Analysis of Characteristics Farmers Non Participants in Rice Farming Business Insurance (AUTP) Using the Cluster Method: Case Study in Benelan Lor, Kabat, Banyuwangi

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ABSTRACT

Agricultural insurance is a compensation for risks that occur due to crop failure which can be useful in the sustainability of rice farming so that the rice plant business can be guaranteed. The purpose of this study was to determine the characteristics of farmers by grouping objects based on their similar characteristics using the k-means clustering method. Based on the results of the study, the characteristics of farmers who did not participate in rice farming insurance formed 3 clusters, namely cluster 1 with age > 61 years, on the psychographic variable, namely entering into the indicators of makers and on the motivational variable, namely not being active in seeking information. Cluster 2 with age >56 years, on the psychographic variable including believers and on the motivational variable, namely farmers do not use AUTP because they cannot guarantee better quality. Whereas in cluster 3, namely the age range of 56-60 years, the psychographic variable is believers and the motivational variable is not using AUTP because the premium price paid is not affordable.

Key words: Insurance, Farming, K-Means Cluster