

Green Marketing Mix Strategy in Salak Bean Coffe Agroindustry (Koplak Food) in Ajung District, Jember Regency

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ABSTRACT

Marketing strategy is the most important part in marketing a product. The right strategy results in marketing the right product as well. This research aims to describe the application of *green marketing mix* strategy in Koplak Food Agroindustry. This research is a descriptive qualitative research. The method of data collection carried out is through interviews, observation and documentation to collect data. The data analysis technique used is the Miles and Huberman data analysis technique. The result of this research is the application of *green marketing mix* on *green product indicators* indicated by organic products and during the manufacturing process while maintaining cleanliness. The application of *Green price* can be shown from setting a relatively more expensive price, but the price is in accordance with the quality of the product. The application of *green place* can be seen that production houses are always kept clean. The application of *green promotion*, namely promotion, is carried out transparently and educatively through exhibitions and promotional media owned. Koplak Food agroindustry has not included a logo about environmental friendliness on the packaging, namely *eco label* and *eco brand*. So that the recommendation that can be given is to immediately register ISO 14001 certification in order to provide an environmentally friendly logo on the packaging

Keywords: *Green Marketing Mix; Green Product; Green Price; Green Place; Green Promotion*

INTRODUCTION

Awareness about environmentally friendly and healthy products for consumption is often discussed today. This makes producers required to be more concerned about environmental impacts both from the production process, distribution, to consumption. This is due to the government's commitment to regulating companies in order to minimize negative impacts on the environment and consumer health (Khoirudin & Yulianto, 2016: 73). Behavior about the importance of preserving the environment, makes producers begin to be selective to use production materials that do not damage the environment. Manufacturers apply similar things related to activities carried out such as processing, waste utilization, and recycled packaging.

The emergence of awareness of a healthy environment has encouraged the industrial world to develop marketing concepts that prioritize environmental issues, or better known as the concept of strategy *Green Marketing Mix* or green marketing. According to Widodo, et al (2015: 530) strategy *Green Marketing Mix* is an activity that uses consumer understanding in the process of preparing a marketing mix for environmentally friendly products by changing the way they are made, changing their products and packaging products that are more friendly to the environment. Company in planning marketing strategies using strategies *green marketing mix*, It is considered easier to state that their company is one of the companies that are friendly to environmental sustainability.

Strategy *Green Marketing Mix* This can be done by companies that have a high awareness of the sustainable development process and is mostly done by companies when they need to be able to meet *Corporate Social Responsibility (CSR)* (Mahendra & Nugraha, 2021: 29). Strategy implementation *Green Marketing Mix* not only carried out by large corporations, but also requires all business actors such as micro, small and medium enterprises (MSMEs) to be required to be able to run a business by making safe and environmentally friendly products (Nurhadi, 2019: 143)

Agroindustry Koplak Food is the first MSME in Jember Regency that is engaged in processing organic coffee drinks and cares about the environment and public health (Putri & Kuntadi, 2019: 221). Strategy implementation *Green Marketing Mix* by Agroindustri Koplak Food Motivated by the awareness of business actors on the negative impacts of production activities on the environment and changes in healthy lifestyles of people who want to consume organic products.

Strategy *Green Marketing Mix* on Koplak Food Ajung District, Jember Regency accommodates a mix of product marketing, pricing, distribution and promotion (4P) to sell products and services provided by offering benefits from the advantages of environmental maintenance and paying attention to consumer health. Advantages offered by Agroindustry Koplak Food Ajung District, Jember Regency is a product made that is an organic product in the form of salak bean coffee, and Koplak products have benefits and product compositions that can be consumed with family because they do not contain caffeine (Putri & Kuntadi, 2019: 226) so that from the benefits provided to be *continue/Profit* for the long term and always pay attention to the surrounding environment and consumer health. The purpose of this study is to describe the strategy *Green Marketing Mix* in Koplak Food salak bean coffee agroindustry which includes *green product, green price, green place, and green promotion*.

RESEARCH METHODS

This research is a type of descriptive qualitative research. In determining the location of the study, researchers used the *purposive sampling* method. Research informants in this study consist of main and supporting informants. The main informant chosen is the owner of the Koplak Food Agroindustry business. The supporting informants in this study were one of the marketing department employees and 3 residents around Koplak Food Agroindustry, Ajung District, Jember Regency. The data collection methods used were in-depth interviews, observations, and documents. The data analysis used is descriptive analysis with data reduction steps, data presentation, and conclusion drawing or verification. To test the validity of the data, researchers use the source triangulation technique that compares the data obtained from the main informant with supporting informants

RESULTS AND DISCUSSION

The aspects studied to answer the research objectives are seen from *green products, green prices, green places, and green promotion* carried out by Koplak Food Agroindustry. The following explanation of the aspects is as follows:

Green Product

The green product strategy in Koplak Food agroindustry consists of raw materials (green input), production / manufacture of environmentally friendly products (green process), to the end of production such as packaging (green output). For green input, the raw materials used are salak pondoh seeds that have been tested for their safety content. Salak pondoh seeds used in the processing of Koplak Food must have seeds that are not black, large in size and pesticide-free in the process of growing salak fruit. To maintain the quality of the salak bean coffee product itself, business owners consistently use raw materials for pondoh salak beans whose planting process is without using pesticide fertilizers. The use of pesticides in planting can affect the quality and benefits of salak bean coffee. This is in accordance with the statement of Mr. Bustomy as the business owner, "If organic fertilizer tastes sweeter than coffee, raw materials are not easily rotten and most importantly do not damage the soil" (MB, 31Th).

In addition to the statement from Mr. Bustomy above, Mrs. Elok Masruha as a salak farmer who works together to supply salak beans gave a supporting statement, namely, "Usually if Bustomy lacks raw materials to make salak bean coffee, buy it at me. Salak fruit is easy to grow so I only use manure to keep it fertile" (EM, 38Th).

In the process of availability of raw materials themselves, business owners are not too difficult to get them, because they have their own salak gardens. But when there is a lot of demand and insufficient raw materials, business owners will buy from salak farmers who have been working together for a long time. This will benefit salak farmers because fruit waste that is usually disposed of can be used as money. The price for purchasing salak seeds from farmers is Rp10,000.00/kg.

For the green process, the strategy carried out is to make salak bean coffee using machines, namely *roasting machines and grinders*, this is because it can simplify and speed up the production process. The use of *roasting machine* technology and *grinder* machines aims to save the use of human resources / labor. To keep *roasting machines and grinders maintained, the sterility carried out by employees is cleaning production equipment every day* using an air blower, because many components are quickly corrosive and easily short circuit when cleaning using water. There is a tool used by Koplak Food Agroindustry to minimize air waste due to the *roasting* process, namely using an

afionisk tool. In this case, human labor / employees are more only in the supervision of the production process and maintaining the cleanliness of production equipment. In accordance with the supporting statement also conveyed by one of the employees, Indah Puji Lestari, which is as follows: "In the manufacturing process we always prioritize cleanliness, so employees always wear masks, gloves, aprons and before producing must wash their hands first. *Roasting machines* and *grinders* are also cleaned daily so they don't rust" (IP, 28Th).

Koplak Food's strategy on *green output* is to use *standing pouch craft paper* packaging and cardboard that has been designed. Mr. Bustomy as the business owner uses cardboard as a *double* protector so that coffee remains safe during the distribution process. The packaging *of the craft* paper material used is made of paper so that it is safe for coffee wrapping and can keep the aroma of coffee from being lost. The packaging on cardboard that has been designed includes the product name, nutritional content, net, composition, *expiration period*, serving advice and P-IRT (Home Industry Food) code. Certification of Koplak salak bean coffee products given by the institution to Koplak Food are MUI certification, Business Licensing certification, Sucofindo lab test certification, P-IRT certification,

Green Price

The *green price* strategy applied by business owners is to adjust production costs and operational costs. Pricing is adjusted to the cost of raw materials, electricity, water, packaging, employee salaries, environmental maintenance costs. For the price of salak bean coffee, the price is set at IDR 20,000.00 / 150gr. Most other black ground coffee has a bitter taste and there are negative effects if consumed continuously. But unlike this salak bean coffee, starting from its fruity aroma, it tastes sweeter and has no side effects even though it is consumed regularly. So the price is also more expensive than sachetan coffee powder in general, such as Kapal Api, Tora Bika, Indocafe. A supporting statement was conveyed by consumers who have subscribed to buy Koplak *Food products*, "I can buy Salak bean coffee 2 times a week. The price is indeed more expensive than sachet coffee in general, but I have no problem with that price because the price is equivalent to the benefits and taste" (IL, 38Th).

In pricing products, Agroindustry Koplak *Food* also considers the cost of protecting the environment. Funds for environmental costs are issued in different amounts each year according to needs. The funds are spent to finance efforts to preserve the environment such as subscribing to garbage transportation cleaning services, buying equipment for silencer sealer machines and buying equipment to reduce *roasting smoke*. This is done to prevent and minimize the impact of production waste on the environment around Koplak Food Agroindustry. In line with the business owner's statement that, "The benefit of spending funds for environmental costs is that the environment around me becomes clean and does not smell bad" (MB, 31^{Years}).

The comfort of the surrounding community is reflected in the statement of one of the informants supporting the research, namely: "I have never been disturbed by the existence of this Koplak *Food* from its first establishment until now. Koplak *Food* has also subscribed to cleanliness so the waste never accumulates. It's just that the smell caused by the roasting process is too strong but I am also not bothered by it because it smells good coffee fragrance" (EL, 22Th).

Green Place

The production house is located in the hamlet of Gumuk Segawe, RT. 03/RW. 01, Pancakarya village, Ajung district, Jember regency. The reason for determining the location is because it is close to raw materials and residential areas are not too dense. Therefore, the implementation *of the green place* strategy carried out by business owners is to always pay attention to the cleanliness of the production site. All working employees take turns to picket the cleaning site to clean the production site. Working employees must also use work equipment to keep products and containers clean and hygienic. In carrying out the cleanliness of production houses, business owners are very careful in making SOPs. So that not only the production storage area is kept clean but also pay attention to the cleanliness of production equipment and clean toilet facilities. This is done every day, so that the production house is kept clean. This is in accordance with the statement of the business owner, namely "To welcome the concept of *green place* itself, we always clean the store to keep it clean and well maintained. You can sweep, mop, clean the shelves, and save electricity by turning off the lights if you don't use it."

In addition to a clean place of business, good and correct distribution needs to be considered. The distribution process carried out by business owners is using car transportation. The *green distribution strategy* implemented by Koplak Food Agroindustry is by maintaining transportation equipment with cleaning, oil changing and engine maintenance activities so that emissions produced from transportation equipment are not excessive. Transportation equipment is carried out engine

maintenance so that the vehicle can reduce harm to the environment and not provide excessive pollution.

In addition, business owners also prioritize product safety during the distribution process, this is done by arranging products neatly into sterosomal boxes and then put in the trunk of the car. The purpose of the product inserted by the dysterosome is so that the product is not moist during the delivery process and is not exposed to sunlight. If in the process of delivering products to business partners there are defective products, the exchange of goods will be carried out. This is in accordance with the opinion of the business owner, "If the product during the delivery process is defective or damaged, I immediately replace it with a new product. In addition, during the custody process at business partners, there are expired products, damaged packaging and other complaints, I will immediately replace them if it is the manufacturer's fault."

Green Promotion

Eco label and *eco brand* are *green promotion tools* used to distinguish environmentally friendly products from normal standard products. However, the owner of the Koplak Food agroindustry business has not registered *the eco label* and *eco brand* on the packaging of Salak bean coffee. The reason is because their products have not been BPOM so they cannot register *eco labels* and *eco brands* on Koplak packaging. However, business owners have plans to register BPOM certification for salak bean coffee products, in order to be able to provide *eco label* and *eco brand logos* on their product packaging. In line with the business owner's statement that, "I plan to immediately take care of BPOM certification, so that Koplak's products can immediately be registered *eco label* and *eco brand*" (MB, 31Th)

The promotional strategy carried out by Agoindustri Koplak *Food business in* introducing its products by means of promotion through social media, participating in exhibitions held by the Regency Government and through TV coverage events. The marketing department markets salak bean coffee products by showing the advantages and benefits of consuming salak bean coffee products on social media. Agroindustry koplak *Food* conducts additional promotions by participating in exhibition activities from the health office and coffee lovers community associations. This is done as a form of attracting consumers, and informing consumers of products that are made environmentally friendly and from organic food ingredients. In accordance with MB's statement, "Koplak *Food* has been covered by TV stations, often participated in the last exhibition in June and actively promoted on social media such as Facebook and Instagram" (MB, 31Th).

The Green marketing mix *strategy* has been applied to the Koplak Food Agroindustry in Ajung sub-district, Jember Regency. The *green product*, *green price* and *green place* strategy as a whole has met all the criteria in the *green marketing mix*. Public interest in healthy products encourages Koplak Food Agroindustry to create a product that can meet public demand. This shows that Koplak Food Agroindustry has innovated by making organic beverage products from salak bean coffee.

Business owners in determining salak bean coffee prioritize product quality by paying attention to pesticide-free raw materials. The process of making salak bean coffee starting from raw materials to packaged products does not use addictive substances that endanger consumer health. This is according to the opinion of Retnosary (2016: 32) that the sale of organic products greatly affects consumer purchasing power.

Increasing production efficiency in the Koplak Food Agroindustry is by carrying out productivity using *roasting machines* and *grinder machines*. The use of this machine cc. Business owners have also optimized so that the production process does not cause air pollution, namely when the *roasting* process uses *an airflow* tool to reduce smoke.

The *green product* strategy is seen from product packaging that uses *craft paper* packaging and designed cardboard. This is done so that the salak bean coffee powder can last for a long time, remain intact and the distinctive aroma of coffee from salak beans is not lost and environmentally friendly. *Craft paper packaging* can be said to be environmentally friendly because it is *bio-degradable* or easily biodegradable. Business owners in choosing the type of packaging for their products are not only based on the consideration of the durability of Koplak coffee products, but also other factors such as the impact on the environment. This is in accordance with the statement of Nyoman Sucipta, et al (2017: 42) business actors who have concerns about environmental issues, paper coffee packaging is among the most appropriate as a wrapper that decomposes quickly and is safe for the environment.

The function of packaging is not only to protect the product, but can also serve as a means to advertise the product sold. Creating a unique packaging design will be interesting to see by potential buyers. In addition, in the packaging needs to be considered is the packaging label of processed food

products. To provide information to consumers, the packaging of salak bean coffee has listed the product name, nutritional content, net, composition, *expiration period*, serving advice and P-IRT (Home Industry Food) code. Information obligations in a product packaging have been regulated in Article 2 of the Food and Drug Supervisory Agency Regulation where the label contains information about the product name, list of ingredients used, net, name of the producing company, expiration information, distribution permit number. So it can be concluded that the packaging of Koplak Food salak bean coffee has met the packaging standards.

Judging from the Green price indicator, the price is seen from the benefits and quality of the coffee produced. The price of salak bean coffee is more expensive than ordinary ground coffee such as Kapal Api, Tora Bika, Indocafe because the way the price is determined is done by adding environmental cost variables. This affects the selling price of salak bean coffee which is relatively higher than ordinary coffee. This is according to the statement of Savitri, et al (2016: 8) most *green* products are offered at higher prices than similar products. This can mean that expensive prices are always followed by quality and healthy products.

Salak bean coffee does have a more expensive price than coffee powder in general because of the quality and content of benefits and the process of producing it is more hygienic. Consumer perception of the price of Koplak Food's expensive salak bean coffee has a positive effect on *perceived* quality, meaning that consumers will view salak bean coffee as a quality drink with many benefits, so it is undeniable that it requires a higher sacrifice of money. This is in accordance with the opinion of Savitri, et al (2016: 14) the quality and costs incurred are felt according to a product purchased, so consumers will want to pay a higher price.

Pricing on salak bean coffee also pays attention to environmental costs, this is done to preserve the environment and carry out *corporate social responsibility* (CSR) obligations. This is also done to minimize waste generated by the Koplak Food Agroindustry. The funds released annually by Agroindustri Koplak Food show the efforts made to preserve the environment and have carried out its CSR obligations. This can be seen from the funds that Koplak Food spends on environmental costs per year.

The funds spent annually are used to purchase cleaning supplies, production machine tools to reduce *roasting smoke*, and cleaning subscription fees. So that the waste generated by the Koplak Food Agroindustry can be minimized. If environmental preservation activities are carried out, the surrounding environment will avoid pollution, thus making the surrounding community comfortable. This means that they have carried out CSR obligations in the form of maintaining and preventing environmental pollution. This is in accordance with Law No. 32 of 2009 concerning Environmental Protection and Management article 14 that one of the instruments for the prevention and/or damage of the environment is an environment-based budget.

Agroindustry Koplak Food has several SOPs that show the existence of procedures regarding *green places* such as cleaning and maintenance procedures for business house facilities, cleaning procedures for production equipment facilities. The types of SOPs in the Koplak Food Agroindustry can be seen in lampiran 8. Energy use in production houses is adjusted to the power needs needed so that there is no excessive use, namely by turning off electrical equipment that is no longer in use.

Business owners maintain transportation equipment with cleaning, oil changing and engine maintenance activities so that the emissions generated from transportation equipment are not excessive. This is done so that the means of transportation used, namely cars, do not have a bad effect on the environment. This is according to the statement from the results of Kurnia & Sudarti's research (2021: 8) a well-maintained vehicle will not experience damage and will not emit harmful compounds for the environment derived from engine damage.

Product safety during the distribution process to the hands of consumers must be considered by the manufacturer. For the safety of the products sent, business owners arrange the product into Styrofoam as a safer container so that the product does not rub against other objects in the car and keep the product from being exposed to direct sunlight. Companies that make sales are not far from the problem of products that experience records and damage during the distribution process, which causes various kinds of complaints from buyers. Therefore, one of the strategies carried out by business owners to overcome this is to use a return system for goods. This is according to the opinion of Suhaimi Ismi (2019: 2) doing the return method of goods can establish good business relationships between buyers and distributors, as well as producers.

A *green marketing mix strategy* that has not been fully implemented is *green promotion*. *Green marketing* that distinguishes products in general with environmentally friendly products is *eco label* and *eco brand*. In Agroindustry, Koplak Food has not listed the *eco label* and *eco brand* logo on the packaging, because there is no BPOM certification. To market their products, what is done by the owner

is to use social media, the goal is to introduce products and raw materials used to the wider community through pictures or short videos. This is according to the statement from the results of Augustinah & Widayati's research (2019: 5) promotion using social media can make a wider market reach than marketing through media

CONCLUSION

Based on the results of the research and discussion described above, it can be concluded that the subject of this study has implemented a *green marketing mix* consisting of *green product*, *green price*, *green place*, and *green promotion*. Koplak Food agroindustry has implemented a *green marketing strategy* but there is one indicator that has not been met, namely *green promotion*. The application of *green marketing mix* in the Koplak Food Agroindustry in the green product indicator is shown by products that are indeed raw materials from salak beans and during the manufacture of salak bean coffee while maintaining product cleanliness from pre-production to post-production. The application of *Green price* can be shown from setting a relatively more expensive price because the price of the product is in accordance with the quality and benefits of Salak bean coffee, and there are costs for handling production waste.

The application of *green marketing mix* in *green place* indicators can be seen from locations close to raw materials, production houses always maintain cleanliness and ensure salak bean coffee products reach consumers safely. The application of *green marketing mix* in *green promotion* indicators can be seen from the promotion carried out in a transparent and educational nature through exhibitions and promotional media owned. Agroindustry Koplak Food has recognized the criteria of *the green marketing mix* but there are still shortcomings in its application such as not including logos about environmental friendliness on the packaging, namely *eco labels* and *eco brands*.

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