MARKETING STRATEGY OF FABRIC BATIK ENTREPRENEURS IN MICRO, SMALL AND MEDIUM ENTERPRISES (SMEs) CENTRA BATIK

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ABSTRACT
The research objectives are to (a) analyze the attributes of batik products desired by consumers; (b) analyze the market-oriented marketing strategy. The benefits of the research are: (a) the attributes of batik products in the context of improving to consumer buying interest, (b) the marketing strategy of goodness of fit for marketing market-oriented. The research uses experimental and exploratory methods with a research sample of 175 consumers who understand in centra batik Masaran. Data analysis uses conjoint analysis and Structural Equation Modeling (SEM) analysis while increasing market strategy product marketing. The research results showed that batik product preferred by consumers has the characteristics of using a marketing mix as follows: (1) product variables; (2) prices variables; (3) promotion variables; and (4) place variables. The concept of market-oriented product marketing strategy is said to be feasible and good, so that it can be used as an marketing strategy in the context of increasing interest in buying batik products.

Keywords: strategy, marketing, batik, orientation, interest, buying
JEL Classification: O30, L22, D13

INTRODUCTION
Batik tradition in Indonesia is a historical fact that proves the existence of batik until present. It is being a sturdy foundation for the existence of batik in Indonesia and making it worthy to be recognized as an Indonesian cultural heritage by the United Nations Educational, Scientific and Cultural Organization (UNESCO) in 2019 (Adcharina, 2019). The development of batik motifs has been increasingly diversified which is adapted to the local area style as the wealth of the archipelago batik and as a reflection of the Indonesian identity such as Batik Aceh with rencong motif, Aceh gate and gayo; Batik Padang from West Sumatra with palm oil leaves motif, balimbiang knock on hammer motif, ducks motif and rangkiang motif; Bengkulu with Besurek motif; Riau with floral motifs combined with soft shades and perpendicular grooves referred to a veil; Palembang with Lasem and Bunga Tea motifs, and no animal motifs. There are still many batik
motifs from other regions that reflect their uniqueness, such as Jambi, Java, Kalimantan, Sulawesi, up to Papuan batik (Kina, 2013), (Adcharina, 2020).

Utilizing the potential of batik business opportunities requires pro-active steps that are not easy, especially taking place in the millennia era that is really different from the previous era, so it cannot fully rely on the archaic conventional experience. Today, batik entrepreneurs have been connected with all of the millennium power. The market which was once limited by distance and time has now expanded without the limit of distance and time in selling its products (Adcharina, 2020), (Anshori, 2008).

The result of Arfan (2018) factors that influence the development of batik business were reliable human resources and the role of government. Based on the research, there are various problems faced by batik entrepreneurs in Masaran Batik Industry Center, namely: (a) low consumer buying interest, (b) low market access, (c) low quality production, (d) strict sales competition, (d) weak sales strategy, (e) lack of social media networks use, (f) old-fashioned batik designs or motifs (Novitasari, 2017), (Adcharina, 2020), (Fathonah, 2009).

Researchers conduct both direct observations and interviews with batik entrepreneurs and the result is that the marketing of batik products is a problem that must be resolved because there is a buildup of batik fabric that does not sell, low sales, and low interest in buying batik at Masaran.

Problems related to technology, human resources, raw materials and capital (finance) are not crucial problems, but marketing problems have been priority that must be solved by batik entrepreneurs in Masaran. Therefore, we need the synergy role of batik entrepreneurs, cooperatives and policy makers in the local area (Daryono and Wahyudi, 2018).

Based on the reality that occurs in the field, it is expected that the role of assistance through the right strategy model provides input and contribution in helping to solve marketing problems dealt by batik entrepreneurs. There are four levels of strategy, namely enterprise strategy, corporate strategy, business strategy and functional strategy (Salusu, 2013), (Hubeis, 2010). The strategy and marketting strategy approach for batik entrepreneurs used in this study is a functional strategy which includes three types of strategies: (1) Economic functional strategy, which includes functions that enable organizations to live as a healthy economic unit, related to financial, marketing, resources, research and development; (2) Functional management strategies, including the functions of planning, organizing, implementing, controlling, staffing, leading, motivating, communicating, decision making, representing and integrating; (3) Strategic issue strategy, its main function
is to control the environment, either known environmental situations, unknown environmental situation, or the changing environmental situation (Adcharina, 2020), (Dama, 2016).

Regarding to functional strategy, strategy for batik entrepreneurs in Kampoeng Pilang Masaran can be implemented by using a functional economic approach, such as the marketing mix of batik products. Functional management strategies can be implemented by providing managerial skills (managing organizations or businesses) for batik makers and strategic issue strategies can be implemented through batik entrepreneurs’ understanding of market conditions and needs (Adcharina, 2020).

Based on the functional strategy approach, the marketing strategy of batik entrepreneurs can be shown by the ability to access the market widely. Through the right marketing mix (product, price, promotion, place), small businesses (SMEs) will be more competitive in the market. Marketing mix can be optimal if batik entrepreneurs have the awareness to be organized so that they can go through wider marketing areas. Going through the market collectively is relatively easier compared to the single fighter pattern (individual struggle). For small businesses, effectiveness and efficiency cannot be forced but can only be stimulated. Efficiency in production and marketing processes is the result of continuous development efforts ((Silaningsih and Utami, 2018), (Meilani, 2012)).

Concluded that price, promotion and product quality variables simultaneously affected buying interest. Price, promotion and product quality variables also has a partial affect on purchasing decisions. The effect of product quality on buying interest is also proved by several other parties’ research, such as product quality has a significant effect on home buying interest (Nainggolan and Heryenzus, 2018). The product has a positive and significant effect on consumer buying interest in processed food products (Silaningsih and Utami, 2018), (Novitasari, 2017).

The distribution and promotion variables affected the buying interest seen in the results of Nainggolan and Heryenzus’ (2018) research which concluded that the promotion has a significant effect on buying interest. Based on the support of the results of the study, the marketing mix variables (product, price, promotion, and distribution) have an effect on consumers' buying interest and needed (1) an identification of product attributes as consumer’s desire, (2) to figure out the strategy model of batik entrepreneurs based on the market-oriented to increase the consumer buying interest, so that it can be used to provide assistance regarding to product standardization, price, promotion and distribution as consumers’ desire.
H1: There is an Influence of Product (Marketing Mix) on Consumer Buying Interest
H2: There is an Influence of Price (Marketing Mix) on Consumer Buying Interest
H3: There is an Influence of Promotion (Marketing Mix) on Consumer Buying Interest
H4: There is an Influence of Place (Marketing Mix) on Consumer Buying Interest.

METHOD

The research paradigm uses observational analytic, which is a quantitative study to understand the correlation model between one variable with another variable (Creswell, 2012), (Nerver, 1990). Quantitative studies are implemented to examine the marketing mix with consumer buying interest. Quantitative studies use conjoint analysis with the aim of understanding how respondents develop their desires or interests in a product (batik), and use SEM analysis to analyze the correlation model between marketing mix factors (product, price, promotion, and distribution/place) with consumer buying interest of batik.

The research design was observational analytic using mixed methods, which combined quantitative and qualitative methods. Quantitative methods as the main study while qualitative methods as a support method (Creswell, 2012). Researchers seek, explain the correlation, estimate and test based on existing theories (Creswell, 2012). The researchers examine the correlation between marketing mix variables (product, price, promotion, distribution) and buying interest variables.

Population in this study were consumers (buyers) of Kampoeng Pilang Masaran batik. Participants who participated in the sample were chosen accidentally, ie accidental sampling. Anyone (Masaran batik buyer) who accidentally meets a researcher can be used as a research respondent (Ferdinand, 2010). Sample in this study were a number of Kampoeng Pilang Masaran batik buyers. In this study, a sample of 175 consumers bought Masaran batik. Based on the central limit theorem (central limit theorem), it is said that large samples will follow the normal distribution, even though the population from which the samples were obtained did not have a normal distribution. Since the sample data is large (175 consumers), the sample data follows the normal distribution. For this reason, a sample of 175 data can generally be accepted as a representative sample in SEM analysis.

Data Collection Technique and Data Analysis Technique, in this study were carried out using: (1) questionnaire, (2) observation, (3) documentation.
(literature study). Data analysis techniques used in this study are: (1) descriptive analysis through a questionnaire to explore the sources of respondents, (2) validity and reliability analysis of the questionnaire, (3) Conjoint Analysis, through a questionnaire to explore the consumers’ interests (preferences) of Masaran batik attributes, (4) SEM analysis, through a questionnaire to determine the correlation between marketing mix variables and consumer buying interest in market-oriented batik products.

RESULTS AND DISCUSSION

Recapitulation of Batik Attributes Desired by Consumers. Based on the results of the Conjoint analysis, it is obtained that the result recapitulation of respondents as many as 175 consumers and the results are as shown in example table 1.

Table 1 evaluates the recognized attributes of consumer buying interest: First, seen from the attributes of Masaran batik products with the following criteria: (1) type of fabric made from dolby/primis/primisima/paris fabric; (2) pattern/motif: combination (modern-traditional); (3) first washed not fade; (4) fabric size: 115 cm x 240 cm; (5) standards of 4-5 years often used; (6) models: printed batik; (7) combinations: contrasting colors; (8) brand as order; (9) made by quite well-known entrepreneurs; (10) good quality and affordable price.

Second, seen from the price attributes, Batik Kampoeng Pilang Masaran has the following criteria: (1) prices between Rp. 100,000 up to Rp. 250,000 per piece; (2) cash payment system; (3) giving discounts/discounts given at the time of

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Source: Summary of data processing results of SPSS 22.0
the event and during the promo; (4) lower prices than similar products sold in the market.

Third, seen from the promotion attributes, batik entrepreneur Kampoeng Pilang Masaran must carry out activities: (1) make advertisements on social media/internet, and also making a signboard; (2) sold in stores/boutiques and also uses marketing personnel; (3) actively follow the events; (4) sometimes carry out CSR; (5) advertising objectives are widely known by Indonesian people.

Fourth, seen from the distribution attributes, Kampoeng Pilang Masaran batik entrepreneurs must strive to: (1) Kampoeng Pilang Masaran batik needs to be sold in every store in all regencies/cities in Indonesia; (2) delivery of goods to the customer's address suitable with the promised time; (3) Kampoeng Pilang Masaran batik products are also sold through online stores; (4) Kampoeng Pilang Masaran batik products are sold in stores/outlets outside Sragen.

**Confirmatory Factor Analysis (CFA)**

Each variable in this study is tested first use confirmatory factor analysis or often called Confirmatory Factor Analysis (CFA). Confirmatory factor analysis is used to test the dimensionality of a construct or variable. Generally, before analyzing structural models, measurement models are first conducted to test the validity and reliability of the construct indicators or latent variables by conducting a confirmatory factor analysis (CFA) as shown in table.2

| Table.2 CR Value and p-Value Correlation between Laten Variables |
|------------------|----------------|-----|-----|--------|---------|
| PRODUCT <--> PRICE | 0.102 | 0.015 | 6.818 | *** p < 0.05 | par_27 |
| PRICE <--> PROMOTION | 0.050 | 0.014 | 3.594 | *** p < 0.05 | par_28 |
| PROMOTION <--> DISTRIBUTION | 0.068 | 0.015 | 4.475 | *** p < 0.05 | par_29 |
| PRODUCT <--> PROMOTION | 0.074 | 0.014 | 5.374 | *** p < 0.05 | par_30 |
| PRODUCT <--> DISTRIBUTION | 0.101 | 0.016 | 6.329 | *** p < 0.05 | par_31 |
| PRICE <--> DISTRIBUTION | 0.102 | 0.018 | 5.768 | *** p < 0.05 | par_32 |

Source: Analysis Results of SEM 22.0

In table. 2, it is known that the correlation significance between latent variables which can be explained as follow: (1) The product variable has a close correlation with price variables where CR value is 6.818 and significance is 0.000 <0.05. (2). The price variable has a close correlation with the promotion variable where CR value is 3.594 and significance is 0.000 <0.05. (3). The promotion variable has a close correlation with the distribution variable where CR value is 4.475 and significance is 0.000 <0.05. (4). The product variable has a close correlation with the promotion variable where CR value is 5.374 and significance is 0.000 <0.05. (5). The product variable has a close correlation with the
distribution variable where CR value is 6.329 and significance is 0.000 <0.05. (6). The price variable has a close correlation with the distribution variable where CR value is 7.568 and significance is 0.000 <0.05. Based on several model tests, it is finally found a significant correlation model among latent variables. It is known that seen from the value of Chi squares (p <0.05); AGFI of 0.775 <0.8; GFI of 0.821 > 0.8 (marginal fit); TLI of 0.880 > 0.8 (marginal fit) (Adcharina, 2020).

The Significance of Causality Correlation among Variables

After conducting an analysis, the correlation model is declared quite feasible. Furthermore, to determine whether the causality correlation among latent variables is significant or not, it can be seen from the CR value or based on the p-value. It is known that the significance of the causality correlation between latent variables can be explained as follows: (1). The product variable has a significant effect on the promotion variable with a path coefficient of 0.645, a CR value (7.001) > critical Z (1.96) and a significance level of 0.000 <0.05. (2). The product variable significantly affects the price variable with a path coefficient of 0.589, CR value (9.016) > critical Z (1.96) and a significance level of 0.000 <0.05. (3). The promotional variable significantly affects the distribution variable with a path coefficient of 0.452, CR value (4.871) > critical Z (1.96) and a significance level of 0.000 <0.05. (4). The product variable significantly affects consumer buying interest variables with a path coefficient of 0.524, a CR value (5.000) > critical Z (1.96) and a significance level of 0.000 <0.05. (5). The price variable has a significant effect on consumer buying interest variables with a path coefficient of 0.262, CR value (2.248) > critical Z (1.96) and a significance level of 0.025 <0.05. (6). The distribution variable significantly affects the consumer's buying interest variable with a path coefficient of 0.486, CR value (4.880) > critical Z (1.96) and a significance level of 0.000 <0.05. Based on these results, the correlation model of the research variable can be illustrated in Figure.1.

![Diagram](attachment:image.png)

**Figure. 1. Conceptual Framework Analysis**

DISCUSSION

Based on the analysis results of correlation among the marketing mix variable and consumer buying interest as described above, the strategy model for batik entrepreneurs is quite good and can be carried out as follows.
Strategy

Strategy strategies for batik entrepreneurs Kampoeng Pilang Masaran in order to increase the consumer buying interest and the volume of batik sales can be carried out use a functional strategy: (1) Functional economic strategy, which includes functions that enable organizations to live as a healthy economic unit, including those that are related to finance, marketing, resources, research and development; (2) Functional management strategies, including the functions of planning, organizing, implementing, controlling, staffing, leading, motivating, communicating, decision making, representing and integrating; (3) Strategic issue strategy, its main function is to control the environment, either known environmental situation, unknown environmental situation, or changing environmental situation.

Related to functional strategy, strategy of batik entrepreneurs in Kampoeng Pilang Masaran can be carried out use a functional economic approach, such as the marketing mix of batik products. Functional management strategies that can be carried out is by increasing managerial capacity (managing organizations or businesses) for batik makers, and strategic issue strategies that can be carried out through understanding batik entrepreneurs about market conditions and needs, such as consumer buying interest.

Entrepreneur strategy is shown by the ability to build competitiveness by growing awareness of small entrepreneurs about quality, service, environment, organization, harmony, cooperation, honesty, and other things that influence the marketing with a wider market reach. The process of changing the mindset, from an inward orientation to an outward orientation, is needed so that small business groups can accurately anticipate changes in the business climate, especially changes in competition patterns.

Strategy is demonstrated by the ability to access the market widely. Through the right marketing mix strategy, small businesses will be more competitive in the market. Marketing mix can be optimal if small businesses have the awareness to organize so that they can go through the wider marketing area. It can be said that it is usually easier breaking into the market collectively than a single fighter pattern (individual struggle).

Products

Kampoeng Pilang Masaran batik products that are in desire by consumers are: (1) type of fabric made from cotton/dolby fabric; (2) combination pattern (modern-traditional); (3) first washed not fade; (4) fabric size: 115 cm x 240 cm; (5) standards of 3-5 years used; (6) models: printed batik; (7) combinations: contrasting colors; (8) brand as order; (9) made by quite well-known entrepreneurs; (10) good quality and affordable prices.
Related to the above criteria, the batik entrepreneur Kampoeng Pilang Masaran must pay attention and be able to realize the consumers’ desires if they want to have their business becomes exist and competitive with other batik productions. Bernand (1759) said that product is something that can provide benefits, meet consumer needs and can satisfy consumers. Therefore, an entrepreneur is required to get used to be creative, dynamic, and broad-minded in creating and developing a product. Based on an interview with Girli Society Batik Kampoeng Pilang Masaran, it said that:

Most of Masaran batik products are in good quality, especially products which are produced by entrepreneurs who have long, experienced and classified as established entrepreneurs. However, for entrepreneurs who are small, and not yet well-established, the quality of their products is sometimes still not good. Strategy is already run, mostly to improve product quality, and for others it is still not sufficient.

Promotion

Seen from the promotion attributes, batik consumers want Kampoeng Pilang Masaran batik entrepreneurs to carry out activities, such as: (1) making advertisements on social media/internet, and also making signboard; (2) selling in stores/boutiques and also uses marketing personnel; (3) actively participating in the event; (4) sometimes doing CSR; (5) advertising objectives are widely known by Indonesian.

Promotion will take and direct consumers to buy products that have been designed by producers to fulfill consumer needs and provide a level of satisfaction to consumers. Through promotional activities, it is hoped being able to attract the consumers’ attention to buy products as well as being able to provide strong buyer responses and boost sales in the short term. Promotion plays a role in resulting good information delivery to consumers about the benefits or advantages of a product, so that it can affect the consumer’s mind and will rise interest to buy the product.

Based on an interview with Mr. Rofiq, a batik entrepreneur in Kampoeng Pilang Masaran, it is said that: "our product sales are still substandard, we do not have marketing personnel, we have not put on the signboard, and we do not use social media for promotion". Then based on an interview with Mr. Sutarto, batik entrepreneurs in Pilang Kampoeng Pilang Masaran, it is said that: "Our batik sales are only mediocre and still lacking. We have not used social media to sell batik ".

Price

Seen from the price, Kampoeng Pilang Masaran batik consumers want batik price, as follows: (1) price between Rp. 101,000 up to Rp. 250,000 per piece; (2) cash payment system; (3) giving discounts/discounts given at the time of the
event and during the promo; (4) lower prices than similar products sold in the market.

Price plays a strategic role in marketing. If the price is too expensive, then the product will not be affordable by the target market and consumer buying interest tends to decrease towards the product because a consumer does not only consider its quality, but also thinks of the price feasibility in buying a product. Price is one of the determinants of product selection that will affect the buying interest.

Based on an interview with Mr. Sutarto, batik entrepreneurs in Pilang Kampoeng Pilang Masaran, it is said that: "Our batik is sold at a price of between Rp. 60,000 up to Rp. 100,000 per meter. The price depends on the motif, material and size of the fabric ".

**Place or Distribution**

Seen from the distribution attributes, Kampoeng Pilang Masaran batik entrepreneur must strive to do several things, such as: (1) Kampoeng Pilang Masaran batik needs to be sold in every store in all regencies/cities in Indonesia; (2) delivery of goods to the customer's address according to the promised time; (3) Kampoeng Pilang Masaran batik products are also sold through online stores; (4) Kampoeng Pilang Masaran batik products are sold in stores/outlets outside Sragen.

Based on an interview with Mr. Rofiq, a batik entrepreneur in Kampoeng Pilang Masaran, it is said that: "we only sell batik at home, and do not have a store or showroom" (interview, May 16th, 2019). Then, based on an interview with Mr. Sutarto, batik entrepreneurs in Kampoeng Pilang Masaran, it is said that "we sell batik only at home, and have not had a store yet".

**Marketing Strategy Target**

The marketing strategy to target for batik entrepreneurs Kampoeng Pilang Masaran (Centra Batik) can be classified into two groups, namely personal and institutional. Personal Strategy is aimed to improve the skills of every batik entrepreneur, which aims to develop the potential of batik entrepreneurs in Kampoeng Pilang Masaran. This personal strategy is conducted to improve the knowledge, skills, attitudes, self-awareness of batik entrepreneurs. Based on an interview with Mr. Agus, the Chairperson of the Girli Society (Pinggir Kali) Batik Kampoeng Pilang Masaran, it is said that: "Actually there have been several parties who have tried to provide training programs, both from the government or the private sector; such as the Department of Industry.

Institutional strategy is aimed to enhance the institutional or organizational capacity of Masaran batik entrepreneurs. This institutional strategy needs to be conducted because there are problems encountered by batik entrepreneurs who need collective problem solutions (together) and cannot be
solved personally (individually).

Problems that need to be solved together include: (1) Desire for large-scale batik products from business partners that cannot be done by batik entrepreneurs themselves; (2) Implementation of promotions that are able to improve the image of Masaran batik and a broad marketing network that cannot only be done individually; (3) Determination of the standard selling price of batik that can avoid the problem of unfair competition that can harm batik entrepreneurs in the vicinity; (4) Provision of central batik distribution that can accommodate various batik productions of Kampoeng Pilang Masaran batik entrepreneurs.

Based on an interview with Mr. Agus, the Chairperson of Girli Batik Association Kampoeng Pilang Masaran, it is said that: "For institutional strategy, it seems that it is still not adequate because the strategy forum tends to be directed for individual batik entrepreneurs during this time”.

CONCLUSION

Consumer buying interest which is based on the attributes of Batik Kampoeng Pilang Masaran District and seen from conjoint analysis is as follows, seen from the product attributes, the price attributes, the promotion and distribution or place attributes. Marketing strategy model is good and fit, and fabric batik products have good quality, cheap (affordable) prices, sufficient promotion (needs improvement), quite extensive distribution (needs improvement).

REFERENCES


