

# Analysis of Local breed Chicken Collectors' Income in Anjir Pasar Barito Kuala District

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**Abstract.** The research aims to analyze the income of local breed chicken collectors at Anjir Market in Anjir Pasar District, Barito Kuala Regency, South Kalimantan Province. The respondents in this study were local breed chicken collectors at Anjir Market in Anjir Pasar District, Barito Kuala Regency, totaling 8 people, where the determination was determined purposively, namely all local breed chicken collectors. The data collected in this research is primary data and secondary data. Primary data was obtained through interviews with collectors using questionnaires, while secondary data was obtained from related parties. The data obtained from the survey was tabulated and then the income of local breed chicken seller and the R/C ratio were calculated. The research results show that there are 2 marketing channels for local breed chicken collectors, namely: Collectors → consumers and collectors → Big Collector → consumer. The highest income for local breed chicken seller is IDR 2,574,000 per month and the lowest is IDR 699,000 per month with an average of IDR 1,361,500 per seller per month with the highest R/C value of 1.21 and the lowest 1.09 with an average of 1.14. The overall R/C is greater than 1, so selling local breed chickens is profitable.

**Keywords:** Analysis, Local breed Chickens, Local breed Chicken Collectors, Income, District

## 1 Introduction

Local breed chicken is a cattle commodity and has been widely cultivated by people in villages throughout Indonesia. Local breed chicken cultivation by the community is generally carried out traditionally by releasing it, with the aim of producing eggs and meat, as a source of nutrition, a source of income and savings. Apart from that, native chickens also produce feathers for industrial materials and droppings as organic fertilizer [3]. Some of the advantages of native chickens are that they are resistant to disease, easy to adapt to the environment, easy and simple maintenance, low production costs, easy marketing, and price. Selling the product is more expensive than purebred chickens [3]; [8]). People prefer local breed chicken meat because it is chewier and more muscular, has lower fat content compared to broiler chicken meat, and has a savory taste [6]. Low fat content,



especially in breast meat [6]; [4]). Because local breed chicken meat is liked by the public, many stalls and restaurants provide local breed chicken dishes as the main menu [4]). Consumers' appetite for local breed chicken meat is very high, so the demand for local breed chicken is increasing from year to year [1]). As society's economy, education and awareness of nutrition improve, the need for chicken meat also increases. The development of local breed chickens, especially in rural areas, will be very helpful in providing animal food with high nutritional value and increasing income. Keeping local breed chickens is also a savings that can be sold at any time to meet urgent household needs [14]).

Local breed chickens have quite high diversity both in terms of performance and genetics with a very wide distribution in both villages and urban areas. Besides that, native chickens have a high level of adaptation to the environment, especially in Indonesia, so native chickens are worthy of development. Developing local breed chicken populations can be done by using local resources, both seeds and feed, with extensive maintenance. Meanwhile, cultivating purebred chickens requires bringing in seeds, feed and medicines from factories and maintenance must be intensive. Because it is easy to cultivate, the population of local breed chickens, which are dominated by local breed chickens, is increasing from year to year.

Traditional markets are one of the means of marketing local breed chickens. The problem faced in marketing local breed chicken in the form of meat products is that there is competition with purebred chicken meat which is much cheaper, resulting in competition in marketing. Competition in the sale of local breed chicken meat with purebred chicken meat will affect sales turnover which can reduce the income of local breed chicken seller in traditional markets. Research related to the economics of trading local breed chickens in traditional markets has not been studied so research needs to be carried out, especially those related to income.

This research aims to analyze the economics of commerce local breed chickens in the Anjir market, Anjir Pasar District, Barito Kuala Regency, especially traders' income and business feasibility. The benefit of the research is to obtain basic data and information related to the economy of local breed chicken collectors. The results of this research can be used as input in developing the local poultry market.

## **2 Research Method**

### **2.1 Research sites**

This research was carried out with collectors at Anjir Market in Anjir Pasar District, Barito Kuala Regency, South Kalimantan Province.

### **2.2 Determination of Respondents**

The respondents in this study were local breed chicken collectors located at Anjir Market in Anjir Pasar District, Barito Kuala Regency. The research was conducted using a survey method with respondents determined randomly purposive namely all local breed chicken collectors.

### 2.3 Method of collecting data

The data collected in this research is primary data and secondary data. Primary data was obtained through interviews with collectors using questionnaires, while secondary data was obtained from related parties.

### 2.4 Data analysis method

The data obtained from the survey was tabulated and then calculated the income of local breed chicken seller and the R/C ratio according to [11]). R/C is used to find out whether trading local breed chickens is profitable or not. If the R/C value is greater than 1 then the local breed chicken trade business is profitable, if the R/C value is smaller than 1 then the local breed chicken seller business makes a loss, and if R/C=1 then the local breed chicken trade business breaks even (no profit and no make a loss).

## 3 Results and Discussion

### 3.1 Respondent Characteristics

The characteristics of respondents observed in this study included age, education, main occupation and length of farming experience. The characteristics of the respondents can be seen in Table 1.

**Table 1.** Characteristics of respondents

NoRespondent Characteristics	Amount	%
1Age		
25-35	2	25,00
36-46	5	62,50
> 46	1	12,50
2Education		
SD	1	12,50
junior high school	0	-
high school	6	75,00
S1	1	12,50
3Main job		
Farmer	7	87,50
Private	1	12,50
4Old Local breed Chicken Sales Business		
1-5 thn	1	12,50
6 - 10 thn	6	75,00
11-15 thn	1	12,50

Table 1 shows that respondents are classified as being of productive age (31-45 years), namely 87.50%, which is in accordance with the Inter-Census Population Census [12] which is of

productive age (15-64 years). This means that the respondents are in the age range that is able to work and develop their business, and their mindset is still open, making it easier to transfer knowledge and technology. This age classification is an asset for determining progress in marketing development of local breed chickens.

12.50% of respondents had elementary school education; 75.00% have a high school education and 12.50% have a bachelor's degree. Limited capital and respondents' skills in marketing local breed chickens obtained from personal experience and information from other parties resulted in a lack of capital for developing local breed chicken marketing businesses.

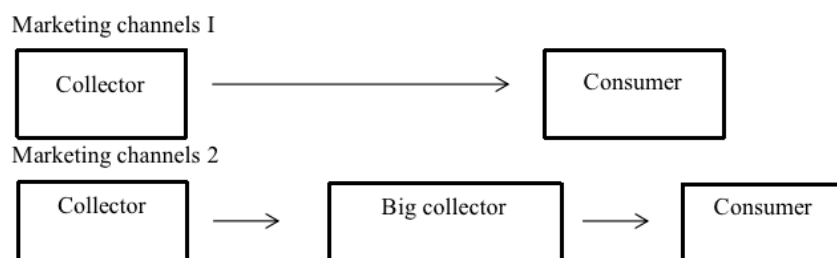
The main occupation of the respondents was that 87.50% were farmers; and 12.50% work self-employed. For business experience selling local breed chickens, 12.50% of respondents had business experience of 1-5 years, 75.00% had business experience of 6 - 10 years and 12.50% had business experience of 11-15 years.

### 3.2 Marketing Institute Analysis

There are 2 marketing channels for local breed chicken collectors, namely:

1. Collector → consumer
2. Collector → Big Collector → consumer

Most Merchants use a combination of these marketing channels. This is done to maintain the continuity of the local breed chicken marketing business, because by doing this seller can still sell and earn income.



**Fig. 1.** Marketing Channel

Marketing channel I is between collectors and consumers. The consumers in question are ordinary people both from within the village and from outside the village and are not traders. In marketing channel II, collectors sell local breed chickens to large collectors, then large collectors sell them to the public, breeders and restaurants.

### 3.3 Marketing Margin.

Marketing margin is the price difference that occurs at each marketing institution. The marketing margin can be calculated by adding up the marketing costs with the profit for each marketing institution involved in the marketing channel. This margin can also be shown by the

difference between the selling price and the buying price at the institution concerned. The amount of marketing margin is different for each channel. This is caused by differences in selling prices, marketing costs incurred and profits from each marketing institution in the marketing channel. [8]

**Table 2.** Average margin (Rp/Head)

Description	Marketing channel	
	Big collector	Consumer
Prices at big collectors	44.688	44.688
Price to consumers	60.000	52.188
Margin	15.313	7.500

Table 2 shows that the shorter the marketing channel, the lower the price received by traders. The prices received by collectors in marketing channels I and II are mostly around Rp. 44,688 up to Rp. 60,000. In channel II there are already collectors who receive a price of Rp. 44,688 to Rp. 52,188.

The difference in prices received by collectors is due to, among other things: after obtaining local breed chickens, they can sell the local breed chickens to people who need them and can also sell the local breed chickens to large collectors in Anjir Market.

### 3.4 Procurement of local breed chickens

The local breed chickens sold by 8 respondents at the Anjir market were obtained from buying from breeders from around Anjir Pasar and Anjir Muara Districts. [7] stated that for marketing procurement of local breed chickens, the highest marketing procurement costs are borne by inter-regional seller because of long distances, the risk of illness and death. The total number of local breed chickens purchased by all traders is 1655 birds/month with an average of 207 chickens per trader per month, with the lowest number purchased being 160 chickens per month and the highest being 254 chickens per month. The average purchase price of chickens by traders varies from the lowest price of IDR 40,000 per head and the highest price of IDR 50,000 per head with an average of IDR 45,000 per head.

### 3.5 Local breed Chicken Trading Costs

Trading costs for local breed chickens in traditional markets include fixed costs and variable costs. Fixed costs consist of drum depreciation costs, with costs per trader per month averaging IDR 100,000 per trader per month (Table 2) or 0.71% (Table 1). Meanwhile, variable costs consist of purchasing chickens, feed costs and transportation costs. The lowest variable costs are IDR 6,826,000 per seller per month and the highest is IDR 12,451,000 with an average of IDR 9,385,375 per trader per month (Table 2) or 99.5% (Table 1). In this research, labor costs were not taken into account because it only used family labor of 1 person and there was no additional labor from outside so there were no labor costs. The average production cost is IDR 9,485,375 per seller per month (Table 2).

The average costs incurred by seller at Anjir Market are higher (Rp. 14,040,063) when compared with research from [13], where the average costs incurred by free-range chicken

traders were IDR 9,593,979. This is because there are other components in fixed costs, namely security costs and rental of premises.

**Table 3.** Average costs incurred by village chicken traders

<b>Cost component</b>	<b>verage cost(Rp/merchant/month)</b>	<b>Percentage (%)</b>
<b>Fixed cost</b>		
Cage depreciation costs	100.000	0,71
Amount	<b>100.000</b>	
<b>Variable cost</b>		
Purchase of chicken	13.964.063	99,5
Feed costs	28.000	0,20
Transportation costs	48.000	0,34
<b>Amount</b>	<b>14.040.063</b>	<b>100,0</b>

### 3.6 Reception and Income of Local breed Chicken Seller

Local breed chicken sellers' income from the local breed chicken trade business constitutes all revenues from the sale of traded chickens. In Table 2 it can be seen that the respondents' income includes income from selling local breed chickens. The highest income seller from selling chickens is IDR 15,125,000 per month and the lowest is IDR 7,125,000 per month with an average of IDR 10,846,875 per farmer per month (Table 2).

The income of local breed chicken seller is calculated using cost and revenue analysis (Table 2). Income analysis is obtained from calculating the difference between revenue and production costs. Table 2 shows that the highest income for local breed chicken seller is IDR 2,574,000 per month and the lowest is IDR 699,000 per month with an average of IDR 1,361,500 per trader per month (Table 2). This income can be used as a reference for local breed chicken sellers in developing their business. Besides that, it can be used by people who want to be involved in the local breed chicken trade.

[2] stated that the average income of breeders can provide a clear picture of the importance of a breeder developing their business even though this business requires increasing production costs. If production costs are large and balanced with the scale of the business and an optimal management system, the farmer's income will increase. [15]

**Table 4.** Total costs, receipts and income of local breed chicken collectors

<b>NoRespondent</b>	<b>fixed costs (Rp/month)</b>	<b>Variable costs (Rp/month)</b>	<b>Total cost (Rp/month)</b>	<b>revenue(Rp/ Month)</b>	<b>income (Rp/month)</b>	<b>R/C</b>
1Zainal	100.000	9.301.000	9.401.000	11.275.000	1.874.000	1,20
2Udin	100.000	12.451.000	12.551.000	15.125.000	2.574.000	1,21
3Supian	100.000	7.951.000	8.051.000	9.625.000	1.574.000	1,20
4Abdullah	100.000	10.201.000	10.301.000	12.375.000	2.074.000	1,20
5Samsuri	100.000	6.826.000	6.926.000	7.125.000	199.000	1,03

6Samsudin	100.000	10.201.000	10.301.000	11.250.000	949.000	1,09
7Ridwan	100.000	10.201.000	10.301.000	11.250.000	949.000	1,09
8Dawn	100.000	7.951.000	8.051.000	8.750.000	699.000	1,09
<b>Rate-rate</b>	<b>100.000</b>	<b>9.385.375</b>	<b>9.485.375</b>	<b>10.846.875</b>	<b>1.361.500</b>	<b>1,14</b>

### 3.7 Revenue and Expense Ratio

The revenue and cost ratio (R/C) is the result of sales of commercial chickens divided by all costs incurred. Table 2 shows that the highest R/C value is 1.20 and the lowest is 1.09 with an average of 1.14. The overall R/C is greater than 1, so trading local breed chickens is profitable.

## 4 Conclusion and Recommendations

### 4.1 Conclusion

Based on research, it can be concluded that:

1. The income of local breed chicken sellers in traditional markets is the highest at IDR 2,074,000 per month and the lowest at IDR 699,000 per month with an average of IDR 1,361,500 per trader per month.
2. The highest R/C value is 1,21 and the lowest is 1,09 with an average of 1,14 so that the local breed chicken trade business in traditional markets is profitable and economically feasible.

### 4.2 Recommendations

There is a need for adequate sales locations so that there is development of local breed chickens which can increase the number of chickens sold so that income will increase.

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