

Agribusiness Product Marketing Analysis: Opportunities and Challenges in the Digital Era

Tri Waluyo

Nasional University, Jakarta, Indonesia

ARTICLE INFO

Keywords:
Marketing, Agribusiness
Products, Opportunities,
Challenges, Digital Era

Email :
tw@civitas.unas.ac.id

ABSTRACT

Digital transformation has impacted various sectors including agribusiness, with changes in consumer behavior patterns, digital marketing technology and increasingly easy access to information through online platforms. This research aims to investigate and analyze the dynamics of marketing agribusiness products in facing the opportunities and challenges that arise in the digital era. This research uses a qualitative approach. The results of this research indicate that agribusiness actors need to actively adopt digital marketing strategies to optimize market potential in the digital era. The findings emphasize that success in agribusiness marketing depends not only on increasing global market access through online platforms, but also on the ability to build consumer trust. A focus on product quality, sustainability practices and transparency in business communications are key to gaining and retaining consumer support. Challenges such as limited access to technology and consumer data protection were also identified as areas requiring serious attention. Therefore, the research recommendations highlight the importance of investing in technology infrastructure, digital skills training, and compliance with privacy regulations to create a successful digital marketing environment in the agribusiness industry.

Copyright © 2023 MAR-Ekonomi.

All rights reserved is Licensed under a [Creative Commons Attribution-NonCommercial 4.0 International License \(CC BY-NC 4.0\)](https://creativecommons.org/licenses/by-nc/4.0/)

INTRODUCTION

Agribusiness is an approach in the world of agriculture that does not only focus on aspects of crop production or livestock, but also emphasizes business and commercial aspects (Maulidah, 2012). With a profit orientation, agribusiness aims to optimize agricultural production results efficiently and effectively, thereby creating added economic value for actors in the agricultural sector. To achieve this goal, the importance of balance in agribusiness development is crucial (Rachmawati & Gunawan, 2020).

Balanced agribusiness development includes aspects of agriculture, business and supporting services. The agricultural aspect involves increasing the productivity and quality of agricultural products through the application of innovative agricultural technology and practices (Sibarani, 2021). Meanwhile, the business aspect focuses on effective marketing strategies, good financial management, and the development of an integrated supply chain. Supporting services, such as agricultural education and training, also have an important role in supporting agribusiness success (Asmarantaka, 2012).

The importance of good marketing cannot be ignored in this context either. Production without being supported by an efficient marketing strategy can result in the inability of agricultural products to reach a wide market, reduce sales value, and ultimately hamper profits for farmers (Asmarantaka et al., 2017). Therefore, overall agribusiness development must be managed in an integrated and balanced manner, ensuring that every aspect from production to marketing supports economic growth and sustainability for agribusiness players (Utami & Firdaus, 2018).

Marketing activities play a central role in the entire agribusiness system, including input subsystems, on-farm, marketing and processing of agricultural products, as well as supporting subsystems (Syahza, 2005). Starting from providing agricultural production facilities to marketing and product processing activities, as well as support from supporting subsystems such as research, extension, financing/credit, marketing intelligence and marketing policies, all are integrated in an ecosystem that supports the growth of the agribusiness sector (Wahyuningsih, 2007).

The main goal of marketing activities in agribusiness is to bridge the gap between what producers want and consumer needs, complementing and streamlining the production process from upstream to downstream (Harlan et al., 2021). By understanding market dynamics and consumer desires, marketing activities help producers to direct their production more precisely and efficiently, so that the products produced can meet market expectations (Wicaksana, 2022).

The importance of understanding consumer desires is the main focus in marketing activities. Every step, starting from production planning, distribution, promotion, to price determination, is based on market analysis and consumer needs (Tjahyadi, 2006). Thus, marketing activities help build communication bridges between producers and consumers, create harmony in the agribusiness supply chain, and increase the competitiveness of agricultural products in the global market. In this context, a deep understanding of marketing dynamics is the key to agribusiness success (Fathurrohman, 2016). Along with technological developments and market trends, innovative and adaptive marketing strategies will make a significant contribution to increasing the competitiveness and sustainability of the agribusiness sector as a whole (Maulidah et al, 2017).

Agribusiness products can be defined as a set of procedures and activities that occur in the creation of agribusiness products, including business products from the agriculture, fisheries, livestock, forestry sectors, as well as processed products from these products (Khorniawati, 2014). In this context, agribusiness products involve a series of steps starting from selecting the type of plant or animal, land management, use of agricultural inputs, to the process of harvesting or capturing the results (Suyatno, 2008).

The importance of agribusiness products lies in efforts to meet the needs for food, industrial raw materials and various agricultural products (Udaya, 2011). This production process requires careful planning, sustainable resource management, and the application of modern technology to increase efficiency and quality of results. Therefore, agribusiness products do not only focus on direct agricultural aspects, but also include livestock, fisheries, forestry and product processing activities (Marsigit, 2010).

Meanwhile, agribusiness products also play a role in supporting food security and the national economy. By carrying out an efficient and sustainable production process, the agribusiness sector can become the main pillar in providing sufficient and quality food to meet community needs (Elizabeth, 2011). In addition, by continuing to develop innovation in production, agribusiness can contribute to product diversification, increasing market competitiveness, and economic development at the local and national levels (Susilo, 2013). Thus, agribusiness products are not just a series of technical activities, but also an integral strategy that considers economic, social and environmental aspects. The role of agribusiness products is crucial in maintaining a balance between meeting human needs and preserving the environment as well as advancing the agribusiness sector holistically.

This research aims to identify opportunities and challenges in marketing agribusiness products in the digital era. By exploring market dynamics and changes in consumer

behavior influenced by digital technology, this research seeks to provide an in-depth understanding of effective marketing strategies and the obstacles that need to be overcome by agribusiness actors. It is hoped that the benefits of this research will provide guidance for producers, traders and other stakeholders in developing adaptive and innovative marketing strategies, so that they can optimally utilize the potential of the digital market to increase the competitiveness of agribusiness products and support the economic growth of this sector.

METHOD

In this research, a qualitative approach was chosen as a research method to respond to research questions that had been asked previously. This approach was chosen with the aim of exploring the meaning of the problem phenomenon, explaining, describing and understanding in depth what is happening (Yulianah, 2022). This research specifically applies qualitative methods with descriptive research strategies. The descriptive method was chosen because of its ability to present data through concepts illustrated by the data, provide detail and depth of understanding of phenomena, and is not limited to numerical representation. The data analysis process follows the model developed by Miles & Huberman (1994), which involves an interactive cycle between four main steps: data collection, data reduction, data display, and retrieval/verification. Data reduction involves simplifying data to allow verifiable presentation. The hope is that the reduced data will provide conclusions that support the formation of appropriate arguments, and can even become a guide for producing innovation and contributing new knowledge, such as concepts or theories.

RESULTS AND DISCUSSION

Agribusiness product marketing aims to analyze a number of business activities that occur in the agricultural commodity value chain, starting from primary producers to final consumers. This value chain involves various stages such as collecting raw materials, production, processing, distribution, to promotion and sales. In the midst of current global economic dynamics, marketing of agribusiness products is no longer limited to primary agricultural products, but also involves semi-finished products. This reflects changes in people's consumption patterns and increasingly complex market demands. Agribusiness producers need to understand and respond to this shift by developing inclusive marketing strategies, considering the added value of semi-finished products in developing their marketing plans.

In the digital era, marketing of agribusiness products is experiencing significant changes which bring a number of opportunities and challenges. The following are a number of opportunities and challenges faced.

Opportunity

1. Global Market Access

The digital era has become an important catalyst in changing the marketing paradigm for agribusiness products, opening wide doors for industry players to explore global market potential through online platforms. With increasingly advanced technology and connectivity, agribusinesses can take advantage of various e-commerce platforms and special websites to expand the reach of their products throughout the world. This not only creates new opportunities for increased sales, but also allows agribusinesses to compete more effectively in international markets, strengthening their competitiveness through wider and more efficient access.

On a more micro level, this opportunity also opens the door for local manufacturers to run their business operations on a global scale. Farmers or small producers can easily reach consumers in other countries without relying on traditional distribution channels. This not only provides economic benefits for producers, but also increases the diversity of products accessible to consumers in various parts of the world. By taking advantage of digital platforms, agribusinesses can introduce and market their products more efficiently, opening up global expansion opportunities that were previously difficult to access.

2. Direct Marketing to Consumers

The digital era has opened the door for agribusiness producers to carry out more direct and interactive marketing strategies through social media and e-commerce platforms. Through social media, manufacturers can communicate directly with consumers, provide the latest information about products, and respond to questions or feedback in real-time. By taking advantage of the existence of e-commerce platforms, agribusiness producers can expand their product range and offer products directly to consumers without traditional intermediaries. This capability allows manufacturers to create a shopping experience that is more personalized and focused on consumer needs.

Furthermore, direct interactions through social media and e-commerce enable agribusiness producers to increase their brand awareness. By sharing interesting content, uploading photos or videos of the production process, and providing relevant information, manufacturers can build a strong brand image and attract consumer interest. Purchasing via e-commerce can also speed up the transaction and delivery process, providing an efficient and comfortable shopping experience for consumers. By building closer relationships through social media and e-commerce, agribusiness producers can create a loyal customer base who have the potential to become brand advocates, supporting the long-term growth of their business.

3. Data Analysis for Consumer Understanding

Digital technology has opened the door to collecting and analyzing consumer data with a level of depth and accuracy that was previously difficult to access. Agribusiness producers can leverage various analytical tools and digital platforms to collect data on consumer behavior, purchasing patterns, and market preferences. This information provides deep insight into consumer needs and expectations, allowing manufacturers to develop more targeted marketing strategies. With the data obtained, manufacturers can identify ongoing consumption trends, anticipate market changes, and adjust their product portfolios more responsively to market dynamics.

In addition, consumer data analysis also enables personalization in marketing. Agribusiness producers can customize their marketing campaigns, target advertising, and develop special promotions based on identified consumer preferences. This not only increases marketing effectiveness, but also creates a more relevant and engaging shopping experience for consumers. By continuously exploring and analyzing consumer data, manufacturers can build closer relationships with their markets, create innovative products that meet consumer expectations, and maintain their competitive edge amidst increasingly fierce competition.

Challenge

1. Limited Access to Technology

The challenges of access to technology that are still faced by several regions can have a significant impact on the ability of agribusiness actors to utilize digital marketing potential to the maximum. In regions that are still behind in technological aspects, especially in

developing countries, the limited availability of digital infrastructure can be a major obstacle. Agribusinesses there may experience difficulties in adopting online marketing platforms and using digital tools to promote their products. This can result in a lack of product visibility, limited market reach, and obstacles in competing at a global level.

Efforts to improve technology access challenges need to be prioritized to provide solutions for agribusiness actors in these regions. Investments in developing digital infrastructure, including providing reliable and affordable internet access, can help create an environment that supports full adoption of digital marketing. Apart from that, training and mentoring to equip agribusiness actors with digital skills is also needed so that they can make good use of technology. By overcoming the challenges of access to technology, it is hoped that agribusiness actors in the region can increase their competitiveness, increase market share, and gain full benefits from the digital marketing era.

2. Data Security and Privacy

Handling consumer personal data and online transactions is a crucial aspect of digital marketing in the agribusiness sector. In an era where information technology is developing rapidly, agribusiness actors must pay attention to data security and privacy as a top priority. The main challenge that arises is the potential risk of leaking consumer personal information or transaction data which could be detrimental to both consumers and agribusiness actors themselves. Therefore, it is necessary to have a sophisticated digital security system to protect this data from cyber threats such as hacking and malware attacks.

In addition, regulations related to data privacy such as the GDPR (General Data Protection Regulation) in the European Union and local regulations in various countries increasingly show the importance of agribusiness players complying with strict privacy standards. Careful data management and implementation of strong security protocols are key to ensuring that agribusinesses can maintain consumer trust and fulfill legal obligations regarding data protection. Effective management of security risks and data privacy is not only the responsibility of agribusiness actors to protect their customers, but is also an important factor in building a positive reputation that can support long-term business growth.

3. Intense Online Competition

The digital era has witnessed a surge in the presence of agribusiness players in the online space, which in turn has increased the level of competition in the industry. In a situation where multiple players compete for increasingly divided consumer attention, innovative marketing strategies become crucial to success. Agribusiness actors need to do more than just exist on digital platforms; they must be able to differentiate their products from competitors while attracting the attention of the target audience.

Innovation in marketing can involve the use of advanced technologies such as artificial intelligence or augmented reality to enhance consumer experiences. Additionally, a creative and relevant content strategy, including compelling visual campaigns and a strong brand story, can help create a unique appeal. Agribusiness actors who can provide added value, such as product sustainability or transparent production processes, have a better chance of winning the hearts of consumers who are increasingly aware of environmental and ethical aspects.

Additionally, to reach target audiences effectively, the use of digital analytics and a deep understanding of online consumer behavior is key. Data-driven marketing strategies can help agribusinesses identify trends, respond to changing market needs, and dynamically adjust their campaigns. By adopting an innovative and adaptive approach, agribusinesses

can overcome the challenges of competition in the digital space and build a strong market share.

4. Difficulty Building Consumer Trust

In a digital era filled with information, building consumer trust has become one of the crucial elements that differentiates agribusiness actors. Modern consumers have unlimited access to multiple sources of information, and their purchasing decisions are increasingly influenced by factors such as product quality, sustainability, and transparency. Therefore, agribusiness actors need to place product quality as the main focus in their marketing efforts. Products superior in quality not only meet consumer expectations but also form a solid foundation of trust.

Sustainability is an aspect that is increasingly prioritized by consumers who care about the environment. Agribusiness actors who are able to highlight sustainable practices in their production chains, such as sustainable resource management and environmentally friendly agricultural practices, can win the trust of consumers who prioritize sustainable values. Transparency in communication regarding product origins, production processes, and materials used is also key to establishing trust. Agribusiness actors who are open and honest about their business practices can create a positive climate of trust among consumers. With the right focus on product quality, sustainability and transparency, agribusinesses can gain consumer trust in a competitive digital environment. Trust built through ethical and transparent business practices not only helps retain existing customers, but also opens up opportunities to acquire new customers who are increasingly intelligent and value-based.

CONCLUSION

Marketing agribusiness products in the digital era challenges industry players to innovate and adapt to changing market dynamics. Digital presence opens up opportunities for global access, increases direct interaction with consumers through social media and e-commerce, and enables in-depth analysis of consumer data. However, challenges such as limited technology access, data security and intense online competition also arise. In facing the complexity of the digital environment, agribusiness actors need to implement innovative and adaptive marketing strategies. Focusing on product quality, sustainability and transparency is the key to building consumer trust which is essential in making purchasing decisions. In addition, careful management of consumer data and compliance with privacy regulations is inevitable. By overcoming the challenges and optimizing the opportunities offered by the digital era, agribusiness players can position themselves as relevant and competitive players in the global market. Success in building consumer trust, implementing smart marketing strategies, and integrating technology wisely will be the key to the sustainability and growth of the agribusiness industry amidst changes in the digital era.

REFERENCES

1. Asmarantaka, R. W. (2012). Pemasaran agribisnis (agrimarketing).
2. Asmarantaka, R. W., Atmakusuma, J., Muflikh, Y. N., & Rosiana, N. (2017). Konsep pemasaran agribisnis: pendekatan ekonomi dan manajemen. *Jurnal Agribisnis Indonesia (Journal of Indonesian Agribusiness)*, 5(2), 151-172.
3. Elizabeth, R. (2011). Strategi pencapaian diversifikasi dan kemandirian pangan: Antara harapan dan kenyataan.

4. Fathurrohman, Y. E. (2016). Model kerjasama kelompok pembudidaya ikan (pokdakan) pada pemasaran agribisnis ikan gurami di Kabupaten Banyumas. *Agriekonomika*, 5(2), 162-169.
5. Harlan, F. B., Wirawan, A., & Maulida, N. A. (2021). Analisis Swot Tentang Strategi Pemasaran Agribisnis Di Pulau Setokok (Studi Kasus Komoditas Semangka). *Jurnal AGRISEP: Kajian Masalah Sosial Ekonomi Pertanian dan Agribisnis*, 69-80.
6. Khorniawati, M. (2014). Produk pertanian organik di Indonesia: Tinjauan atas preferensi konsumen Indonesia terhadap produk pertanian organik lokal. *Competence: Journal of Management Studies*, 8(2).
7. Marsigit, W. (2010). Pengembangan diversifikasi produk pangan olahan lokal bengkulu untuk menunjang ketahanan pangan berkelanjutan. *Agritech*, 30(4).
8. Maulidah, S. (2012). *Pengantar Manajemen Agribisnis*. Universitas Brawijaya Press.
9. Maulidah, S., Koestiono, D., & Vindari, M. (2017). Hubungan pemasaran (relationship marketing) agribisnis beras organik. *Agriekonomika*, 6(2), 174-185.
10. Miles, M. B., & Huberman, A. M. (1994). *Qualitative data analysis: An expanded sourcebook*. sage.
11. Rachmawati, R. R., & Gunawan, E. (2020). Peranan petani milenial mendukung ekspor hasil pertanian di Indonesia. In *Forum penelitian agro ekonomi* (Vol. 38, No. 1, pp. 67-87). Indonesian Center for Agricultural Socioeconomic and Policy Studies.
12. Sibarani, B. E. (2021). Smart Farmer Sebagai Optimalisasi Digital Platform Dalam Pemasaran Produk Pertanian Pada Masa Pandemi Covid-19. *Technomedia Journal*, 6(1 Agustus), 43-55.
13. Susilo, E. (2013). Peran koperasi agribisnis dalam ketahanan pangan di Indonesia. *Jurnal Dinamika Ekonomi & Bisnis*, 10(1).
14. Suyatno, Y. (2008). *Penguatan Strategi Pengembangan Kawasan Agropolitan Berbasis Peningkatan Daya Saing Produk Agribisnis Unggulan Di Kabupaten Semarang* (Doctoral dissertation, Program Pasca Sarjana Universitas Diponegoro).
15. Syahza, A. (2005). Paradigma baru: pemasaran produk pertanian berbasis agribisnis di daerah Riau. *Jurnal Ekonomi*, TH. VIII/01/Juli/2003, PPD&I Fakultas Ekonomi Universitas Tarumanagara, Jakarta.
16. Tjahyadi, R. A. (2006). Brand Trust dalam Konteks Loyalitas Merek: Peran Karakteristik Merek, Karakteristik Perusahaan, dan Karakteristik Hubungan Pelanggan-Merek. *Jurnal Manajemen Maranatha*, 6(1), 65-78.
17. Udayana, I. G. B. U. (2011). Peran agroindustri dalam pembangunan pertanian. *Singhadwala*, 44, 3-8.
18. Utami, H. N., & Firdaus, I. F. A. (2018). Pengaruh bauran pemasaran terhadap perilaku online shopping: perspektif pemasaran agribisnis. *Jurnal Ecodemica*, 2(1), 136-146.
19. Wahyuningsih, S. (2007). Pengembangan agribisnis ditinjau dari kelembagaan. *Mediagro*, 3(1).
20. Wicaksana, I. (2022). Analisis Sistem Pemasaran Agribisnis Produk Ikan Asap di Jawa Tengah. *Jurnal Agrimanex: Agribusiness, Rural Management, and Development Extension*, 2(2), 91-102.
21. Yulianah, S. E. (2022). *Metodelogi Penelitian Sosial*. CV Rey Media Grafika.