# SOSIOECONOMIC ASPECT OF AGRIBUSINESS AFFECTED DURING COVID-19 PANDEMIC

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ABSTRACT. Agribusiness is a business in the agricultural sector that consists of providing input, production, marketing, processing and supporting which are interrelated and many actors are involved. The research purpose was to determine the socioeconomic aspect of agribusiness affected during the Covid-19 pandemic based on general public perception. This research was conducted in June-July 2020 by distributing questionnaires online from 18 June 2020 to 30 June 2020 using google form. The total respondents who filled in were 87 people. It's consists of academics, practitioners, and the general public. Data were analyzed using qualitative analysis with a Likert scale. The results showed that agribusiness during the Covid-19 pandemic was positively impacted with an average score of 114.6. Socioeconomic aspects that have been positively affected, among others local input is sought, local input prices increase, import inputs are limited, food demand, food production, and output prices increase, food availability becomes the focus, local production sought after, imported products decreased, various marketing patterns varied, online order services and delivery order increased, marketing was increasingly creative, demand for fresh food increased, demand for processed food and household processing industries increased, prices for processed food increasing, processing innovations are increasingly diverse, online financing transactions, massive information dissemination, extensive sharing of agricultural experiences, price information increasing, multi-stakeholder meetings increasing, changes in agriculture policy. The research implication is that the Covid-19 pandemic provides an important lesson for agribusiness that agricultural is an important sector and the ability of business units to adapt and innovate is needed.

Keywords: socioeconomics; agribusiness; Covid-19; agriculture; food.

# ASPEK SOSIAL EKONOMI AGRIBISNIS YANG TERDAMPAK SELAMA PANDEMI COVID-19

ABSTRAK. Agribisnis merupakan usaha di bidang pertanian terdiri atas penyediaan input, produksi, pemasaran, pengolahan, dan penunjang yang saling terkait dan banyak pelaku yang terlibat. Tujuan penelitian adalah untuk mengetahui aspek sosial ekonomi agribisnis yang terdampak selama pandemi covid-19 berdasarkan persepsi masyarakat. Penelitian dilaksanakan pada bulan Juni-Juli 2020 dengan menyebarkan kuisioner sejak 18 juni 2020 hingga 30 Juni 2020 secara online memanfaatkan google form. Responden yang mengisi berjumlah 87 orang, terdiri atas akademisi, praktisi, dan masyarakat umum. Data dianalisis menggunakan analisis kualitatif dengan skala likert. Hasil penelitian menunjukkan bahwa agribisnis selama pandemi Covid-19 terdampak positif dengan rata-rata skor 114,6. Aspek sosial ekonomi yang terdampak positif antara lain: input lokal dicari, harga input lokal meningkat, input impor dibatasi, permintaan pangan, produksi, dan harga output meningkat, ketersediaan pangan menjadi fokus, produksi lokal dicari, produk impor menurun, variasi pola pemasaran beragam, layanan order online dan layanan pesan antar meningkat, pemasaran semakin kreatif, permintaan pangan segar meningkat, permintaan pangan olahan dan industri pengolahan rumahtangga meningkat, harga pangan olahan meningkat, inovasi pengolahan semakin beragam, perubahan layanan transaksi pembiayaan, penyebaran informasi masif, berbagi pengalaman dan wawasan pertanian menjadi luas, informasi harga penting, pertemuan multistakeholder meningkat, perubahan kebijakan pertanian. Implikasi penelitian adalah Covid-19 memberikan pelajaran penting bagi agribisnis bahwa pertanian tetap menjadi sektor penting dan diperlukan kemampuan unit usaha untuk beradaptasi dan berinovasi.

Kata Kunci: sosial ekonomi; agribisnis; Covid-19; pertanian, pangan.

#### INTRODUCTION

Agriculture has become one of the supporting sectors for Indonesia's economic development during the Covid-19 pandemic. Health and economic considerations are two important things that have always been issues and topics in scientific discussions and influence government policymaking. The government announced a positive case of corona virus infection (Covid-19) on March 2, 2020. This has become big news stating that the virus that has been declared a pandemic has entered Indonesia. To this day, the number of positive cases continues to increase,

which certainly has an impact on economic stability and the pattern of life of the Indonesian people.

The Covid-19 pandemic affected the trade, tourism, food, and processing industries, as well as variations in marketing, and product value chains. Both the government, producers and consumers face surprises and are not prepared to deal with them. Everything is done as a form of anticipation to survive the Covid-19 and post-Covid-19 periods. The government adopted a large-scale social restriction policy that restricts the movement of the people. Several manufacturing industries took policies to reduce labor and layoffs. Consumers

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tend to be careful in choosing, paying, and paying attention to where agricultural products come from (Widayat & Arifin, 2020).

Many countries are experiencing major impacts on agriculture due to Covid-19 pandemic. Covid-19 pandemic has substantially affected smallholder producers' access to markets. The Covid-19 pandemic has an immediate and likely more severe impact on high-value commodities (perishable products) that are mostly produced by small farmers. Arumugam, et al., 2020) in India in their research shows that farmers tend to feel a decrease in income, a shortage of labor, and a change in the agribusiness goods store network between producers, transporters, distributors, retailers, and consumers.

Agribusiness as a business in agriculture is a sector that is vulnerable to impact. Jámbor, et al., (2020) publication states that the relationship between agriculture and Covid-19 about to with concerning to supply, demand, labor, food security, trade, and other effects has become a trending topic in global news. Agribusiness as a series of interrelated businesses consisting of the provision of inputs, production, marketing, processing, and support will experience shocks and have an impact on the communities involved as both producers and consumers. The provision of business input still needs to be maintained, price stability so that farmers can still do their farming. Farm production will be affected by adjusting the use of labor and working frequency.

People who experience and feel will give different perceptions of the conditions that occur. Many parties are involved in agribusiness, both the government as policymakers, the private sector as business actors, the community as consumers, and farmers as producers of agribusiness. The purpose of this research is to examine the socioeconomic aspects of agribusiness which were affected during the Covid-19 pandemic. Socioeconomic related to human action and a capability to adequately recognize the relevancy of influences from other spheres of social life on the economy and their relevancy for the explanation

of economic phenomena. Socioeconomic aspects of agribusiness actors such as economic activity, household income, education, culture, technology, and social relation may face shocks due to Covid-19.

#### **METHOD**

This research was conducted during the months of June-July 2020. The research was conducted by distributing questionnaires online using google form. Questionnaires were distributed from 18 June 2020 to 30 June 2020. There were 87 respondents filled out the questionnaire. This questionnaire is distributed in the WhatsApp group of the participant of national seminar. The target respondents in this study are people who have competence and knowledge related to agriculture in general and agribusiness in particular. The respondents who were obtained consisted of academics, practitioners, and the general public.

This research using qualitative analysis with a Likert scale. The categories used are: Strongly Agree, Agree, Disagree, and Strongly Disagree. The indicators that become the assessment in this study consist of five subsystems in agribusiness, namely input, production, marketing, processing, and support. The aspects assessed in the input subsystem consist of input availability, input prices, input demand, and input sales services. The aspects assessed in the production aspect consist of the demand for output, availability of output/production, price of output, frequency of work, and use of labor. The aspects assessed in the marketing subsystem consist of variations in marketing patterns, services, sales frequency, and the number of product orders. The aspects that are assessed in the processing subsystem consist of agricultural product processing, processing labor, and industrial processing, the price of processed products. The aspects assessed in the support subsystem consist of agribusiness financing, agribusiness information, institutions, and government policies. The range of assessment classes is divided into two class, namely: negative and positive (Table 1)

Table 1. Indicator, Score, and Category of Scoring

| No | Indicator            | Minimum<br>Score | Maximum<br>Score | Interval | Negative       | Positive        |
|----|----------------------|------------------|------------------|----------|----------------|-----------------|
| 1  | Input Subsystem      | 7                | 28               | 10,50    | 7,00 – 17,50   | 17,51 – 28,00   |
| 2  | Production Subsystem | 9                | 36               | 13,50    | 9,00 - 22,50   | 22,51 - 36,00   |
| 3  | Marketing Subsystem  | 8                | 32               | 12,00    | 8,00 - 20,00   | 20,01 - 32,00   |
| 4  | Processing Subsystem | 7                | 28               | 10,50    | 7,00 - 17,50   | 17,51 - 28,00   |
| 5  | Supporting Subsystem | 11               | 44               | 16,50    | 11,00 - 27,50  | 27,51 – 44,00   |
|    | Agribusiness System  | 42               | 168              | 63,0     | 42,00 – 105,00 | 105,01 – 168,00 |

### RESULT AND DISCUSSION

### **Characteristics of Respondent**

The characteristics of respondents in this study were described based on gender, age, education level, institution of origin, and regional origin. The results showed that respondents based on gender (Table 2) were evenly distributed consisting of men (51.72%) and women (48.28%). Overall age-based respondents are in productive age (> 15 years). Most of the respondents' education is at the Strata-2 level (67.82%). Most of the respondents are academics and civil servants in the agricultural sector. The distribution of respondents comes from within East Kalimantan and outside East Kalimantan with the majority of respondents outside the region coming from East Java.

Table 2. Characteristics of Respondent

| No           | Characteristics        | Number   | Percentage |
|--------------|------------------------|----------|------------|
|              | Gender                 | (people) | (%)        |
| A.<br>1      | Male                   | 45       | 51.72      |
| 2            | Female                 | 43       | 48.28      |
| B            | Age                    | 42       | 46.26      |
| 1            | <20                    | 1        | 1.15       |
| 2            | >20-30                 | 22       | 25.29      |
| 3            | >30-40                 | 24       | 27.59      |
| 4            | >40-50                 | 26       | 29.89      |
| 5            | >50-60                 | 14       | 16.09      |
| C            | Profession             | 17       | 10.07      |
| 1            | Academician            | 58       | 66.67      |
| 2            | Freelance              | 3        | 3.45       |
| 3            | PNS                    | 14       | 16.09      |
| 4            | Extension Workers      | 4        | 4.60       |
| 5            | Farmers                | 1        | 1.15       |
| 6            | Household              | 1        | 1.15       |
| 7            | Researcher             | 1        | 1.15       |
| 8            | Private Sector worker  | 5        | 5.75       |
| D            | Institutional          | 3        | 3.73       |
| 1            | General                | 4        | 4.60       |
| 2            | College Alumni         | 2        | 2.30       |
| 3            | BBRSEKP/DKPP           | 2        | 2.30       |
| 4            | Kementerian PDTT       | 1        | 1.15       |
| •            | Departement of         | •        | 1.10       |
| 5            | agriculture            | 11       | 13.79      |
| 6            | Breeder of seed        | 1        | 1.15       |
| 7            | Faculty of agriculture | 63       | 72.41      |
| 8            | Great Giant Food       | 3        | 3.45       |
| $\mathbf{E}$ | Education              |          |            |
| 1            | SLTA                   | 2        | 2.30       |
| 2            | D3                     | 1        | 1.15       |
| 3            | S1                     | 12       | 13.79      |
| 4            | S2                     | 59       | 67.82      |
| 5            | S3                     | 13       | 14.94      |
| F            | Regional Origin        |          |            |
| 1            | Sumatera               | 20       | 22,99      |
| 2            | Jawa                   | 27       | 31,03      |
| 3            | Kalimantan             | 27       | 31,03      |
| 4            | Sulawesi               | 12       | 13,79      |
| 5            | Bali                   | 1        | 1,15       |

Source: Primary Data (processed), 2020.

# Socioeconomics Aspect of Agribusiness Affected During Covid-19 Pandemic

The results showed that the socio-economic aspects of agribusiness during the Covid-19 pandemic were considered to be positively affected. The total score for the assessment was 9,966 with a mean of 114.6. Details of the assessment for each of the socio-economic aspects of agribusiness are presented in Table 3.

Tabel 3. Socioeconomics Aspect of Agribusiness Affected During Covid-19 Pandemic

| No | Indicator               | Total Score | Average<br>Score | Category |  |
|----|-------------------------|-------------|------------------|----------|--|
| 1  | Input<br>Subsystem      | 1.606       | 18,5             | Positive |  |
| 2  | Production<br>Subsystem | 2.182       | 25,1             | Positive |  |
| 3  | Marketing<br>Subsystem  | 1.971       | 22,7             | Positive |  |
| 4  | Processing<br>Subsystem | 1.601       | 18,4             | Positive |  |
| 5  | Supporting<br>Subsystem | 2.606       | 30,0             | Positive |  |
| Ag | gribusiness             | 9.966       | 114,6            | Positive |  |

Source: Primary Data (processed), 2020.

#### **Input Subsystem**

The socioeconomic aspects assessed in the input subsystem consist of input availability, input prices, input demand, and input sales services. The lack of input can cause constraints on agricultural production. Unavailability of input can lead to an increase in input price. The input price increase can lead to an increase in production costs.

Respondents strongly agree (27.59%) and agree (48.28%) that Covid-19 has an impact on the subsystem of providing agricultural inputs. During the Covid-19 pandemic, most respondents (77.01%) strongly agree and agree that local production inputs are more sought after by the community/ farmers, and 73.56% of respondents agree and strongly agree that there are restrictions on importing inputs agricultural production. Anderson et al. (2020) in Arkansas Agriculture states that many input suppliers are moving shipments of crop supplies earlier and faster, and asking retailers to hold larger input stocks. The percentage of respondents' perceptions of each indicator in the production input supply subsystem can be seen in Table 4.

### **Production Subsystem**

The socioeconomic aspects assessed in the production subsystem consist of the demand for output, availability of output/production, price of output, frequency of work, and use of labor. Social restrictions

imposed by the government limit the economic activities of the community, including activities in the agricultural market directly. The frequency of work is decrease. The availability of output in the market and product demand determines product price. The community's need for food is constant and tends to increase in a number of agricultural products which are herbal medicines. This causes price changes and affects farmer's revenues.

Respondents strongly agree (28.74%) and agree (45.98%) that Covid-19 has an impact on the agricultural production subsystem during the Covid-19 pandemic. In the agricultural production subsystem, most respondents (89.66%) strongly agree and agree that food availability from agricultural production is more an important focus, and 77.01% of respondents agree and strongly agree that local food production has increased also besides 67.81% of respondents strongly agree and agree that the demand for food during the Covid-19 pandemic has increased. This is because people previously did not pay too much attention to health-supporting foods such as fruits and medicines, in fact during the pandemic this type of food was needed. These results reinforce the results of research Saragih and Mulawarman (2020) regarding people's eating habits that during the pandemic period there was a change in eating habits and people experienced an increase in food consumption diversity. The percentage of respondents' perceptions of each indicator in the agricultural production subsystem is presented in Table 4.

Respondents of 49.43% agreed that during the Covid-19 pandemic, the output price increased and 57.47% of respondents said they disagreed if the output price decreased. This respondent's perception was strengthened by looking at the weekly reports on the price developments of several agricultural commodities on the market at the National Average and East Kalimantan Province. The development of rice prices during the Covid-19 pandemic did not experience a significant increase. The highest rice prices occurred in early 2019 and early 2020, but at the beginning of February, prices decreased. The price of rice during February-June 2020 tends to be stable, which means that during the Covid-19 pandemic it did not affect the increase in rice prices because rice stocks did not experience shortages. The price of shallots and garlic fluctuated from early 2019 to mid-2020. The prices of shallots and garlic in early 2019 are in the range of IDR 40,000 / kg and IDR 20,000 / kg. During the Covid-19 pandemic, the prices of onions and garlic tended to increase, however in April garlic continued to decline until June, and on the other hand, red onions experienced

Tabel 4. Socioeconomics Aspect of Input and Production Subsystem Affected During Covid-19 Pandemic

| No    | Indicator   | Strongly<br>Agree | Agree    | Disagree | Strongly<br>Disagree | Score Total | Category |
|-------|---|-------------------|----------|----------|----------------------|-------------|----------|
| A     | The Covid19 pandemic has an impact on the aspect of providing agricultural inputs | 27.59%            | 48.28%   | 14.94%   | 9.20%                | 256         | Affected |
| 1     | Local production input is sought  | 34.48%            | 42.53%   | 16.09%   | 6.90%                | 265         | Positive |
| 2     | Imported Input is restricted  | 39.08%            | 34.48%   | 20.69%   | 5.75%                | 267         | Positive |
| 3     | Local input prices increase   | 27.59%            | 35.63%   | 25.29%   | 11.49%               | 243         | Positive |
| 4     | Input prices increase   | 21.84%            | 29.89%   | 39.08%   | 9.20%                | 205         | Negative |
| The n | 5<br>umber of buyers/requests decreased   | 21.84%            | 33.33%   | 32.18%   | 12.64%               | 205         | Negative |
| 6     | Limited sales service   | 21.84%            | 41.38%   | 22.99%   | 13.79%               | 199         | Negative |
| 7     | Limited input stock   | 13.79%            | 29.89%   | 43.68%   | 12.64%               | 222         | Positive |
|       | Impact of Covid-19 or   | 1.606             | Positive |          |                      |             |          |
| В     | The Covid19 pandemic has an impact on aspects of agricultural production          | 28.74%            | 45.98%   | 22.99%   | 2.30%                | 262         | Affected |
| 1     | Food demand increases   | 32.18%            | 35.63%   | 26.44%   | 5.75%                | 256         | Positive |
| 2     | The price of output increases   | 11.49%            | 49.43%   | 27.59%   | 11.49%               | 227         | Positive |
| 3     | Food availability from agricultural production is an important focus              | 59.77%            | 29.89%   | 5.75%    | 4.60%                | 300         | Positive |
| 4     | Local food production increases   | 32.18%            | 44.83%   | 18.39%   | 4.60%                | 265         | Positive |
| 5     | Food imports decreased  | 21.84%            | 41.38%   | 27.59%   | 9.20%                | 240         | Positive |
| 6     | The price of output decreases   | 12.64%            | 19.54%   | 57.47%   | 10.34%               | 231         | Positive |
| 7     | The frequency of working on the land decreases                                    | 8.05%             | 32.18%   | 35.63%   | 24.14%               | 240         | Positive |
| 8     | The amount of labor used decreases  | 21.84%            | 40.23%   | 29.89%   | 8.05%                | 195         | Negative |
| 9     | Production decreased  | 9.20%             | 33.33%   | 43.68%   | 13.79%               | 228         | Positive |
|       | 2.182   | Positive          |          |          |                      |             |          |

an increase in prices, in May it jumped to Rp. 67,500 / kg. Then in June, the price is around Rp. 42.00 / kg. This is related to the existence of an import policy by the government during the COVID-19 pandemic. The development of chili prices is very volatile. But during the COVID-19 pandemic, chili prices did not experience a significant price increase, tending to be stable for all chili commodities. Relatively stable output prices are supported by increased availability of food production. Otherwise, during the Covid-19 pandemic in Texas, many commodity prices is a decline by 20 to 30 percent (Outlaw et al., 2020).

Respondents strongly agree (32.18%) and agree (44.83%) that local food production is increasing and they also disagree (43.68%) if during the Covid-19 pandemic agricultural production has decreased. This statement is reinforced by the perception of respondents that the frequency of working on agricultural land has not decreased. Respondents stated that they disagreed (35.63%) and strongly disagreed (24.14%), during the Covid-19 pandemic the farmers remained productive working on agricultural land.

#### **Marketing Subsystem**

The socioeconomic aspects assessed in the marketing subsystem consist of variations in marketing patterns, services, sales frequency, and the number of product orders. The Covid-19 limits the movement of people, so the frequency of face to face encounters is reduced. The marketers will change their sales strategies and marketing patterns to maintain market share and customers. The marketing goal is that the profits received do not decrease sharply.

Respondents strongly agree (47.13%) and agree (37.93%) that Covid-19 has an impact on the agricultural marketing subsystem. Variations in marketing patterns, marketing innovations, number of orders, frequency of sales, and labor are indicators of assessment in the agribusiness subsystem.

Respondents of 40.23% stated strongly that during the Covid-19 pandemic the marketing patterns carried out by producers and intermediary traders were increasingly diverse. This effort was made so that the business and sales carried out could still run. There is a shift in the marketing pattern that is usually carried out directly to indirectly by utilizing communication media. This change opens opportunities for a wider product market. As research IPB (2020) states that online transactions have increased during the Covid-19 pandemic.

Respondents of 57.47% stated strongly that during the Covid-19 pandemic, online marketing increased. Research (Widayat & Arifin, 2020) states

that consumers know that Covid-19 is dangerous and a threat so that consumers are afraid to come into direct contact with food vendors and providers, so they choose to order and pay through online ordering and e-payment. E-commerce affects sales volume (Suprianto et al., 2020). The many discounts on agricultural product prices through online services also attract people to buy. The research that discount Prices and In-Store Display have a positive effect on Impulse Buying (Noor, 2020).

This also has an impact on the use of marketers who are employed by business owners. Respondents of 43.68% agreed that many marketers experienced layoffs. Respondents stated that the number of agricultural orders for fresh ingredients decreased, disagreed (42.53%), and strongly disagreed (17.24%), agricultural products for fresh ingredients will be more in demand amid during in the COVID-19 pandemic, this is because, during a pandemic like now, people tend to consume nutritious intake of agricultural products to increase body immunity. Clearly, each indicator can be seen in Table 5.

### **Processing Subsystem**

The socioeconomic aspects that are assessed in the processing subsystem consist of agricultural product processing, processing labor, and industrial processing, the price of processed products. The changes in marketing of agricultural products due to social restrictions require business actors to be creative in processing products into processed products that have a longer shelf life.

Respondents strongly agree (22.99%) and agree (56.32%) that Covid-19 has an impact on the agricultural product processing subsystem (Table 5). Indicators of processed food demand, processed food prices, processing industry, and innovation, labor and working frequency is processed industries are indicators of assessment.

Respondents stated that the demand for processed food increased agree (51.72%), strongly agree (22.99%). Since the Covid 19 pandemic the demand for processed food has increased, therefore household-scale processing industries have sprung up. Respondents strongly agree (36.78%) and agree (44.83%) that many new household industries. The existence of the social restriction regulation causes the community to reduce activities outside the home, therefore there is a change in the community's lifestyle in meeting their daily needs. One of them is by buying processed food which is more practical. The household-scale processing industry that has sprung up is one of the business opportunities that are considered profitable amid the Covid-19

pandemic. Many people have lost their jobs or lost their livelihoods. Taking advantage of the moment to open a household-scale processing industry because the demand for processed food is increasing and also used as a source of livelihood amid during in of the Covid-19 pandemic is the right thing.

However, respondents (25.29%) still found that the demand for processed food did not increase during the pandemic in several regions. If traced further, the root of the problem lies in the lack of supply of processed food products originating from the local food industry, so that people tend to have no other alternative in consuming food (Masniadi et al., 2020).

On the other hand, many large industries experienced business decline and even closed their businesses. If they do not close down, many manufacturing industries will reduce the use of workers and the frequency of work will decrease. Respondents agree (42.53%) that many large processing industries have collapsed, agree (52.87%) that processing industry workers are reduced, agree (51.72%) that the frequency of work has decreased. This result is the research of (Suryani, 2020), which states that the Covid-19 pandemic hurts harms on the

weakening of the economy of a society and the state. Many companies affected by Covid-19 have had to lay off their employees and terminate their work relations.

## **Supporting Subsystem**

The supporting aspects of agribusiness are assessed from indicators of agricultural financing, agricultural information, and agricultural institutions (Table 6). The agricultural institutional closed the service directly. Limitations of this service require agencies to provide information through media that can be accessed by the public. Information in the form of financing, pricing, and agricultural policies.

Respondents strongly agree (31.03%) and agree (50.57%) that Covid-19 has an impact on the agricultural financing support subsystem. Respondents strongly agree (14.94%) and agree (51.72%) that Covid-19 has an impact on the agricultural information support subsystem. Respondents strongly agree (33.33%) and agree (57.47%) that Covid-19 has an impact on the agricultural institutional support subsystem. Furthermore, respondents also strongly agreed (32.18%) and agreed (55.17%) that Covid-19 had an impact on the supporting subsystems, especially policies in agriculture.

Tabel 5. Socioeconomics Aspect of Marketing and Processing Subsystem Affected During Covid-19 Pandemic

| No               | Indicator   | Strongly<br>Agree                    | Agree  | Disagree                                      | Strongly<br>Disagree                      | Score<br>Total                         | Category                                     |
|------------------|---|--------------------------------------|--|---|---|--|--|
| С                | The Covid19 pandemic has had an impact on aspects of agricultural marketing   | 47.13%                               | 37.93%   | 9.20%   | 5.75%                                     | 284                                    | Affected                                     |
| 1                | The variety of marketing patterns is increasingly diverse   | 40.23%                               | 35.63%   | 18.39%  | 5.75%                                     | 270                                    | Positive                                     |
| 2                | Online marketing is on the rise   | 57.47%                               | 26.44%   | 11.49%  | 4.60%                                     | 293                                    | Positive                                     |
| 3                | delivery order increases  | 55.17%                               | 27.59%   | 11.49%  | 5.75%                                     | 289                                    | Positive                                     |
| 4                | Marketing innovation is increasingly creative   | 52.87%                               | 31.03%   | 11.49%  | 4.60%                                     | 289                                    | Positive                                     |
| 5                | The number of agricultural orders for fresh ingredients has decreased   | 9.20%                                | 31.03%   | 42.53%  | 17.24%                                    | 233                                    | Positive                                     |
| 6                | Sales frequency decreased   | 17.24%                               | 34.48%   | 37.93%  | 10.34%                                    | 210                                    | Negative                                     |
| 7                | The number of orders is limited to necessities  | 14.94%                               | 45.98%   | 31.03%  | 8.05%                                     | 202                                    | Negative                                     |
| 8                | Many marketers were laid off  | 24.14%                               | 43.68%   | 27.59%  | 4.60%                                     | 185                                    | Negative                                     |
| Impac            | t of Covid-19 on Marketing Subsystem  |                                      |  |   |   | 1.971                                  | Positive                                     |
| No               | Indicator   | Strongly<br>Agree                    | Agree  | Disagree                                      | Strongly<br>Disagree                      | Score<br>Total                         | Category                                     |
| D                | The Covid19 pandemic has an impact on aspects of agricultural product processing  | 22.99%                               | 56.32%   | 11.49%  | 9.20%                                     |  |  |
|                  | aspects of agricultural product processing  |                                      | 20.2270  | 111.1270                                      | 9.2070                                    | 255                                    | Affected                                     |
| 1                | Demand for processed food increases   | 22.99%                               | 51.72%   | 20.69%  | 4.60%                                     | 255<br>255                             |  |
| 1 2              | 1 0 1 1   | 22.99%<br>17.24%                     |  |   |   | 255                                    |  |
| •                | Demand for processed food increases   |                                      | 51.72%   | 20.69%  | 4.60%                                     | 255                                    | Positive                                     |
| 2                | Demand for processed food increases Processed food prices are rising Household scale processing industries have   | 17.24%                               | 51.72%<br>47.13%                               | 20.69%<br>32.18%                              | 4.60%<br>3.45%                            | 255<br>242                             | Positive<br>Positive                         |
| 2                | Demand for processed food increases Processed food prices are rising Household scale processing industries have sprung up Processing innovations are increasingly   | 17.24%<br>36.78%                     | 51.72%<br>47.13%<br>44.83%                     | 20.69%<br>32.18%<br>12.64%                    | 4.60%<br>3.45%<br>5.75%                   | 255<br>242<br>272<br>280               | Positive<br>Positive<br>Positive             |
| 2 3 4            | Demand for processed food increases Processed food prices are rising Household scale processing industries have sprung up Processing innovations are increasingly diverse Many large processing industries have           | 17.24%<br>36.78%<br>37.93%           | 51.72%<br>47.13%<br>44.83%<br>50.57%           | 20.69%<br>32.18%<br>12.64%<br>6.90%           | 4.60%<br>3.45%<br>5.75%<br>4.60%          | 255<br>242<br>272<br>280<br>193        | Positive Positive Positive Positive          |
| 2<br>3<br>4<br>5 | Demand for processed food increases Processed food prices are rising Household scale processing industries have sprung up Processing innovations are increasingly diverse Many large processing industries have collapsed | 17.24%<br>36.78%<br>37.93%<br>21.84% | 51.72%<br>47.13%<br>44.83%<br>50.57%<br>42.53% | 20.69%<br>32.18%<br>12.64%<br>6.90%<br>27.59% | 4.60%<br>3.45%<br>5.75%<br>4.60%<br>8.05% | 255<br>242<br>272<br>280<br>193<br>181 | Positive Positive Positive Positive Negative |

Respondents stated that the Covid-19 Pandemic had an impact on supporting aspects, especially agricultural financing, strongly agreed (31.03%), and agreed (50.57%). During the Covid-19 pandemic, respondents agreed (45.98%) that many activities had stopped and activities were delayed. Respondents agree (52.87%) that the activities of agricultural finance institutions have also decreased and respondents also agree (54.02%) that financing transactions are carried out online.

Respondents stated that the Covid-19 Pandemic had an impact on supporting aspects, especially agricultural information, strongly agreed (14.94%) and agreed (51.72%). Amid during in Covid-19 pandemic, any information is very important to know, one of which is agricultural information, information about prices, and so on. These results are consistent with research conducted by Ardelia & Anwarudin (2020), which states that access to information technology through electronic media,

for farmers is in the high category. Through online media it is easy to get any information quickly, but not the least information is accompanied by hoax news. Therefore, people must be more observant in accepting and trusting information that is spread in social media.

Respondents stated that the Covid-19 Pandemic had an impact on supporting aspects, especially agricultural institutions, strongly agreed (33.33%), and agreed (57.47%). One of the things that were greatly affected during the Covid-19 pandemic was the change in policies related to policies in agriculture. The policies made must adapt to the conditions that exist at this time.

The Covid-19 pandemic requires that agribusiness actors are technology literate and adapt quickly. Business competition is getting more competitive. However, the market share is getting wider. Information and business networks are increasingly open.

Tabel 6. Socioeconomics Aspect of Supporting Subsystem Affected During Covid-19 Pandemic

| No   | Indicator  | Strongly<br>Agree | Agree  | Disagree | Strongly<br>Disagree | Score<br>Total | Category |
|------|--|-------------------|--------|----------|----------------------|----------------|----------|
| Е    | The Covid19 pandemic has an impact on supporting aspects                                       |                   |        |          |                      |                |          |
|      | The Covid19 pandemic has an impact on supporting aspects, especially agricultural financing    | 31.03%            | 50.57% | 12.64%   | 5.75%                | 267            | Affected |
| 1    | The activity of financing institutions has decreased   | 20.69%            | 52.87% | 19.54%   | 6.90%                | 185            | Negative |
| 2    | Financing transactions are carried out online  | 33.33%            | 54.02% | 11.49%   | 1.15%                | 278            | Positive |
| 3    | The application for agricultural finance is postponed  | 17.24%            | 45.98% | 25.29%   | 11.49%               | 201            | Negative |
|      | The Covid19 pandemic has an impact on supporting aspects, especially agricultural information  | 14.94%            | 51.72% | 24.14%   | 9.20%                | 237            | Affected |
| 4    | Dissemination of massive information through online media                                      | 37.93%            | 49.43% | 10.34%   | 2.30%                | 281            | Positive |
| 5    | Sharing experiences and insights into agriculture is broad                                     | 37.93%            | 44.83% | 17.24%   | 0.00%                | 279            | Positive |
| 6    | Agricultural information was accompanied by hoax news  | 25.29%            | 37.93% | 26.44%   | 10.34%               | 193            | Negative |
| 7    | Pricing information is important   | 49.43%            | 40.23% | 6.90%    | 3.45%                | 292            | Positive |
|      | The Covid19 pandemic has an impact on supporting aspects, especially agricultural institutions | 33.33%            | 57.47% | 6.90%    | 2.30%                | 280            | Affected |
| 8    | Extension workers activity decreases   | 26.44%            | 39.08% | 26.44%   | 8.05%                | 188            | Negative |
| 9    | Face-to-face farmer group meetings were eliminated   | 29.89%            | 45.98% | 18.39%   | 5.75%                | 174            | Negative |
| 10   | Multi-stakeholder meetings increased through online media                                      | 43.68%            | 44.83% | 9.20%    | 2.30%                | 287            | Positive |
|      | The Covid19 pandemic has had an impact on supporting aspects, especially agricultural policy   | 32.18%            | 55.17% | 10.34%   | 2.30%                | 276            | Affected |
| 11   | There are changes to agricultural policies   | 21.84%            | 47.13% | 25.29%   | 5.75%                | 248            | Positive |
| Impa | et of Covid-19 on Supporting Subsystem   |                   |        |          |                      | 2.606          | Positive |

#### **CONCLUSION**

This study concludes that agribusiness during the Covid-19 pandemic was positively impacted with an average score of 114.6. But specifically, there were several negative perceptions of agribusiness during the Covid-19 pandemic, namely: input prices increase, demand decreases, and sales services are limited, the amount of labor used decreases, sales frequency decreased, the number of orders was limited to necessities, many marketing workers were laid off, many large processing industries have collapsed, manufacturing workers are reduced, and the frequency of work has decreased, activities of financing institutions decreased, applications for agricultural financing were postponed, hoax news circulated, extension workers activities decreased, and face-to-face meetings with farmer groups were eliminated.

Based on the conclusions obtained, the central and local governments should continue to maintain/ ensure that the agribusiness system runs smoothly and safely, especially for food and staples. The aspect socioeconomic of agribusiness which is in a negative perception position needs to be reviewed by the government based on existing data/facts to overcome the sources of the problem. Likewise, the positive agribusiness subsystem needs to be maintained and maintained so that it does not later experience a negative setback. Ensuring government policies in maintaining the sustainability of domestic agriculture runs well. The Ministry of Agriculture has issued Circular of the Secretary-General of the Ministry of Agriculture No. 1056/SE/RC.10/03/2020 concerning Strategies in the Prevention and Protection of Covid-19. Agricultural activities continue by making various adjustments, especially in the marketing and processing of agricultural products, and the supporting aspects of agricultural businesses, particularly agricultural finance and information institutions, must provide easy procedures and accessible information.

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