Marketing Strategy to Improve the Competitiveness of Lurik Woven Fabric MSMEs Centers in Klaten, Central Java

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Abstract. “Lurik” woven fabric is a product of the creative industry of micro, small and medium enterprises (MSMEs) in the weaving field. Lurik woven fabric is developed in six industrial centers (Pedan, Cawas, Bayat, Juwiring, Karangdawa and Delanggu sub-districts). Lurik woven fabric is a weaving craft, hand-made through non-machine looms (ATBM). The research aims to raise the potential of lurik woven fabric products so that they can be of interest to consumers so as to increase sales volume. The marketing strategy is carried out by implementing the 7P marketing mix (product, price, promotion, place, people, physical evidence, process) to increase sales volume. The data collection methods are through exploratory and survey methods, with a sample of respondents of lurik woven fabric buyers and a sample of entrepreneurs as informants, as well as the role of the Focus Group Discussion Forum in designing marketing mix questionnaire questions and sales volume attributes. The method of data analysis through respondent preferences to determine the variable attributes of lurik fabric that respondents are interested in and path analysis of the marketing mix path to sales volume. Based on the results, it is concluded that lurik fabric products in Klaten Indonesia are of sufficient in quality, the price is relatively affordable/cheap, the promotion has not been maximized, the product is not widely known, the business actors are quite persistent and enthusiastic, the supporting physical means of sales are quite good.

Keywords: fabric, weaving, lurik, marketing, volume, sales

I. INTRODUCTION

Indonesia is very rich in cultural and linguistic diversity to a variety of creative industry products (micro, small and medium enterprises). One of the results of micro, small and medium enterprises (MSMEs) is in demand by people in Indonesia and abroad, including handicrafts, such as: woven fabrics and batik cloth. Besides batik cloth, there are also goyor woven fabrics that are exported to foreign countries (Adcharina, 2020). The existence of the batik business is better known to the public than goyor woven fabric or lurik woven fabric. In Solo Raya, the famous goyar woven fabric is in Sragen Regency, and the lurik woven fabric is in Klaten Regency which was developed in six sub-districts (Pedan, Cawas, Bayat, Juwiring, Karangdawa and Delanggu).

Based on the data from the Central Bureau of Statistics, there are 3,668,873 micro, small and medium enterprises spread across 34 provinces in Indonesia. The largest number of MSME units is in Central Java Province, 1,030,374 MSMEs (Sari, 2018).

There are so many creative industries that can be developed such as batik, goyar woven fabric and lurik woven fabric, which belong to Indonesian cultural heritages. Batik, goyar weaving fabric and lurik weaving fabric are the examples of the cultural heritages passed down by our ancestors in the form of traditional fabrics. For the Javanese people, batik cloth and goyar weaving fabric are well known, but lurik woven fabrics experience obstacles in production and marketing, even though lurik woven fabrics have great potential to be developed (Adcharina, 2020). The uniqueness of the fabric style, model, and motif of lurik weaving fabric is also interesting and very good to be developed into a regional icon to access the improvement of community welfare. Lurik woven fabric comes from the ancient Javanese language, namely ‘lorek’ which means lajur or striped lines which also means patterns (Suprayitno & Ariesta, 2014), (Diah, 2020), (Lucia, 2018).
The type of lurik woven fabric is quite nice and cool if it is worn by people who live in the tropics. The raw material for lurik woven fabric is used in the weaving manufacture from cotton yarn, so that the resulting fabric can be smoother, softer and more comfortable to wear. The tools used to make lurik woven fabrics are: hang machines for spinning yarn. Klos-klosan machine for spinning yarn into a weaving called “Kletek” yarn into rolls and mallet activities: the activity of putting the weft yarn to be placed in the “binoculars”, then the weaving machine by moving the “lade” back and forth with the weaving process. The striated woven fabric produced should be market-oriented and have competitiveness so that it matches the consumers’ expectation or interests. Market-oriented products will be in accordance with market quality, quality in design suitability, user suitability and according to user needs, both price, time and dimensions of the product (Gray, 1999), (Anshori, 2011), (Pour, 2013), (Ahmida, 2021), (Siti, 2018).

Products that have competitiveness will be in accordance with market expectations so as to form positioning, branding, price, maintain customer loyalty, gain new market share, maximize sales and be able to create effective business performance (Fathonah, 2009). Market-oriented products according to consumer desires have advantages: (a) product differentiation, (b) product diversity, (c) market segmentation advantages, (d) market acceptance advantages (Kotler, 2005), (Tjiptono & Chandra, 2012). An indication of a competitive product, according to the market expectation will be accompanied by: (a) sales growth increases, (b) consumer growth increases, (c) profit growth increases, (d) production increases (Ferdinand, 2000).

The marketing strategies is carried out for maximum sales require marketing variables through the marketing mix. Marketing mix consists of 7P (product, price, promotion, and place, process, people, physical evidence (Alma, 2011).

Based on the research in the industrial centers in six locations (Pedan, Cawas, Bayat, Juwiring, Karangdawa and Delanggu), ATBM weaving entrepreneurs experience difficulties in different level, including: reduced weaver generation, minimal access to technology, production processes that tend to be difficult, conventional marketing strategies, low social media implementation, weak product innovation (monotonous motifs and patterns), frequent sales through resellers and brokers, lurik weaving tourism destinations are not running, most buyers/consumers do not go directly to lurik weaving producers but buy products at galleries owned by re-sellers, and lack of trademarks. Therefore, lurik weaving entrepreneurs need evaluation in order to plan the right marketing strategy to be able to deal with market challenges and demands (Triyanto, 2012), (Kristiana, 2022), (Wenny, 2019).

To encounter the existing problems, weaving MSMEs entrepreneurs must prepare themselves with various strategies, through improving product competitiveness, work productivity, increasing the number of consumers, marketing in regional, national and global levels, one of which is by applying marketing mix through 7P. Types of weaving are in demand by Indonesian consumers today, in the form of sarongs and fabrics with motifs such as stars, kawung, jasmine, roses and flower buds (Rosiviana, 2017). The development of weaving work productivity is influenced by the labor and capital variables on the amount of production (Sari, 2018).

The micro, small and medium enterprises (MSMEs) industry urgently needs the role of government intervention to increase competition, regulations that are more favorable to small industries in the terms of: providing credit, improving human resource excellence, innovation and price management and sales promotion (Daryono & Wahyudi, 2008), (Asri, 2020). The things that influence the success of goyor weaving fabric business in Sragen are marketing, production, financial management and raw materials influenced by the components of product quality, promotion, price and place (Adcharina, 2019).

The business opportunity for lurik woven fabrics managed by entrepreneurs in the Klaten region, it is currently starting to stretch, but not
all lurik SMEs have used the online market as a target. Lurik MSMEs in the Klaten area absorb quite a decent workforce, where on average one UMKM has 10-20 employees (Adcharina, 2019). UMKM lurik ATBM woven fabrics from 6 regions can employ 200 workers, and after Covid 19, they are still running their business. The average production capacity in 1 month can produce around 500-600 pieces of woven fabric, per 1 MSME, depending on production stock and consumer orders.

II. RESEARCH METHOD

To increase sales competitiveness using the marketing mix strategy approach (7P) through the development of a research & development (R & D) model using the object of lurik woven fabric entrepreneurs quantitative and qualitative methods of one group pretest posttest design experiment. Data analysis uses structural equation analysis with path analysis. The research conducted has found product results in the form of a business strategy development model for lurik woven fabrics. The first step is to do a confirmatory factor analysis (CFA). Confirmatory factor analysis is used to test the dimensionality of a construct or variable by carrying out a structural model analysis. First, a measurement model is carried out to test the validity and reliability of the indicators forming the construct or latent variables using confirmatory factor analysis (CFA). Three variables have CFA values and are declared valid and reliable with a reliable manifest. The theoretical concept is developed according to Figure 1.

The study used 100 consumer respondents with details of 50 women and 50 men who had used/bought lurik woven fabrics in Klaten Regency. Respondents are characterized as having bought or worn Klaten lurik woven fabric. The questionnaire attributes based on FGD (Focus Group Discussion) activities and literature to design question items as variable attributes. The questionnaire was given to 100 respondents in googleform. The sample determination is random, by not selecting respondents as product users (Arikunto, 1997), (Soegiyono, 2019).

The research also uses a survey approach that aims to measure and explore the problems. The research design is through cross section studies by studying samples of various respondent characters with analytical quantitative methods (Creswell, 2012). Quantitative study is to assess respondents’ desire for products (lurik woven fabric). There are several analysis used namely analysis of validity, reliability and conjoint analysis and using path analysis to analyze the correlation model between marketing mix factors (product, price, promotion, and distribution, process, people, physical facilities) on sales volume.

III. RESULT AND DISCUSSION

The first stage, do collecting data on the identification and characteristics of respondents facilitates data information. Respondent character indicators include: gender, age, education level, type of work, income level, marital status, place of residence, buying intensity, purchase purpose, source of information on the existence of lurik woven fabric. The second stage, Test the validity and reliability of the questionnaire, the data is declared valid with the Cronbach’s Alpha coefficient> 0.3 and Reliable Cronbach’s Alpha coefficient> 0.7 (Eisingerich and Rubera, 2010). The third stage, analyze the data based on the results of the analysis of respondents’ preferences obtained the results shown in Table 1.
In Table 1, it is known that consumers or respondents want: Product variables in the majority of lurik woven fabric materials are made from cotton yarn 88%, Feature (motif / pattern) modern traditional 98%, Reliability (durability) does not fade from 4 years 92%, fabric size suitability 118cm x 100cm by 96%, fabric color model with bright 96%, required brand / brand required 97%, user suitability required 98% and...
smoothness of weaving results enough with the needs of respondents 62%.

The variable price of lurik woven fabric include: the price of fabric per piece sold in the range of Rp. 85,000, - up to Rp. 200,000; cash payment system with the needs of 93% respondents; giving discounts when purchasing is expected by 88% respondents and price competition occurs at resellers according to respondents as many as 92%.

The promotion variables include that it is expected that there will be advertisements on social media/internet and also make business signboards 87%; the importance of personal selling is needed 89%, promotional activities and active in promotion 79%, publicity through CSR and active 89%, widely known advertising is needed by the public 76%.

The distribution variables include (a) sold in several stores in various districts/cities in Indonesia 81%; timeliness of product delivery according to order 95%, speed of product search based on social media finding 92%, channel coverage sold outside Klaten 98%.

The process variables include the process of obtaining lurik woven fabric is not easily available outside Klaten 88%, the process of making products and easy to do 97%, the ordering process and easy to do 93% and availability is always available 97%.

The people variables include sales services are very satisfying 99%, information services are not maximized felt 92%, skill proficiency are very skilled 93%, and production skills are very good 94%.

The physical facilities variables include quite good display and gallery support 89%, very good production facilities 94%, not maximal sales facilities 82% and quite good product appearance 98%.

Sales volume variables in order to improve competitiveness include: greatly increased production 98%, very well increased consumers 96% and increased profits 95% and great increased sales 98%.

The fourth stage based on path analysis is the concept of correlation hypothetical model on the correlation of marketing mix towards sales volume, according to Figure 2 and the correlation among latent variables can be explained, according to Figure 2.

The marketing mix correlation among variables on sales volume, as follows: (1) The product variable has a direct effect of 0.523 on sales volume; (2) The price variable has a direct effect of 0.462 on sales volume, (3) The promotion variable has a direct effect of 0.367 on distribution, (4) The distribution variable has a direct effect of 0.224 on sales volume, (5) The people variable has a direct effect of 0.781 on sales volume, (6) The people variable has a direct effect of 0.781 on sales volume, (7) The people variable has a direct effect of 0.224 on sales volume, (8) The physical facilities variable has a direct effect of 0.451 on sales volume, (9) The physical facilities variable has a direct effect of 0.451 on sales volume.
volume, (10) The process variable has a direct effect of 0.341 on the product, (11) The promotion variable has a direct effect of 0.367 on sales volume, (12) The process variable has a direct effect of 0.529 on physical facilities, (13) The process variable has a direct effect of 0.551 on sales volume.

Based on the collected analysis, the value of the conjoint analysis survey is averaged according to the category (very good, good, sufficient, less good), resulting in that: (a) the product of lurik woven fabric is quite good, only the fineness of the weaving is not satisfactory, (b) the price is relatively cheap and affordable, (c) the promotion is not maximized, it is necessary to implement social media, (d) product distribution is quite good but has not been distributed to several districts, (e) the variable process of manufacturing activities to marketing is quite good but the existence of lurik woven fabric outside Klaten is difficult to obtain, (f) physical facilities are quite good with the support of galleries and product displays, (g) sales volume is greatly increased by the marketing strategy model.

There are two dominant variables that need to be improved including promotion and distribution, it is expected that marketing development will be carried out vigorously. Distribution and place are expected through cooperation with tourist bureaus, cooperation with shipping agents, cooperation with educational institutions for educational development and so on.

The next step in developing the strategy is with the input, process, output and outcome approaches, namely:

1. **Inputs.** Several factors influence the success of a lurik ATBM entrepreneur, namely: originating from within the entrepreneur (internal) and factors outside the entrepreneur (external). Internal factors are related to: entrepreneurial characteristics, entrepreneurial intentions/monitoring, and entrepreneurial learning processes. While external factors consist of: business environment and stakeholders, product marketing. Entrepreneurial characteristics are related to the personality values inherent in an entrepreneur who is also the head of the company. The values espoused in running a business are generally entrepreneurial values (Alma, 2016). Entrepreneurial behavior shows the entrepreneur’s ability to look ahead, think calculatingly, seek choices from various alternative problems and solutions as well as business interest. Klaten lurik entrepreneurs generally start a business because (a) because of the business heritage from the family, (b) there is encouragement and enthusiasm from the family, (c) environmental factors that influence their mindset, (d) economic pressure, (e) the desire to have an independent business, (f) educational factors that teach to create job opportunities, not just job seekers, (g) because of personal talent or passion in business. Therefore, the business interest of Lurik ATBM entrepreneurs must be aroused, so that they can become responsible entrepreneurs who are able to develop their business professionally.

2. **Process.** Improving the business success of Lurik ATBM entrepreneurs can be done through an empowerment program. Empowerment is a strengthening process designed to assist participants in developing knowledge, skills, attitudes, awareness of their own ability to take and take action efficiently (Adcharina, 2019). Empowerment in general is: (a) participation, (b) access to information, (c) organizational capacity, (d) empowering actors professional. Lurik MSME strengthening
program includes three types of strategies, namely: (a) Functional economic strategy, which includes sound economic functions, related to finance, marketing, resources, research, business and product development; (b) Functional management strategy, including the functions of planning, organizing, implementing, controlling, staffing, leading, motivating, communicating, decision making, representing and integrating; (c) Strategic issue strategy, its main function is to control the environment, both known and unknown environmental situations or situations that are always changing (Adcharina, 2019).

In connection with the functional strategy, empowerment is carried out using a functional economic approach, such as in the field of marketing (marketing mix, 7P). Functional management strategies can be carried out by providing increased managerial skills (managing organizations/businesses) for batik entrepreneurs, and strategic issue strategies that can be carried out through batik entrepreneurs’ understanding of market conditions and needs, such as consumer buying interest.

Community empowerment is the embodiment of community capacity building nuanced in empowering human resources through the development of development institutions starting from the central level to the rural level along with the development of the people’s socio-economic system, infrastructure and facilities, as well as business product development, so that marketing strategy issues can be developed in: (a) Requests for wholesale lurik products can be done jointly; (b) Implementation of promotions capable of enhancing the image of Lurik Klaten and a broad marketing network which cannot be carried out individually, but together; (c) Determination of the standard selling price of lurik weaving which can avoid problems of unfair competition; (d) Provision of a lurik distribution center capable of accommodating various Klaten lurik productions.

An institutional empowerment program was implemented to increase institutional capacity which became Lurik’s entrepreneurial platform. This institutional empowerment needs to be done, because there are problems faced by batik entrepreneurs that require solving collectively (together) and cannot be solved personally (individually).

3. Outputs. After the Lurik MSMEs have received an empowerment program that is in accordance with the problems they face, it is hoped that there will be a change in the behavior of Lurik Klaten entrepreneurs who have an entrepreneurial spirit or true entrepreneurs, have the courage to take risks to open businesses on various opportunities. The expected behavior change is that as batik entrepreneurs they are able to fulfill market desires in terms of: product, promotion, price and distribution (Adcharina, 2019).

Improvements in product quality will be the main concern of consumers. Increased promotion of product information to consumers. Promotion must be able to persuade the general public to be interested in a product being promoted and to behave in accordance with the marketing strategy. The marketing process is related to price and distribution. After the product is made and the promotion is carried out, then the item will be processed or sold to consumers. This process includes entrepreneurial/manufacturer efforts to introduce products and persuade consumers to want to buy products at predetermined prices, as well as the process of moving or shipping products from entrepreneurs to consumers.

4. Outcomes. If the Lurik ATBM entrepreneur has made changes in terms of marketing mix (7P), it is hoped that there will be changes in increasing consumer buying interest. Purchase decisions are formed because of the process of learning and observing a product that is done repeatedly. The sense of interest and the completeness of information related to the product brand being observed encourages consumers to buy the product. The emergence of a feeling of comfort and satisfaction after buying a product makes consumers take repeated actions in buying products, so that
when the need for a product arises, concrete actions to buy the product are immediately carried out, (a) Analyze needs and wants, MSMEs are able to analyze needs and desires aimed at identifying unfulfilled or unsatisfied needs and desires; (b) Information search, Searching for information whether active or passive, can be in the form of direct visits to the field, while passive information can be in the form of information obtained from magazines, newspapers, electronics, social media and so on; (c) Assessment and selection of alternative purchases, Alternative purchases based on the purpose of the purchase, depending on the type of product and needs. The purpose of purchasing is to improve performance, some are just to meet short-term basic needs; (d) decision to buy, The decision to buy is a real buying process involving: product type, brand, sales, quality, time of purchase and method of payment; (e) Post purchase behavior, Behavior after purchase is very important, because consumer behavior here greatly influences resale and influences other consumers in the product decision-making process. Increased buying interest will increase the volume of product sales. If this happens, then the product can be accepted by consumers. Sales volume will increase business existence and increase business profitability as well as having good marketing performance.

IV. CONCLUSION

Based on the results of research and discussion on what has been presented, the following conclusions are presented:

1. That the product of lurik woven fabric is generally quite good but the fineness of the weaving is less satisfactory, the price is relatively cheap and affordable, the promotion is not maximized, it is necessary to implement social media, the distribution of products is quite good but has not been distributed to several districts, the variable process of manufacturing activities to marketing is quite good but the existence of lurik woven fabric outside Klaten is difficult to obtain, physical facilities are quite good with the support of galleries and product displays, sales volume is greatly increased by the marketing strategy model.

2. Based on the marketing mix analysis, there is a significant correlation and significant influence of marketing mix marketing strategies (product, price, promotion, distribution, people, process, physical facilities) on sales volume.

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REFERENCES


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