

ANALYSIS OF BATIK BUSINESS DEVELOPMENT STRATEGY IN KLIWONAN BATIK TOURIST VILLAGE, MASARAN DISTRICT, SRAGEN DISTRICT

Windy Mahardhika Putri¹, Suranto²

1,2 Accounting Education, Muhammadiyah University of Surakarta
a210180087@student.ums.ac.id

Keyword

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Abstract

This study aims to describe the development strategy used by batik businesses in the Kliwonan Batik Tourism Village, Masaran District, Sragen Regency. This type of research is qualitative with a case study design. The object of research is the strategy of developing a batik business and the subjects in this study are batik business owners, batik business actors, and industrial and trade extension workers in the Kliwonan Batik Tourism Village, Masaran District, Sragen Regency. Data collection is done by interviews, observation and documentation. The validity of the data using source triangulation analysis and method triangulation. The analysis technique uses data collection, data reduction and data presentation. The results showed that the development strategy used by the batik business in Kliwonan Batik Tourism Village, Masaran District, Sragen Regency included factors of internal strategy and external strategy. The results of the SWOT analysis of alternative strategies for developing one's own business, maintaining product quality and product variety according to people's purchasing power, developing product variations according to customer demand, product innovation thereby increasing the variety of products presented to customers, improving service to customers, fostering good relations with customers, collaborating with batik traders, promoting through online media or social media as well as offering group products and adding distribution channels such as agents and resellers.

INTRODUCTION

Based on BPS data for 2021, Indonesia has experienced a decline in economic performance since the first quarter of 2020, which is reflected in the rate of economic growth in the first quarter of 2020 which only reached 2.97% and again decreased significantly in the second quarter of 2020 which grew minus 5.32%. If this is not handled immediately, it will have a major impact that threatens the Indonesian economy (Nabila *et.al*, 2021). The government through the Ministry of Cooperatives and SMEs and the Office of Cooperatives and SMEs in the regions encourages SMEs to survive, digitize in marketing their products and recognize new business opportunities during a pandemic. However, there are several MSME sectors that actually increased during the pandemic, such as product hobbies *outdoor* and *indoor* which increased by 60%, health products increased by 90% and herbal food products increased by 200% and raw materials increased by 300% (Utami, 2022).

MSMEs are the backbone of the nation's economy. According to Nuhung (2012) through entrepreneurship, MSMEs play a very important role in reducing poverty, increasing welfare and building national character. The growth and development of the MSME sector is often interpreted as an indicator of successful development, especially for countries with low per capita income. As an illustration, the contribution of the MSME sector to gross domestic product has increased from

57.84% to 60.34% in the last five years. Labor absorption in this sector also increased, from 96.99% to 97.22% in the same period.

MSMEs have an important and strategic role in achieving the success of economic development in Indonesia, because they are able to increase people's income, open up many jobs, and are able to support people's daily lives by fulfilling consumer goods (Bappenas, 2020). The MSME sector is able to overcome poverty problems, play a role in local economic development, and increase national economic growth. At the beginning of 2020, the condition of the national economy experienced a downturn due to the Covid-19 pandemic. The Covid-19 pandemic has reduced economic activity which has resulted in a decline in economic growth. As a result, public demand for products and services produced by MSMEs has also decreased. The wholesale and retail trade sector experienced a decline in economic growth of 12.2% compared to the previous year's growth. The Indonesian economy has been significantly affected, almost all businesses in various sectors have been seriously impacted by the Covid-19 pandemic, namely decreased sales, capital problems, decreased orders, difficulty with raw materials, and bad loans are problems faced by business actors (Utami, 2022).

The role of MSMEs provides an explanation that MSMEs must be improved even better. MSME coaching is more directed at increasing the ability of small entrepreneurs to become medium entrepreneurs and micro entrepreneurs to become small entrepreneurs. MSME development faces several obstacles such as abilities, skills, expertise, human resource management, marketing and financial information, which result in small entrepreneurs being unable to run their businesses properly (Fauzi, Falah, and Suwondo, 2019). According to Purwanto (2008) strategy analysis includes "strategic triangles", namely: Customers, Competitors and Companies. An industry is said to be developing if it has regular customers, is able to compete and survive among the many existing competitors and has a well-managed company.

The formulation of a business development strategy must pay attention to several internal and external aspects. These internal and external aspects cover organizational and business management aspects, marketing aspects, capital and funding aspects, information technology utilization and innovation aspects, raw material use aspects, production equipment aspects, workforce absorption and empowerment aspects, bureaucracy, and government aspects, as well as aspects externalities and others (Ariani and Utomo, 2017). The main strategies for developing MSMEs include business unit size and capital capacity development, production technology and product marketing (Wardani and Dewi, 2018). Research by Nenengsih and Egim (2019) explains that the MSME development strategy is carried out by encouraging local government policies, the intensity of implementation *event* national and international scale, preparation of capital access schemes for MSMEs, as well as training and *workshop* continuously. One of the MSMEs that is able to survive is the batik industry sector.

Batik is one of Indonesia's original crafts that has a distinctive pattern as a reflection of Indonesia's national cultural wealth (Siregar and Nizma, 2019). Several areas in Central Java Province are known as the center of the batik industry, one of which is Sragen Regency. In Kliwonan Batik Tourism Village, Masaran Subdistrict, Sragen Regency, tourists can directly see various batik production techniques. Starting from the production of batik with writing techniques, stamps *toprinting*. The motifs owned by the batik industry in the Kliwonan Batik Tourism Village have their own character, namely they are richer in flora and fauna ornaments, with occasional combinations with standard motifs such as machetes, sidoluhur and others.

Factors supporting the development of Kliwonan batik motifs include Solo batik motifs that have their own consumers or markets and the desire of the people to maintain Solo batik motifs which have become regional identities. Based on the initial survey, the Kliwonan batik business experienced obstacles, namely marketing, difficulties in obtaining labor, capital and raw materials. Considering the problems faced in the development of MSMEs, a strategy for developing MSMEs is needed to run quickly, the problems encountered can be reduced and

MSMEs have a more competitive advantage. The MSME development strategy is based on a SWOT analysis (*Strengths, Weakness, Opportunities, Threats*) (Hafsah, 2004). According to Jogiyanto (2005), SWOT is used to assess the strengths and weaknesses of the company's resources and external opportunities and challenges faced.

Research on batik development strategies has been carried out, including by Suliyanto (2011) regarding the development strategies of Banyumas Batik and Purbalingga Batik with SWOT analysis. The strategy that was successfully formulated for the development of the batik business was making superior batik from Purbalingga, creating new marketing facilities, expanding the market to agencies and increasing the uniqueness of batik motifs. Another study conducted by Amalia, Hidayat and Budiyanto (2012) relates to the analysis of business development strategies in Semarang Batik SMEs in Semarang City. The strategies that were successfully formulated were using modern technology, maintaining product quality, utilizing government capital assistance, employee training, recruiting experts, bookkeeping administration, partnerships, internet promotions, market expansion, improving service quality, improving designs and motifs and adding distribution channels. Rosyada and Wigiawati's research, (2020) states that in running the "Pesisir Pekalongan Batik" business, various strategies are used in dealing with batik industry competition amid the Covid-19 pandemic. The strategy carried out by doing product differentiation, in the promotion strategy "Batik Pesisir Pekalongan" uses several promotional mixes such as advertising (*advertising*), sales promotion (*sales promotion*), public relations (*public relation*) and publication, direct marketing (*direct marketing*), *personal selling* and also the internet *marketing* such as the use of social media and shorby (*business links*).

Rohmah *et al.*, (2022) states that marketing strategies can be carried out or implemented during the Covid-19 pandemic. The marketing strategy carried out by Event Organizer Jinawi Indonesia uses a marketing mix strategy which includes seven aspects, namely Product, Price, Promotion, Place, People, Process, and Physical Evidence (*physical evidence*). Suranto and Pratiwi, (2020) argue that the creative business of batik cloth is an opportunity for the creative industry to develop its business to a wider market level, but on the other hand it can be a threat, due to increasingly tight competition due to the free entry of competitors from other countries. Facing these problems, local creative industries must prepare themselves with various strategies, through improving product competitiveness and good marketing work productivity at the national, regional and global levels. According to Susilo (2017) the development of creative industries in Indonesia is still faced with several problems so that the participation of all parties, both government, private and community, is needed to solve these problems. The successful development of the creative industry will be able to improve the national economy, prevent uncontrolled urbanization, increase competitiveness, reduce unemployment and reduce social inequalities between regions and ultimately increase the welfare of people's lives that are evenly distributed.

The batik industry in the Kliwonan Batik Tourism Village, Masaran District, Sragen Regency is growing rapidly following the times. Several types of batik are produced in that place. However, there are still obstacles in marketing, labor, business capital and raw materials. There needs to be an appropriate strategy to develop the batik business in the batik industry in the Kliwonan Batik Tourism Village, Masaran District, Sragen Regency. So that in the future it can be applied to the development of the Kliwonan batik industry, Masaran District, Sragen Regency. This research will examine in more depth the strategies used by batik businesses in the Kliwonan Batik Tourism Village, Masaran District, Sragen Regency.

METHOD

The type of research used by researchers is descriptive qualitative. The research design is a case study (*case study*). The case study research method in this study was used to know in depth about the development strategy used by batik businesses in the Kliwonan Batik Tourism Village, Masaran District, Sragen Regency. The subjects in this study were batik business owners, batik

business actors, and Trade and Industry Extension Service in the Kliwonan Batik Tourism Village, Masaran District, Sragen Regency. Primary data in the study were obtained directly through interviews and observation. Secondary data includes document reports, books, research journals, articles, and scientific papers that are still related to the development strategy used by batik businesses in the Kliwonan Batik Tourism Village, Masaran District, Sragen Regency. This research uses 2 (two) triangulations, namely source triangulation and method triangulation. Data analysis in this study used flow model analysis techniques. According to Miles and Huberman (2012), the steps for analyzing data flow models are: data collection; data reduction, data presentation and conclusion.

RESULTS

Based on interviews and observations made with informants, the researcher obtained SWOT data (Strengths, Weaknesses, Opportunities and Threats) of the Kliwonan Batik Tourism Village, Masaran District, Sragen Regency as follows.

Table 1. SWOT Matrix Strategy Table

FACTOR INTERNAL FACTOR EXTERNAL	POWER(S) 1. Own business 2. Have business legality 3. Various products 4. According to the customer's request	WEAKNESS (W) 1. Own capital 2. The use of digital technology has not been maximized 3. The price of batik is still considered expensive
OPPORTUNITY (O) 1. Increasing people's purchasing power 2. Rising trust customer 3. The role of the customer in promote batik products	SO STRATEGY 1. Developing own business to increase customer trust 2. Maintain product quality and product variety according to people's purchasing power 3. Develop product variations according to customer requests until the customer follows promote products	WO STRATEGY 1. Developing a business with their own capital. 2. Cooperate with batik wholesalers 3. Increase promotion through the media <i>Oonlineor</i> social media
THREAT (T) 1. Tough competition 2. Less utilise development technology 3. Substitute products	STRATEGY ST 1. Improving the quality of service to customers 2. Improve creative and attractive motif designs	STRATEGY WT 1. Increase capital by making a loan to a bank or program government 2. Increase promotion 3. Add network distribution

Of the various alternative strategies available, Batik Businesses in the Kliwonan Batik Tourism Village, Masaran District, Sragen Regency can choose which one is appropriate based on the analysis of internal and external factors that have been carried out previously. Batik businesses in the Kliwonan Batik Tourism Village, Masaran District, Sragen Regency can take advantage of their strengths to seize existing opportunities by using strategies including:

1. Developing own business to increase customer trust. 2. Maintain product quality and product variety according to people's purchasing power. 3. Develop product variations according to customer demand so that customers participate in promoting the product.

Companies that can make good and strategic marketing plans can achieve profits in an effective and efficient way. Many business strategies include financial accounting, saving money and optimal utilization of human resources. Increasing efficiency in production is used to achieve goals according to the company's vision and mission and are mutually sustainable (Laura, 2020). The development of the batik business requires increased efficiency and technological innovation for the creative industry, including components *human-ware*, *techno-ware*, *organ-ware* and *info-ware*. *Human-ware component* is technology that exists in humans, in the form of knowledge, skills, attitudes and behavior and enthusiasm, so that humans create technology to help themselves to work better and be more productive and creative (Pratiwi *et al.*, 2020). Recruitment of good workers will attract more qualified employees so that performance is also more guaranteed. A good recruitment program will be able to have a positive influence on increasing employee productivity and work quality (Sutantoa and Kurniawan, 2016).

The marketing process is related to product, price, place and promotion. Buyer behavior in purchasing batik products is definitely based on several reasons by considering the quality of the batik, the price of the batik, the quantity of the batik, and the payment process (Pramudhita, 2021). Strategies for the development of batik include making batik learning programs for the whole community, innovating batik, holding and participating in batik social services, conducting promotions through direct relations with the community or a promotional mix of social media, Instagram, Facebook and websites (Wibawanto *et al.*, 2020).

The competitiveness of an industry can be seen from the products it produces. Products that have good quality of course have superior competitiveness. Products that have low prices have their own charm. However, products that have good quality and low prices are not enough to win the competition. So the number of products produced is very important to complement the advantages of the products that are already owned (Mandasari, Widodo & Djaja, 2019).

Batik businesses in the Kliwonan Batik Tourism Village, Masaran District, Sragen Regency can use their strengths to overcome threats with the following strategies:

1. Product innovation, namely creating innovative new products so that they can increase variety of products served to customers. By making batik cloth into various products such as clothes, pillowcases, bags, and so on.
2. Improving service to customers by producing batik according to customer orders, building good relationships with customers.
3. Take advantage of existing opportunities by minimizing existing weaknesses by using the strategy of collaborating with batik traders, promotion by means of *online* or social media and make group product offers.

The batik industry continues to experience development, the emergence of home-made batik craftsmen has caused competition in this industry to become increasingly stringent. By ahead of competing companies in innovating related to patterns or motifs, the continuous development of dyes and apparel designs makes it possible for companies to win the competition. Product innovation starts from two main strategic elements, namely technology and market conditions. By knowing how much power technology has today and making estimates of the level of technology that will be owned in the future, and by knowing where current market position and estimate the position to be achieved in the future, then management can clearly define company goals (Nenengsih and Egim, 2019).

Services provided to consumers will have a major impact on the continuity of a company. Friendly, polite and responsive service will also improve the company's image in the eyes of consumers. Poor service can cause customers to give up and not want to come back to buy. Therefore, good service will benefit the company itself. Consumer behavior can be explained that in making purchases, consumers tend to choose prices that are in accordance with the functions,

benefits and good quality of the product in accordance with the price offered. This suitability is also expected from consumer expectations to provide the best product quality so that consumers feel satisfied and can make repeat purchases of products (Rahayu, 2019).

The strategy that can be used by Batik Businesses in the Kliwonan Batik Tourism Village, Masaran District, Sragen Regency in minimizing existing weaknesses and to avoid threats that come, namely by increasing promotions by utilizing promotional media in accordance with existing funds, and also adding distribution channels. such as agents or *reseller*.

CONCLUSION

The development strategy used by batik businesses in the Kliwonan Batik Tourism Village, Masaran District, Sragen Regency includes internal strategic factors and external strategies. The results of the SWOT analysis of alternative strategies for developing one's own business, maintaining product quality and product variety according to people's purchasing power, developing product variations according to customer demand, product innovation thereby increasing the variety of products presented to customers, improving service to customers, fostering good relations with customers, cooperate with batik traders, promote through the media *online* social media as well as offering group products and adding distribution channels such as agents and *reseller*.

Batik entrepreneurs are expected to be able to maintain local distinctive patterns and motifs, and be able to maintain the quality of their batik without losing their regional characteristics. There needs to be a breakthrough in marketing batik through information technology, namely the media *online* social media as promotional media. This research can be expanded its research area to obtain more general research results.

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