II. MATERIALS AND METHODS

This study was conducted in Malang Regency, East Java Province, Indonesia. This area had the largest broiler population in East Java Province so that it was chosen as a study location. There were also many broiler partnership companies in this area including PT. Mitratama Karya Abadi. This study was carried out from January 18 to February 28, 2018.

The method used in this study was mixed methods. According to Tashakkori and Teddlie [5], mixed methods is a research approach that combines qualitative and quantitative research. In this study, qualitative research was used to answer a research problem about how the partnership pattern was implemented by PT. Mitratama Karya Abadi. On the other hand, quantitative research was used to answer the research

problems regarding the satisfaction level of plasma farmers of PT. Mitratama Karya Abadi and to find out the relationship between partnership duration and the satisfaction level.

The respondents in this study were 30 plasma farmers of PT. Mitratama Karya Abadi. The respondents were determined by purposive sampling. According to Arikunto [6], purposive sampling is done by taking subjects not based on the strata, random, or area, but based on the existence of certain objectives. The criteria of respondents used in this study were plasma farmers who had at least partnered with PT. Mitratama Karya Abadi for two years or at least ten periods of broiler rearing. This consideration was used so that the respondents could provide an objective assessment based on their experience.

This study used two types of data, namely primary and secondary data. Primary data was collected through structured interviews using questionnaires prepared in advance. Secondary data were obtained from the core company (PT. Mitratama Karya Abadi) and other relevant agencies.

The data analysis used to determine the plasma farmers satisfaction was importance-performance analysis [7]. While

the Spearman’s rank correlation test was used to find out the relationship between the partnership duration and the satisfaction level [8].

III. RESULTS AND DISCUSSION

A. Suitability Level of the Importance and Performance Score

The suitability level is the result of a comparison between the performance and the importance scores of partnership attributes. Based on the results of the suitability analysis (Table I), it was known that the conformation between the actual performance received by the plasma farmers with their expectation were relatively not fulfilled because of most of the performance of the partnership attributes of PT. Mitratama Karya Abadi was lower than the plasma farmers expectation. Suitability level of 100% or more indicated that the existing attributes were in accordance with the plasma farmers expectation. At PT. Mitratama Karya Abadi, most of the suitability levels were less than 100 percent which could be stated that the services of PT. Mitratama Karya Abadi was still not in accordance with the plasma farmers expectation.

TABLE I. Suitability level of the importance and the performance scores of broiler partnership attributes.

No.	Partnership attributes	Performance score	Importance score	Suitability level (%)
1	Payment time of broiler harvest	54	105	51.43
2	Feed quality	63	112	56.25
3	Day-old-chicks quality	66	109	60.55
4	Contract price of feed	70	106	66.04
5	Drugs, vitamins, and vaccines quality	71	105	67.62
6	Compensation allocation	59	87	67.82
7	Contract price of day-old-chicks	79	101	78.22
8	Harvest time suitability	100	116	86.21
9	Delivery schedule of livestock production facility	91	101	90.10
10	Response to complaints	90	98	91.84
11	Implementation of production standard	80	85	94.12
12	Contract price of drugs, vitamins, and vaccines	92	96	95.83
13	Bonus allocation	103	107	96.26
14	Frequency of technical guidance	85	84	101.19
15	Procedure of partner acceptance	100	88	113.64

B. Importance-Performance Analysis

Importance-performance analysis is used to evaluate the plasma farmers assessment on the performance of broiler partnership of PT. Mitratama Karya Abadi. This analysis will describe what things need to be improved by PT. Mitratama Karya Abadi in order to improve their performance to achieve

the plasma farmers satisfaction. The results showed that the overall mean importance satisfaction was 3.33 (Table II). This value indicated that the overall partnership attributes of PT. Mitratama Karya Abadi was considered to be very important by plasma farmers.

TABLE III. Mean importance satisfaction of broiler partnership attributes.

No.	Partnership attributes	Mean importance satisfaction
1	Procedure of partner acceptance	2.93
2	Contract price of day-old-chicks	3.37
3	Day-old-chicks quality	3.63
4	Contract price of feed	3.53
5	Feed quality	3.73
6	Contract price of drugs, vitamins, and vaccines	3.20
7	Drugs, vitamins, and vaccines quality	3.50
8	Delivery schedule of livestock production facility	3.37
9	Frequency of technical guidance	2.80
10	Harvest time suitability	3.87
11	Response to complaints	3.27
12	Payment time of broiler harvest	3.50
13	Implementation of production standard	2.83
14	Bonus allocation	3.57
15	Compensation allocation	2.90
	Overall mean	3.33

TABLE III. Mean satisfaction score of broiler partnership attributes.

No.	Partnership attributes	Mean satisfaction score
1	Procedure of partner acceptance	3.33
2	Contract price of day-old-chicks	2.63
3	Day-old-chicks quality	2.20
4	Contract price of feed	2.33
5	Feed quality	2.10
6	Contract price of drugs, vitamins, and vaccines	3.07
7	Drugs, vitamins, and vaccines quality	2.37
8	Delivery schedule of livestock production facility	3.03
9	Frequency of technical guidance	2.83
10	Harvest time suitability	3.33
11	Response to complaints	3.00
12	Payment time of broiler harvest	1.80
13	Implementation of production standard	2.67
14	Bonus allocation	3.43
15	Compensation allocation	1.97
	Overall mean	2.67

Table III shows the mean satisfaction score of broiler partnership attributes. The results showed that the overall mean satisfaction score was 2.67. This value indicated that in general, plasma farmers were satisfied with the performance of PT. Mitratama Karya Abadi.

The partnership attributes were then divided into four quadrants which reflected the condition of importance and performance of each attribute. The importance-performance

analysis matrix consisted of four quadrants, namely quadrant I (top priority), quadrant II (maintain the achievement), quadrant III (low priority), and quadrant IV (excessive). These quadrants were separated by the intersections which come from the overall mean importance satisfaction and mean satisfaction score. The partnership attributes in each quadrant can be seen in Fig. 1.

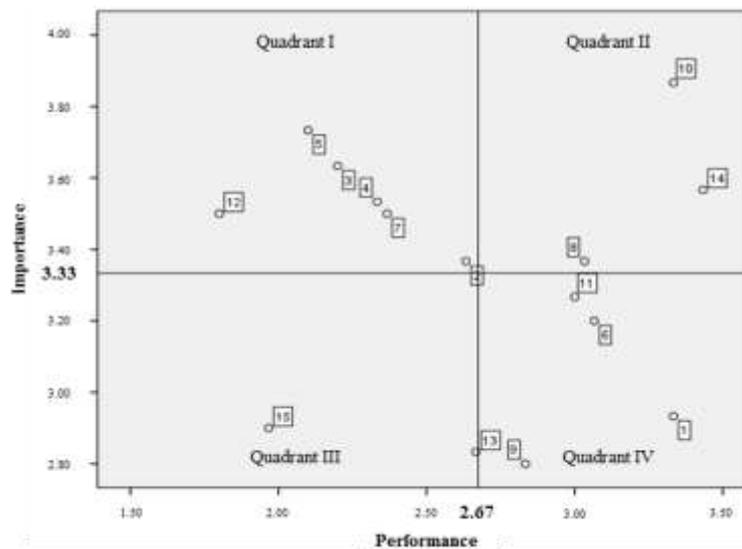


Fig. 1. The plot of partnership attribute in a Cartesian diagram.

Notes: 1. Procedure of partner acceptance, 2. Contract price of day-old-chicks, 3. Day-old-chicks quality, 4. Contract price of feed, 5. Feed quality, 6. Contract price of drugs, vitamins, and vaccines, 7. Drugs, vitamins, and vaccines quality, 8. Delivery schedule of livestock production facility, 9. Frequency of technical guidance, 10. Harvest time suitability, 11. Response to complaints, 12. Payment time of broiler harvest, 13. Implementation of production standard, 14. Bonus allocation, 15. Compensation allocation.

Quadrant I (top priority)

The attributes contained in this quadrant had a high importance level for plasma farmers, however, the performance provided by PT. Mitratama Karya Abadi was still low. For that reason, these attributes must be prioritized to be improved. These attributes included feed quality, day-old-chicks quality, contract price of feed, contract price of day-old-chicks, the quality of drugs, vitamins, and vaccines, and payment time of broiler harvest.

Quadrant II (maintain the achievement)

The attributes included in quadrant II were considered as the important attributes by plasma farmers and PT. Mitratama Karya Abadi had provided performance in accordance with the plasma farmers expectations. The attributes included in this quadrant were achievements that must be maintained, which were consisted of the delivery schedule of livestock production facilities, suitability of harvest time, and bonus allocation.

Quadrant III (low priority)

The partnership attributes included in this quadrant had a low importance level for plasma farmers and the performance of PT. Mitratama Karya Abadi on these attributes was also considered poor by plasma farmers. Although categorized as a low priority, PT. Mitratama Karya Abadi still needs to improve their performance to prevent these attributes shifted to quadrant I. If these attributes shifted to quadrant I, it will become the weakness of the company. The partnership attributes contained in this quadrant were the implementation of production standard and compensation allocation.

Quadrant IV (excessive)

The attributes contained in this quadrant had a low importance level for plasma farmers, but PT. Mitratama Karya Abadi had given a good performance so it was considered excessive. The performance of the partnership attributes which had been achieved in quadrant IV must be maintained and not need to be increased anymore because it will waste the resources. The attributes included in this quadrant were partner acceptance procedures, contract price of drugs,

vitamins, and vaccines, the frequency of technical guidance, and response to complaints.

C. Customer Satisfaction Index

The measurements of overall plasma farmer satisfaction are obtained by calculating the customer satisfaction index (CSI). To get the CSI value, the value of mean importance satisfaction (MIS) and the value of mean satisfaction score (MSS) are needed. Plasma farmers assessment on the performance of PT. Mitratama Karya Abadi resulted in a CSI score of 66.75%. This value was in the range of 0.66 to 0.80 which means that in general, plasma farmers feel satisfied with the performance provided by PT. Mitratama Karya Abadi. However, although this value was in a satisfying range, 33.25% of the plasma farmers expectation had not been fulfilled by the core company. This finding showed that the partnership system run by PT. Mitratama Karya Abadi was still not ideal, because it was not in accordance with the importance and expectations of plasma farmers. CSI calculation results at PT. Mitratama Karya Abadi can be seen in Table IV.

TABLE IV. Customer satisfaction index of broiler partnership attributes.

No.	Partnership attributes	MIS	WF	MSS	WS
1	Procedure of partner acceptance	2.93	0.06	3.33	0.20
2	Contract price of day-old-chicks	3.37	0.07	2.63	0.18
3	Day-old-chicks quality	3.63	0.07	2.20	0.16
4	Contract price of feed	3.53	0.07	2.33	0.16
5	Feed quality	3.73	0.07	2.10	0.16
6	Contract price of drugs, vitamins, and vaccines	3.20	0.06	3.07	0.20
7	Drugs, vitamins, and vaccines quality	3.50	0.07	2.37	0.17
8	Delivery schedule of livestock production facility	3.37	0.07	3.03	0.20
9	Frequency of technical guidance	2.80	0.06	2.83	0.16
10	Harvest time suitability	3.87	0.08	3.33	0.26
11	Response to complaints	3.27	0.07	3.00	0.20
12	Payment time of broiler harvest	3.50	0.07	1.80	0.13
13	Implementation of production standard	2.83	0.06	2.67	0.15
14	Bonus allocation	3.57	0.07	3.43	0.24
15	Compensation allocation	2.90	0.06	1.97	0.11
Total		50.00			2.67
CSI					66.75

D. The Relationship between Partnership Duration and Satisfaction Level

The plasma farmers of PT. Mitratama Karya Abadi had different characteristics, either personal or business characteristics. One of the business characteristics of plasma farmers of PT. Mitratama Karya Abadi is partnership duration. To find out whether there was a relationship between the partnership duration and the plasma farmers satisfaction, the Spearman's rank correlation test was conducted.

The Spearman's rank correlation test resulted in a significance value (2-tailed Sig) of 0.983. This value was greater than α (0.05). It could be interpreted that there was no significant relationship between the partnership duration and the satisfaction level. The value of the correlation coefficient was 0.004, which means that there was a positive but very weak relationship between partnership duration and the satisfaction level. The results of data analysis using the SPSS 23 program can be seen in Table V.

TABLE V. The relationship between partnership duration and satisfaction level.

		Partnership duration	Satisfaction
Spearman's rho	Partnership duration	Correlation Coefficient	1.000
		Sig. (2-tailed)	0.004
		N	30
Satisfaction		Correlation Coefficient	0.004
		Sig. (2-tailed)	0.983
		N	30

IV. CONCLUSIONS

Overall, plasma farmers were satisfied with the

performance of broiler partnership of PT. Mitratama Karya Abadi, indicated by the CSI value of 66.75. However, this

value is still low because the performance of many partnership attributes is still not in line with the plasma farmers expectations. Based on the importance-performance analysis, these attributes are included in the first quadrant namely feed quality, day-old-chicks quality, contract price of feed, contract price of day-old-chick, the quality of drugs, vitamins, and vaccines, and payment time of broiler harvest. There is no significant relationship between the partnership duration and satisfaction level.

V. RECOMMENDATIONS

PT. Mitratama Karya Abadi needs to improve the performance of partnership attributes which have poor performance according to the plasma farmers. These partnership attributes are included in quadrant I based on the results of the index performance analysis PT. Mitratama Karya Abadi as the core company needs to increase the plasma farmers satisfaction so that the partnership system could work ideally and in accordance with the principles of partnership

cooperation.

REFERENCES

- [1] *Official Reports on Livestock Statistics 2016 (in Indonesian)*, Indonesian Central Bureau Statistics, Jakarta, 2016.
- [2] F. Tamalluddin, *Panduan Lengkap Ayam Broiler*. Penebar Swadaya, Jakarta, 2016.
- [3] A. Daryanto, *Dinamika Daya Saing Industri Peternakan*. IPB Press, Bogor, 2009.
- [4] H. Irawan, *10 Prinsip Kepuasan Pelanggan*. PT ElexMedia Komputindo, Jakarta, 2003.
- [5] A. Tashakkori and C. Teddlie, *Mixed Methodology Mengombinasikan Pendekatan Kualitatif dan Kuantitatif*. Pustaka Belajar, Yogyakarta, 2010.
- [6] S. Arikunto, *Prosedur Penelitian Suatu Pendekatan Praktik*. PT Rineka Cipta, Jakarta, 2006.
- [7] Algifari, *Mengukur Kualitas Layanan dengan Indeks Kepuasan, Metode Importance Performance Analysis (IPA) dan Metode Kano*. BPFE, Yogyakarta, 2016.
- [8] M. Nazir, *Metode Penelitian*. Ghalia Indonesia, Jakarta, 2005.