

UNIVERSITI TEKNOLOGI MARA

**SELECTION OF BUYERS
AMONG PINEAPPLE FARMERS IN
SAMARAHAN, SARAWAK**

FADIA HANI BINTI APANDI

Dissertation submitted in partial fulfilment
of the requirements for the degree of
Master of Science
(Agribusiness)

Faculty of Plantation and Agrotechnology

March 2018

ABSTRACT

Pineapple or locally called as nanas is the second important fruits after bananas which contributed over 20% of the world production of tropical fruits. The pineapple is being cultivated extensively in many parts of the world including Malaysia and commonly consumed fresh or in processed form. The pineapple industry has a high potential to develop as it contributes high positives return to the country's economy. Realizing the importance of this industry, the government has formed a statutory body, the Malaysia Pineapple Industrial Board (MPIB) to provide attention to all matters related to the pineapple industry. However, the production of pineapple in Sarawak is still limited for the domestic market and none is being exported to other countries or even outside of Sarawak region. Though the study area has great potential of pineapple production, the farmers in Samarahan still faced the marketing problem in selection of pineapple buyers. Marketing plays an important role in pineapple production where the main substance is the selection of buyers. Different selection of buyers offers different price to the pineapple farmers. In order to increase the profits, pineapple farmers should know which buyers offer the best price. Farmers decision on the selection of buyers will directly affect every other marketing decision. Hence, the purpose of this study is to provide the information about current buyers of pineapple available in Samarahan, Sarawak which can help the pineapple farmers to market their product wisely. This study also aims to investigate the relationship between farmer's socio-demographic profiles, farm profile and their preference in selection of buyers. In particular, this study was conducted in order to examine the factors that highly influenced the grower's preference towards the selection of pineapple buyers. The study was conducted in Samarahan, Sarawak among 117 farmers in Samarahan, Sarawak. Two stage sampling procedure was used to select 117 farmers. In the first stage, 20 villages (Meranek, Sungai Mata, Niup, Naie, Empila, Mang, Sungai Tambai, Tambay, Lubok Punggor, Pinang, Endap, Jemukan, Terasi, Lubok Mata, Sui, Simunjan, Tembirat, Semera, Baru, and Melayu) were selected by purposive sampling technique. In the second stage, a total of 117 pineapple farmers were selected randomly from the selected sample villages by using simple random sampling technique. Face to face interviews was conducted using a structure questionnaire in order to collect primary data from selected farmers. The data was analysed using a descriptive analysis, chi-square analysis and factor analysis. SPSS statistics version 21 for windows was used for the data processing and analysis. The results of this study showed that pineapple farmers in Samarahan sold their produce to seven buyers, which are private middlemen, Federal Agriculture Marketing Authority (FAMA), buyers at roadside stand market, buyers at farmer market, restaurant owner, grocery stores owner and neighbours within the village. The finding based on the chi-square analysis indicated that age, level of education, year of operation and farm size have a significant relationship with preferences in selection of pineapple buyers. Meanwhile, service rendered by buyer, quality and quantity, price, and distance are factors that influenced the farmers' preference towards the selection of pineapple buyers. The results from this study could provide an opportunity for the government agencies especially Malaysian Pineapple Industry Board to establish effective strategies for production and marketing system of growers in the pineapple industry in Sarawak.

ACKNOWLEDGEMENT

Bismillahirrahmanirrahim...

Alhamdulillah and praise to Allah s.w.t for giving me this opportunity, strength and wisdom to complete this thesis for my Master Degree.

I am heartily thankful to my amazing supervisor, Dr Abdul Rahman Bin Saili, whose encouragement, guidance, patience, and support from the initial level enabled to develop an understanding and the writing skill of the subject for me. I also would like to express my gratitude to Madam Nor Hazizah Binti Julaihi and Sir Zainuri Md. Salleh for knowledge and assistance in analyzing and interpretation of data.

I would like to thank the Dean, Lecturers and Staffs of School of Plantation and Agrotechnology, for support and assistance throughout the completion of this master thesis. My sincere thanks also for all staffs from Malaysian Pineapple Industry Board (MPIB) Samarahan and IADA Samarahan for their assistance during my survey in Samarahan area. I would like to express my gratitude to all respondents in this study for their time, cooperation and positive responses during the survey. Thank you for the warm welcome in Samarahan and trust from all of you.

To my loving parents, Apandi Bin Dan and thank you for raising me up to become a good person, giving me all of your support, trust and motivations that kept me moving forward every day. Also, to my beloved sisters, Farah Hana and Nurfatini, thank you for being a supportive sister.

Sharing our ups and downs during these fantastic two years of master life together, I would like to thank my best cousin, Nazratul Shazwani Binti Paza for all the great assistance including the funny and tense moments that we have gone through during this journey.

My sincere thanks also go to Suzella Demie Lawrence and Farah Syamimi Basrol for being there against all odds and got my back always. Thank you for always be there when I need both of you to be my good listener and my motivation booster.

Thank you, Allah s.w.t for giving those people around me, may Allah s.w.t bless all of you.

TABLE OF CONTENTS

	Page
CONFIRMATION BY PANEL OF EXAMINERS	ii
AUTHOR'S DECLARATION	iii
ABSTRACT	iv
ACKNOWLEDGEMENT	v
TABLE OF CONTENTS	vi
LIST OF TABLES	x
LIST OF FIGURES	xi
LIST OF ABBREVIATIONS	xii
CHAPTER ONE: INTRODUCTION	1
1.1 Background of Study	1
1.2 Problem Statement	4
1.3 Research Questions	5
1.4 Research Objectives	6
1.5 Scope of Study	6
1.6 Significance of Study	6
1.7 Organization of Study	7
CHAPTER TWO: LITERATURE REVIEW	8
2.1 Introduction	8
2.2 Pineapple	8
2.3 Pineapple Taxonomy and Botany	9
2.4 Worldwide Production of Pineapple	10
2.5 Pineapple Industry in Malaysia	11
2.6 Pineapple Cultivation in Sarawak	13
2.7 Pineapple Farming in Samarahan	14
2.8 Type of Pineapple Variety in Sarawak	15

CHAPTER ONE

INTRODUCTION

1.1 Background of Study

Pineapples are a delicious fruit that have been celebrated for centuries not only for distinct and unique taste, but also for their seemingly miraculous health benefits. This unique fruit is being cultivated extensively in many parts of the world including Malaysia. They belong to the *Bromeliaceae* family and are a composite fruit made of coalesced berries that grow at the crown of a fruiting tree. Known scientifically as *Ananas comosus*, pineapple or nanas is a monocotyledonous plant with a short stem and a rosette of long spiny leaves. Its berry-like fruitlets are fused to form multiple fruits which can be consumed fresh or processed (Adzahan et al., 2011). It is also classified as a tropical fruit that is known to originate from South America and was introduced in Malaysia in the 16th century by the Portuguese (Kamarulzaman et al., 2012). Malaysia was globally renowned as a commercial producer of pineapples since 1888 and it was the oldest agro-based industry particularly in canned pineapple as compared to oil palm and rubber. Despite the success of the industry, it faced major fluctuations later and to date, the pineapple industry is being monopolized by neighbouring countries such as Indonesia, Thailand and Philippines. As a result, the global ranking of Malaysia as the major producer and exporter of this tropical fruit had dropped (Raziah, 2009).

In 2010, the Malaysian Pineapple Industry Board (MPIB) reported that Malaysia had exported RM78 million worth of fresh and canned pineapple to the United States, Japan, United Kingdom and Middle East, but the amount was insufficient to meet the export demands. For instance, Malaysia received high market demand from China where they had requested for 100 containers of fresh pineapples per month that we could not deliver but instead promised them ten containers per month (Jawing, 2013). This indicated that the pineapple industry in Malaysia requires more development and improvement in many aspects. According to Othman (2011), the issues which limit the pineapple production in Malaysia is due to the lack of private sector participation, high production cost, limited research and development, lack of value chain development