

MARKETING STRATEGY FOR INDONESIAN PALM OIL PRODUCTS IN ISLAMIC ECONOMIC PERSPECTIVE IN PPKS MARIHAT

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Abstract: This research aims to determine the sales strategy for palm oil products from an Islamic Economics perspective. The integration of conventional marketing into sharia principles refers to efforts to combine conventional marketing strategies with Islamic economic perspectives. In collecting data, this type of research uses qualitative research with subjective strategies using library or literature study methods, especially information gathering methods by understanding and focusing on speculation from various related articles as well as interviews and observations. The results of this research show that by implementing a sales strategy that adheres to the principles of Islamic economics, a business will be able to build a strong image and gain consumer trust and not harm consumers and become a sin for producers.

Keywords: Islamic Economics, Marketing Strategy, PPKS

INTRODUCTION

Indonesia is the largest producer of palm oil in the world. Palm oil production in Indonesia has increased rapidly in recent decades. Palm oil is one of Indonesia's main export commodities which generates significant export revenues. The palm oil industry makes a major contribution to the national economy, creates jobs and contributes to economic growth. Palm oil business marketing in Indonesia involves various strategies to promote palm oil products and their derivative products to local and international markets. Cooperatives are a form of business organization founded by a group of people, members or legal entities who work together to fulfill common needs and achieve common economic goals. Cooperatives can exist in various economic sectors and play an important role in overcoming social and economic problems in various communities as well as being a people's economic movement. A business can empower members to improve their economic well-being and ensure social justice. As organizations based on the principles of togetherness and democracy, cooperatives have a unique role in economic and social development. Until 2010 in Indonesia there were eight official palm oil seed producers. The eight central producers are the Palm Oil Research Center (PPKS), PT. Socfindo, PT. Londsum Tbk, PT. Tunggal Yunus (Asiall Agri Group), PT. Dallli Masa (Sinar Mas Group), PT. Bina Sawit Makmur (Selapan Jaya IV Imakmur), PT. Tania Selttall (Wilmar Group) and PT. Bhakti Tani Nusantara.

Marketing is an activity carried out by a company or organization to promote, sell and distribute products or services to consumers or potential customers. Marketing also involves a deep understanding of the target market, competition, and industry trends. This allows companies to plan effective marketing strategies, identify opportunities, and overcome challenges that may arise in achieving business goals. According to (Kotler & Armstrong, 2016) marketing is a scientific discipline and business practice related to a series of activities carried out by a company or organizations to promote, sell, and distribute products or services to potential customers or consumers. The main goal of marketing is to create demand for the products or services offered, meet customer or consumer needs, in order to make a profit and achieve certain business goals.

Marketing involves various aspects, including market segmentation to identify target groups, product or service development, appropriate pricing, promotion to increase consumer awareness and interest, distribution of products or services to target markets, sales of products or services, and customer service to maintain relationships (Daud, 2021). positive with customers. Marketing is an important aspect of any business or organization operating in a competitive

business environment. It helps companies understand the market, identify opportunities, compete in the industry, build a brand image, increase sales, and ensure business sustainability (Kotler & Armstrong, 2016). Marketing also continues to evolve with changes in consumer behavior and technology, such as online marketing, social media and data analytics. It can be definitively said that the marketing concept is a business philosophy which states that satisfying consumer needs is an economic and social condition for the survival of the company.

According to (Alma, 2016) from an Islamic economic perspective, marketing is an economic activity that involves offering, promoting and distributing goods and services to consumers or other stakeholders, but must comply with sharia economic principles and values. Marketing in an Islamic economy is realized in business practices that comply with sharia principles and ethical values. The main emphasis is on fairness, honesty, transparency and consumer protection in all stages of the marketing process, from production to distribution. Of course, Rasulullah SAW is a role model for Muslim business principles and ethics in offering their products

A marketing strategy is a structured plan used by a company or organization to achieve their marketing goals (Isnaini, 2019). It is a holistic approach that includes various steps and decisions taken to manage and promote a company's products or services to a specific target market. Marketing strategies aim to increase sales, increase brand awareness, win market share, and achieve other marketing goals. In this case, Islamic marketing has a very strategic position, because Islamic marketing is a marketing strategy that is based on the Al-Qur'an and the Sunnah of the Prophet Muhammad. Islamic marketing is a strategic business discipline that directs the process of creating, offering and changing value from an initiator to its stakeholders, which in the entire process is in accordance with Islamic agreements and principles and muamalah in Islam.

Based on the 2020 Central Statistics Agency (BPS), Indonesia will produce 45.58 million tons of palm oil in 2022. The growth and development of the palm oil industry in Indonesia requires various factors that must be considered so that it occurs sustainably and provides maximum benefits for the community. In particular, the growth and development of the palm oil industry should be balanced with knowledge of basic strategies in doing business according to Islam.

By understanding the existence of competitive challenges, it is necessary to have a good marketing strategy according to Islam carried out by the Marihat PPKS palm oil business. During the researcher's internship at the Marihat PPKS office, the researcher saw that there was a lack of marketing strategy from an Islamic economic perspective. Based on the above phenomenon, the author was interested to analyze this problem with the title "**Marketing Strategy for Palm Oil Products from an Islamic Economic Perspective at PPKS Marihat**"

METHODS

Internship activities were carried out at PPKS Marihat Simalungun in the sales section of Palm Oil Products, North Sumatra which lasted for 1 month starting from January 17th - February 17th 2023. According (Sugiyono, 2019) the method used was a descriptive qualitative method using interviews using the library or literature study method (Syafrizal Helmi Situmorang, 2016), especially the method of gathering information by understanding and focusing speculation from various related articles as well as interviews with the director of palm oil at PPKS Marihat and observation.

RESULTS AND DISCUSSION

Results

In general, marketing strategy is very important for companies where marketing strategy is a way to achieve the goals of a company. This is also supported by the opinion of (Siagian, 2018) that currently the term strategy is used by all types of organizations and the main ideas

contained in the original meaning are still maintained, only the application is adjusted to the type of organization that applies it, because in the same sense in fact, top management does engage in a particular form of "warfare."

The results show that this palm oil product is indeed widely purchased by consumers where palm oil is a necessity in the household. The marketing strategy for this product must also be trustworthy in terms of packaging, halal production activities, and how to get it rewards from consumers (Isnaini, 2019).

Discussion

1. Marketing

Marketing is an activity and process that aims to fulfill needs in a targeted and effective manner according to customers' desires and needs, as well as creating value for them. Marketing is an important component in each business, allowing companies to run their operations, reach consumers, and achieve their business goals. Marketing plays a role in building brands, identifying market opportunities, and building relationships with consumers (Manap, 2016)

2. Demand

Marketing was influenced by the large demand for palm oil which has various influences in the economic, industrial and environmental contexts. High demand for palm oil can encourage the growth of the palm oil industry. This includes increasing palm oil production, opening new plantations, and developing processing facilities. It can increase the income of oil palm farmers because product prices tend to rise. This could have a positive impact on the lives of rural communities who rely on oil palm farming as a source of income.

The palm oil industry can make a significant contribution to the country's economy, including foreign exchange through exports of palm oil and its derivative products. With increasing palm oil production, the industry is also creating jobs, both on plantations and in the related supply chains. High demand has led to increased awareness about sustainability in palm oil production. Several companies have committed to adopting sustainable practices and obtaining sustainability certifications such as RSPO. High demand for palm oil can affect the availability of consumer products that use palm oil as a raw material, such as processed foods, cosmetics and household products.

According to (Gromikora et al., 2014) environmental impacts arising from unsustainable oil palm plantation policies and increased production can have negative impacts on the environment, such as deforestation, land degradation and loss of natural habitat.

3. Offer

Palm oil refers to the availability of palm oil on the market, both at the local, national and international levels. Stated that the availability of palm oil is influenced by a number of factors, including production, exports and demand. Palm oil production is a key factor influencing supply. Palm oil production depends on factors such as climate, technology, plantation area planted, and investment in the palm oil industry.

Efficiency in the process of harvesting palm fruit and processing palm oil get an important role in determining the extent to which palm oil can be produced and supplied to the market. Palm oil is one of the main export commodities for many producing countries, such as Indonesia. Export policies, tariffs and international market access can influence the amount of palm oil available on the global market. The availability of processing facilities such as advanced technological equipment, storage and efficient transportation also get a role in determining how much palm oil is offered. Producers who have obtained sustainability certification, such as RSPO (Roundtable on Sustainable Palm Oil), can have better access to certain markets and get better prices for sustainable palm oil.

Palm oil marketing strategies from an Islamic economic perspective must comply with shariaeconomic principles that follow Islamic teachings. It covers the principles of ethics, justice, sustainability, and compliance with Islamic law. The following are several aspects of palm oil marketing from an Islamic economic perspective according to Abdullah At-Tariqi (Kadir, 2013):

1. Price fairness in marketing palm oil from an Islamic economic perspective reflects the principles of ethics and justice in accordance with Islamic teachings. In Islam, Prices must reflect the value and quality of the product, and must be determined in a way that is fair, transparent, and does not harm the parties involved in the transaction.

The distribution of economic results in Islam must be fair and equitable. Inequalities in income distribution must be avoided, and companies need to ensure that all parties involved in the palm oil supply chain, including farmers, workers and producers, are treated fairly and rewarded appropriately. In the distribution of palm oil, this means that profits and benefits must be distributed evenly among all parties involved, including farmers, workers and producers.

The words of Rasulullah SAW regarding the provisions related to price policy strategies "Do not compete (unhealthily) with your own brother's sales" . (hr.34-37) Workers involved in the production and distribution of palmoil must receive fair and decent wages, in accordance with Islamic economic values. All contracts and agreements in the palm oil supply and distribution chain must be based on the principle of justice. The rights of all parties must be respected. Justice also involves equal access to economic opportunities, including access to land and resources for farmers involved in palm oil production.

2. Ethics in Marketing, namely marketing must be carried out with high ethics and morals. The principles of honesty, transparency and integrity must be upheld in all aspects of marketing. Ethics in palm oil marketing involves business practices that adhere to good moral principles and social values. Because the palm oil industry oftendeals with sensitive environmental, social and sustainability issues, it is important to understand and apply ethics in all aspects of marketing.

Companies must commit to being transparent in the information they convey to consumers and stakeholders. Appropriate information about production methods, resources and environmental impacts must be provided. Companies must comply with all applicable regulations and laws in the production and marketing of palm oil, including environmental and sustainability laws. Companies must commit to sustainable practices in palm oil production, including land and forest management, wise use of natural resources, and environmental protection.

Consumers also have a role in marketing ethics. They can make ethical choices by supporting products that adhere to respected sustainability and ethical standards. Ethics in marketing palm oil is important to build a positive corporate image, meet the demands of consumers who are increasingly concerned about sustainability, and avoid the negative consequences that can arise from unethical business practices. Ethics must be integrated into the entire supply chain and marketing of palm oil products to maintain environmental sustainability and social welfare because etiquette is the main thing in Islam.

The principle of sustainability in palm oil production is very important in Islamic economics. This includes managing natural resources wisely, protecting the environment, and avoiding actions that could damage nature. The principle of social responsibility in Islam requires companies to pay attention to the welfare of the surrounding community and make a positive contribution to a community.

3. Companies must ensure that all business practices and policies that implement comply with applicable sharia principles and Islamic law.

4. Product Quality and Safety, namely palm oil products must meet high quality standards and be safe for consumption by Muslims. Products must comply with halal requirements. From an Islamic economic perspective, CSR in the palm oil industry must reflect the values of justice, ethics and sustainability in accordance with Islamic teachings. This involves a company's commitment to adhere to Islamic principles in all aspects of their business and to contribute to the well-being of society and the surrounding environment. Corporate social responsibility that is in line with Islamic values can help build a positive corporate image and support sustainable development.
A hadith states that: "Hakim bin Nazam said: The Prophet said, "The seller and buyer have the same right to choose before separating. If they are honest and willing to explain (the condition of the goods), they will receive blessings in their buying and selling. And if they lie and cover up (defects in the goods), the blessings of their buying and selling will be wiped out." (HR. Al-Bukhari). (Idri, 2015)
5. Sustainability Certification for palm oil products that meet sustainability standards, such as RSPO certification, can be seen as better and more in line with Islamic principles. Existence certification must ensure that palm oil production does not damage the environment, including forests and natural ecosystems. This is in accordance with the principle of desire in Islam which encourages wise management of natural resources. Forest Protection One important aspect of RSPO certification is efforts to avoid deforestation and forest damage. This is in accordance with environmental values in Islam which encourage the protection of forests and natural resources.
6. Consumer Choice: Consumers in an Islamic economy are also encouraged to make choices that are in accordance with Islamic moral and ethical principles. Therefore, consumers can choose palm oil products that are produced in compliance with Islamic sustainability and ethical standards. Consumers must choose products produced by companies that comply with the principles of fairness in the palm oil supply and distribution chain. This includes fair distribution of profits to all parties involved, protection of labor rights, and compliance with ethical principles in business. Consumers should look for products that come from companies committed to sustainable practices in palm oil production. Products that comply with environmental standards, such as RSPO certification, can be a choice that is more in line with Islamic environmental principles.

Palm oil products must meet halal standards and high quality in accordance with Islamic requirements. Consumers must ensure that the product complies with Islamic law and is safe for consumption. Consumers can choose products produced by companies that fulfill their social responsibilities towards workers, communities and the environment where palm oil is produced. The importance of honesty in promoting and dishonesty as a disgraceful act is conveyed through the Hadith of Rasullah, namely: "From Abu Hurairah radhiyallahu anhu, said: "Swearing causes business to be carried out but eliminates the blessings of business results." (HR. Bukhari and Muslim). "Ibn Umar said, a man complained to the prophet, "I have been deceived in buying and selling". So He said; "Say to the person you are buying and selling with, "No cheating!" Since then, if he makes a buying and selling transaction, he says so. (HR. Bukhari)

The hadith above can be a reference for promotional activities carried out by palm oil companies selling products to the public to provide real and reliable information, so that there are no falsehoods that could harm consumers. In an Islamic economic perspective, consumers have an important role in influencing business and production practices through their choices. By choosing palm oil products that align with Islamic values, consumers can support companies that are committed to ethics, justice and passion. It can also help motivate companies to improve their business practices and adhere to the principles of Islamic teachings in economics.

CONCLUSION

In palm oil marketing strategies, the parties involved must provide clear information about product quality, production methods, and origins, so that buyers can make intelligent decisions. In an Islamic economy, it is important to ensure that profits from marketing palm oil Palm oil is distributed fairly among all parties involved, including farmers, producers and traders. A fair profit sharing system can provide benefits to the wider community. Islamic economics emphasizes the importance of community welfare. Palm oil marketing strategies must consider the impact on local communities, including social and economic aspects, such as increasing farmer incomes, job creation, and support for local infrastructure. The marketing strategy for palm oil from an Islamic economic perspective is to ensure that these marketing activities are carried out in an appropriate manner. good faith, justice, and focusing on the welfare of society, while adhering to Islamic economic principles that create blessings in business.

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