

ANALYSIS OF CONSUMER BEHAVIOR RELATED TO THE INCREASE IN RICE PRICES AFTER THE 2024 ELECTION IN SURAKARTA CITY

Mohammad Ali Musthofa Wahyu Utomo*, Rahmawati Setiyani², Setyo Rahyunanto³
Agribusiness Study Program, Faculty of Science and Technology, Duta Bangsa Surakarta University
*Correspondence Email : septiyonoutomo9@gmail.com

ABSTRACT

This study aims to analyze consumer behavior related to the increase in rice prices after the 2024 election in Surakarta City. The increase in rice prices is often an important issue in the context of the household economy, especially for consumers in urban areas such as Surakarta. Data of this study was obtained by a survey method that includes a quantitative approach from a sample of households in various sub-districts in Surakarta City. Through the analysis of the data obtained, this study explores the impact of rising rice prices on consumption patterns, changes in household budgets, and adaptation strategies implemented by consumers. The study's conclusions demonstrate that consumer spending patterns are not considerably impacted by the rise in rice prices following the election. In addition, the economic impact of the increase in rice prices also causes changes in household budget allocations, where consumers tend to prioritize spending on other basic needs. This study provides insight into how changes in food prices affect the economic well-being of households and provides recommendations for policymakers to consider interventions that can mitigate the negative impact of food price fluctuations

KEYWORDS

Consumer behavior, rice price increase, quantitative approach, survey methods



This work is licensed under a Creative Commons Attribution-ShareAlike 4.0 International

INTRODUCTION

As a critical industry, agriculture is vital to the survival of communities, the country's economy, and the supply of domestic food and jobs. It also contributes significantly to the GDP. Agriculture is the application of biological resources by humans for the production of food, raw materials for industry, energy sources, and environmental management. The agricultural sector is also a support for the production of other sectors such as the fisheries subsector, plantation subsector, and livestock subsector. Development in agriculture is a non-negotiable thing because most of the people of Indonesia consume rice and work in the agricultural sector. One of the important agricultural commodities for the people of Indonesia is the rice commodity. Rice commodity for most of the population of Indonesia is a staple food because almost all of Indonesia's population needs rice as its main food ingredient, besides being an important source of nutrients in the food structure so that the aspect of provision is very important considering the very large population of Indonesia (Jiuhardi, 2023).

Rice in economic and social aspects, as a stabilization of food security, job creation, and poverty alleviation because the declaration of rice as a staple food source in Indonesia can increase its selling value and it can prosper farmers in Indonesia so as to reduce the poverty rate. According data obtained from BPS Based on rice productivity in Indonesia in 2021 reaching 52,26,00 Ku/Ha, in 2022 it will reach 52,38,00 Ku/Ha, and in 2023 it will reach 52.85 Ku/Ha. Rice productivity in Indonesia has increased every year. Based on rice production in 2021 reaching 54,415,294.22 tons, in 2022 it will reach 54,748,977 tons, and in 2023 it will reach 53,980,993.19 so it can be seen that rice production for 3 years in Indonesia has fluctuated. The supply of items suggested in a particular duration is known as the demand. The link between pricing levels and demand is fairly close. This is outlined in the law of need, which states that there is an inverse relationship between the cost of a certain product and its demand: the lower an item's price, the greater the desire for it (Sinulingga et al., 2023). The demand for rice in Indonesia is always high because rice is a staple for the people of Indonesia.

The need for rice leads to consumer behavior which will then determine their consumption choices in various rice variants (Hanifa, 2019). Consumers will be more selective in choosing the products that will be offered by manufacturers so that the products purchased are in accordance with their needs. Consumers choose rice variants because they have their own reasons. Every consumer in determining the decision to buy a certain product has factors that affect it. Price is generally the main thing that potential consumers pay attention to when they want to buy products. Whether the price is expensive or not will determine consumers in buying an item. Through prices, consumers can determine whether the product is worth owning and consuming or not. Buying interest is related to consumer feelings and energy. People's urge to purchase things will increase if they are delighted with their purchases. A buyer's activity that serves as the foundation for deciding concerning their purchase is called buying interest.

Problem Formulation

Given the context described above, the following issues can be stated:

1. How is consumer behavior in response to the increase in rice prices after the 2024 election.

Problem Limitation

The problems in the present investigation have particular restrictions:

1. The research was carried out from March to June 2024.
2. The research focuses on consumer behavior towards the increase in rice prices after the 2024 election in Surakarta City.

Research Objectives

The following statement of the study objectives can be created with on the method the problem above was formulated:

1. Analyzing consumer behavior related to the increase in rice prices after the 2024 election. Research method

RESEARCH METHOD

Surakarta is where the research is being conducted. In 2023, the city of Surakarta will produce 93 tons of rice, this amount is small compared to all rice production in Central Java, which is 5,211,022 tons in 2023. The data used in the analysis of consumer behavior on the increase in rice prices after the 2024 election consist of main and other information surveys are used in collecting data discussions, and documentation (Zahriyah et al., 2021). The sample of this study is in the form of people in the city of Surakarta. Given that the population under investigation is known to have a precise number, the author employs the slovin formula to calculate the number of samples.

RESULT AND DISCUSSION

Table 1 Characteristics of Respondents by Income

| No | Respondents' Income | Number (people) | Percentage |
|-----|---------------------|-----------------|------------|
| 1 | <1.000.000 | 11 | 11% |
| 2 | 1.100.000-2.000.000 | 42 | 42% |
| 3 | 2.100.000-3.000.000 | 27 | 27% |
| 4 | >3.000.000 | 20 | 20% |
| Sum | | 100 | 100% |

According to Kharisma, (2021) revenue affects purchasing decisions so that it can change consumer behavior. Income affects the increase in rice prices so that it can change the purchase pattern when there is an increase in rice prices. According to the results of the study, 42% of respondents' income in the range of Rp1,100,000-Rp2,000,000 is still in the category of sufficient for living expenses in Surakarta City. In this income range, it is still enough to buy rice if there is an increase in rice prices in the city of Surakarta.

Validity test

Through the validity test, it can be known whether the questionnaire submitted can be used to measure the state of the respondent. To establish the validity of the eight questions in the questionnaire, an instrument with two sides with a 5% significance level will be used to demonstrate the test value.

Table 2 Validity Test Results

| Variable | Question Item | R Count | R Table | Information |
|---------------------|---------------|---------|---------|-------------|
| Consumer Behavior | Question 1 | 0,739 | 0,1966 | Valid |
| | Question 2 | 0,565 | | |
| | Question 3 | 0,705 | | |
| | Question 4 | 0,672 | | |
| | Question 5 | 0,530 | | |
| Rice Price Increase | Question 6 | 0,729 | 0,1966 | Valid |
| | Question 7 | 0,829 | | |
| | Question 8 | 0,749 | | |

The chart shown opposite illustrates that the validity test carried out on 100 respondents resulted in consumer behavior indicators from questions 1 to 5 being declared valid. It can be seen that R counts are greater than R tables. The indicator of the increase in rice prices has 3 questions and all of them are declared valid. It can be seen that R counts are greater than R tables.

Reliability test

Following the validity test, a reliability test using Cronbach's alpha with spss 23 was conducted. The questionnaire that is processed must be genuine before a reliability test is conducted; if the data is invalid, this can be fixed by either searching for new respondents or removing the item altogether. Tests for reliability are employed to ascertain whether the measuring device is consistent and dependable enough to hold up over time when repeated measurements are made. If Cronbach Alpha is greater > 0.6 then it can be said to be reliable (Ghozali, 2018).

Table 3 Reliability Test Results

| Variable | Cronbach Alpha | Information |
|---------------------|----------------|-------------|
| Consumer Behavior | 0,646 | Reliable |
| Rice Price Increase | 0,656 | Reliable |

Based on table 3's reliability test findings, which have Cronbach alpha values of 0.646 and 0.656, it can be said to be reliable. Typically, a data validity test is conducted first, followed by the data reliability test. This is due to the requirement that genuine data be used for measurement before moving on to the data reliability test.

Normality Test

The purpose of the normality test is to determine whether or not the bound variable and the free variable in the regression model have a normal distribution (Ghozali, 2018). The One-Sample Kolmogorov-Smirnov Test was employed in this study as the way to test for normalcy. The Kolmogorov-Smirnov Test One Sample relies on the premise that the regression model satisfies the assumption of normalcy if the $>$ of 2 tails is 0.05, and vice versa.

Table 4 Results of the Normality Test

| One-Sample Kolmogorov-Smirnov Test | | Unstandardized Residual |
|------------------------------------|----------------|-------------------------|
| N | | 100 |
| Normal Parameters ^{a,b} | Mean | ,0000000 |
| | Std. Deviation | 3,50932486 |
| Most Extreme Differences | Absolute | ,072 |
| | Positive | ,072 |
| | Negative | -,045 |
| Test Statistic | | ,072 |
| Asymp. Sig. (2-tailed) | | ,200 ^{c,d} |

- a. Test distribution is Normal.
- b. Calculated from data.
- c. Lilliefors Significance Correction.
- d. This is a lower bound of the true significance.

Table 4 above leads one to the conclusion that the findings of the Asmp are displayed in the normality test of the variable of rice price growth (X). The value of Sig (2-tailed) is 0.200. It indicates that Asymp. Sig > 0.05 , indicating the normality of the structure of the data.

Linearity Test

The purpose of the linearity test is to determine if there is a substantial linear relationship between two or more variables under investigation. Typically, linear regression or correlation analysis require this test as a prerequisite (Ghozali, 2018).

Table 5 Linearity Test

| Value Deviation From Linearity | Information |
|--------------------------------|-------------|
| 0,421 | Linier |

The linearity test, which was performed based on the aforementioned table, indicates that the value of departure from linearity is more than 0.05, indicating a linear connection between the variable of rice price increase and rice price increase.

Heteroscedasticity Test

The purpose of the heteroscedasticity test is to determine whether the residuals of one observation differ in variance from those of another based on the regression model. It is referred to as homoskedasticity if the variance between the residuals of two observations is constant, and heteroscedasticity if it varies.

Table 6 Heteroscedasticity Test Results

| Coefficients ^a | | | | | | |
|---------------------------|-------------------------|-----------------------------|------------|---------------------------|-------|------|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 2,525 | ,931 | | 2,711 | ,008 |
| | INCREASE IN RICE PRICES | ,017 | ,094 | ,018 | ,180 | ,858 |

a. Dependent Variable: ABS_RES1

Table 6 indicates that there isn't any heteroscedasticity in the relationship between the variable representing the rise in rice prices and consumer behavior. It can be seen in the results, which is 0.858 greater than 0.05 so that heteroscedasticity does not occur.

Simple Linear Regression

An equation model that depicts the relationship between a single unsupervised variable (X) and a single bound element (Y) is called a basic linear regression equation (Zahriyah et al., 2021). In this study, the variable of increase was used rice prices after the 2024 election (X) and variables bound by consumer behavior (Y). It is used to determine the influence of the increase in rice prices after the 2024 election on consumer behavior. The equation is as follows:

$$Y = \alpha + \beta X_1 + \varepsilon$$

Y : Consumer Behavior

α : *Intercept*

βX_1 : Rice Price Increase After the 2024 Election

ε : *Error*

Table 7 Simple Linear Regression Results

| Coefficients ^a | | | | | | |
|---------------------------|-------------------------|-----------------------------|------------|---------------------------|--------|------|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 16,034 | 1,458 | | 10,996 | ,000 |
| | INCREASE IN RICE PRICES | -,149 | ,147 | -,102 | -1,014 | ,313 |

a. Dependent Variable: CONSUMER BEHAVIOR

The following basic regression equations are based on Table 7: Y is equal to 16.034 plus 0.313X. A description of the formula above is provided below:

1. The constant of 16.034 states that the effect of the increase in rice prices will be the level of consumer behavior will be 16,034.
2. The price rise of rice has a variable regression coefficient of -0.149, meaning that for every unit of price increase, consumer behavior will decrease by -0.14.

Coefficient of Determination

The determination coefficient is used to calculate the extent to which the variation in the variable being determined is explained by the independent variable. How closely the variable in question and the bound variable are related is indicated by the determination coefficient test's r square value (Ghozali, 2018). The connection is better when it is nearer 100 or 1. Table 8 displays the determination coefficient's results.

Table 8 Determination Coefficient

| Model Summary ^b | | | | |
|----------------------------|-------------------|----------|-------------------|----------------------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | ,102 ^a | ,010 | ,000 | 3,52718 |

a. Predictors: (Constant), INCREASE IN RICE PRICES

b. Dependent Variable: CONSUMER BEHAVIOR

Based on table 8 of the final summary model, it can be deduced that the rise in rice prices may account for 10% of the variation, or an R-Square value of 0.10 or 10%. Meanwhile, factors not covered in this study account for 90% of the remaining explanation.

CONCLUSION

The results of this study have no effect because the significant value is more than 0.05, this is supported that rice is a staple food for the people, especially the city of Surakarta. The main findings of the study show that despite a significant increase in rice prices, the changes do not drastically affect consumer consumption patterns. People in Surakarta seem to be able to adjust their consumption to cope with the price increase without changing their rice consumption habits.

REFERENCES

- Hanifa, K. N. (2019). *Strategi Pengembangan Usaha Bisnis Beras Murni Organik*.
- Jiuhardi, J. (2023). Analisis kebijakan impor beras terhadap peningkatan kesejahteraan petani di Indonesia. *Inovasi: Jurnal Ekonomi, Keuangan, Dan Manajemen*, 19(1), 98–110.
- Kharisma, A. (2021). Faktor-faktor yang mempengaruhi perilaku konsumen terhadap ketentuan pembelian Sayur paprika (*capsicum annum l.*)(studikusus: supermarket Brastagi jln. Gatot Subroto medan). *Jurnal Ilmiah Mahasiswa Pertanian [JIMTANI]*, 1(1).
- Sinulingga, N. A. B., Sihotang, H. T., & Kom, M. (2023). *Perilaku Konsumen: Strategi dan Teori*. Iocs Publisher
- Zahriyah, A., Suprianik, Parmono, A., & Mustofa. (2021). *Ekonometrika Teknik dan Aplikasi dengan SPSS*. Mandala Press.