**SWOT ANALYSIS DEVELOPMENT OF BATIK BANTUL**

1Sri Suryaningsum, 2Raden Hendri Gusaptono, 3Sri Luna Murdianingrum, 4Ni Putu Ayu Mas Sri Wulan, 5Rakyan Widowati Tanjung

1Department of Accounting, Universitas Pembangunan Nasional "Veteran" Yogyakarta, 2Department of Management, Universitas Pembangunan Nasional "Veteran" Yogyakarta, 3Department Accounting, Universitas Pembangunan Nasional "Veteran" Yogyakarta,4Departement of Accounting, Universitas Gadjah Mada, 5Accounting Department, Universitas Gadjah Mada

Jl. SWK (104) Lingkar Utara, Condongcatur, Yogyakarta, DIY

*No. Hp. 085729671807 Email:* [*srisuryaningsum@upnyk.ac.id*](mailto:srisuryaningsum@upnyk.ac.id)

**Abstract**

This research focuses on the development of Batik Bantul using SWOT analysis. SWOT analysis is a comprehensive review of the strengths, weaknesses, opportunities, and threats of a company. This analysis is needed to determine several strategies that must be applied to a company. Seeing the development of batik that is getting better and more in demand by tourists, the analysis to determine business strategies is of particular concern to the company. Not only the quality of the product in the spotlight, but the promotion and placement (location) of product sales. With the opportunity to increase sales at existing tourist attractions, accompanied by threats from external companies. The threat comes from other companies that present the same product at a price below the price offered by Batik Bantul craftsmen. This SWOT analysis is expected to be able to overcome the existing threats. In addition to threats and opportunities, companies must also analyze the advantages and disadvantages. The advantages possessed are used as weapons to compete in market share. While the disadvantages can be used as guidelines to improve in terms of quality, both from natural resources and human resources that exist in the company.

***Keywords: Development of Batik Bantul. SWOT Analysis, Business Strategy.***

1. **INTRODUCTION**

Since long time ago batik has high artistic value and is part of Indonesian culture. Indonesian Batik has a variety of patterns that vary in each region and are characteristic of the region. As the nation's next generation, we should be able to understand, , preserve and develop batik culture (Sri Suryaningsum, 2017).

Batik crafts have been known for a long time in Indonesia, especially in Java. Indonesian Batik, as a whole technique, technology, and development of related motives and culture, Since October 2009 UNESCO has announced that batik is designated as one of the world cultural heritage of Indonesia. Therefore, it is only natural that Indonesians are now starting to pay attention to batik, especially nowadays batik clothing models are various and modern, so they can be used on various occasions (Sri Suryaningsum, 2017).

The city of Yogyakarta is one of the famous batik cloth shopping places in Indonesia that produces export-quality batik fabrics, one of them in Bantul. Bantul is a district in the Special Province of Yogyakarta which is located in the south of Yogyakarta. The district is bordered by Yogyakarta City and Sleman Regency in the north, Gunung Kidul Regency in the east, Indian Ocean in the south, and Kulon Progo Regency in the west.

There are so many batik businesses in Bantul, batik businesses that use various ways to attract many tourists. In addition to getting profits, it is also intended to preserve and develop their business. Some areas in Bantul which until now have become centers of batik include Imogiri, Pandak, Jetis and Pajangan (Sri Suryaningsum, 2019).

As one of the livelihoods for the surrounding community, the development of Batik Bantul must continue to be carried out and promoted, given the many opportunities and challenges faced in modern times, such as the arrival of batik produced from China which is much cheaper, because it uses sophisticated technology. Although there are striking differences between the two, these challenges must be addressed carefully considering the current rapid development of technology.

This study analyzes the appropriate strategies for developing typical Batik Bantul. The analysis used is SWOT analysis with a comprehensive assessment of strengths (weaknesses), weaknesses (weaknesses), opportunities (oppurtunities) and threats (threats) on the company.

1. **STUDY OF LITERATURE**

**Definition of SWOT Analysis**

SWOT analysis is a comprehensive assessment of the strengths, weaknesses, opportunities, and threats of a company. This analysis is needed to determine several strategies that exist in the company. One of the things we discuss is the promotion strategy and product placement (Kotler & Armstrong, 2008: 64). SWOT is used to assess the strengths and weaknesses of the company's resources and external opportunities and challenges faced (Jogiyanto, 2005: 46)

Fred R. David, states that all organizations have strengths and weaknesses in the functional area of ​​business. There aren’t company is as strong or weak in all business areas. The following is an explanation of SWOT, namely:

1. Strength

Strengths are resources, skills, or other advantages that relate to the company's competitors and the market needs that can be served by companies that are expected to be served. Strength is a special competition that provides a competitive advantage for companies in the market.

1. Weakness

Weaknesses are limitations or shortcomings in resources, skills, and capabilities that effectively hinder a company's performance. These limitations are in the form of facilities, financial resources, management capabilities and marketing skills that can be a source of weakness in the company.

1. Opportunities

Opportunities are important situations that benefit in a corporate environment. Trends - important trends are one source of opportunity, such as changing technology and increasing relationships between companies and buyers or suppliers is a picture of opportunities for companies.

1. Threats

Threats are important situations that do not benefit in the corporate environment. Threats are the main intruder for the current position or desired by the company. The existence of new or revised government regulations can be a threat to the company's success.

**Function of SWOT Analysis**

According to Ferrel and Harline (2005) the function of Swot analysis is to get information from situation analysis and separate it from internal issues (strengths and weaknesses) and external issues (opportunities and threats). The SWOT analysis will explain whether the information indicates something that will help the company achieve its objectives or provide an indication that there are obstacles that must be faced or minimized to meet the desired income.

1. **Research Methods**

**Data Type**

The location of this research is the district in the Bantul region. This data is collected from January to June 2019. In this study, the variables to be examined are the condition of the company including the external and internal environmental conditions of the company, as well as company variables.

The primary data source is a data source that directly provides data to the data collector. While secondary data is a data source that does not directly provide data to data collectors, but sees other people or with documents (Sugiono, 2013: 225). Data obtained from primary data sources is a direct response received from the subject in question. While secondary data is data obtained from surrounding communities that are not related or have a relationship with this batik center.

**Method of collecting data**

Observation is one of the data collection techniques that not only measures respondents' attitudes (interviews and questionnaires) but can also be used to record various phenomena that occur (situations, conditions). This Observation Method is said to be the most appropriate to observe directly, in accordance with Sri Suryaningsum, 2016). This research conducts observations or direct observations on the object under study, namely analyzing the advantages and disadvantages of the company and taking the threats and opportunities available.

1. **Discussion**

**Development of Batik Bantul**

Batik decoration is an expression that states the state of self and the environment of its creator. Decorative can be a personal or group imagination, so that it can describe the ideals of someone or group earlier. If the ornamental variety is used continuously and becomes a habit of the people, it will become a tradition. Like culture, decoration can change. This change is influenced by the environment and developing norms. In connection with that, batik ornaments are divided into two groups, namely the palace batik and coastal batik. Keratin batik is batik that grows and develops on the basis of the philosophy of self-purification, and views human beings in the context of orderly, harmonious and balanced harmony of the universe.

In accordance with Research and Development (LITBANG) Bantul, the government of Bantul is intensely engaged in developing batik in Bantul. The Center for Crafts and Batik (BBKB) and the Regency Government (Pemkab) of Bantul agreed to enter into a Cooperation Agreement in the framework of developing the IKM Crafts and Batik in Bantul, Yogyakarta. The agreement was signed by the Head of the Yogyakarta BBKB Ir.Isananto Winursito, M.Eng, Ph.D. and Regent of Bantul Drs. H. Suharsono.

In his remarks the regent of Bantul Drs. H. Suharsono said the signing was a form of concern and partisanship of the Center for Crafts and Batik (BBKB) which truly reflected the spirit to give the best to the nation.

This is in line with the Bantul regency government to realize community welfare through regional competitiveness, populist economic growth and optimization of sustainable resource management. Therefore this signing as a legal umbrella in opening the way for improving the quality and productivity of handicrafts in Bantul and in turn will bring direct economic impact to UMKM and craftsmen.

On the same occasion the Head of BBKB Ir. Isananto Winursito, M. Eng, Ph.D. conveying the task of BBKB is to carry out research, development, cooperation, standardization, testing, certification, calibration and development of the competencies of the handicraft and batik industries according to the technical policies set by the Head of the Industrial Research and Development Agency, Ministry of Industry. So this signing is a follow-up of the research and development tasks, especially the IKM Crafts and Batik.

The rise of the Bantul Regency craftsmen after the 2006 earthquake included through community empowerment to the creative industries; extracting and utilizing the potential of natural resources; and improvement of human resources through training in creative industries. For this reason, BBKB welcomes the existence of a joint agreement and cooperation agreement, so that BBKB can play a role in increasing economic independence both through the use of natural resources and improving HR competencies through research and training.

As a manifestation of future implementation at the same time a Work Order (SPK) was signed between the Head of BBKB, Mr. Ir. Iwananto Winursito, M. Eng, Ph.D. and Head of Cooperative, Small and Medium Enterprises and Industry Office of Bantul Regency Government Drs. Sulistiyanto, M.Pd. For this reason, in 2018 IKM assistance / technology transfer activities were carried out in the form of training for the community to develop MSMEs and batik and handicraft craftsmen in Bantul.

**Analytical Framework Strategy Formulation**

Business strategies are needed by every type of business, both large and small. According to Fred R. David in his book entitled Strategic Management Concepts, the analytical framework for formulating strategies can be applied to all organizational sizes and types and can help the strategists identify, evaluate and choose strategies.

The analytical analytical formulation framework according to Fred R. David consists of 3 stages, namely:

1. STAGE 1: INPUT STAGE

This stage contains basic input information needed to formulate a strategy. The techniques from the input stage consist of:

1. External Factor Evaluation Matrix (EFE)
2. Competitive Profile Matrix (CPM)
3. Internal Factor Evaluation Matrix (IFE)
4. STAGE 2: MATCHING STAGE

This stage focuses on creating alternative strategies that come in with respect to the main external and internal factors. The techniques from the matching stage consist of:

1. Strength-Weakness-Opportunity-Opportunity (SWOT) Matrix
2. Strategic Position Matrix and Action Evaluation (SPACE)
3. Boston C onsulting Group (BCG) Matrix
4. Internal-External (IE) Matrix
5. Large Strategy Matrix
6. STAGE 3: DECISION STAGE

This stage uses input information from Phase 1 to objectively evaluate alternative strategies identified from Phase 2. The techniques from the decision stage are: Quantitative Strategic Planning Matrix (QSPM).

**Results and Discussion**

INPUT STAGE

**IFE MATRICS**

Internal Evaluation Factor

The IFE matrix is ​​used to evaluate internal factors to see the company's main strengths and weaknesses in its business functions, the IFE matrix for Bantul Regency is as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| INTERNAL FACTORS | | Quality | Rating | Rating Quality |
| No | Strengths | | | |
| 1 | Batik has been recognized by UNESCO | 0,2 | 2 | 0,4 |
| 2 | Product quality is guaranteed, worth the price | 0,2 | 4 | 0,8 |
| 3 | There are always new products that can increase consumer interest to buy | 0,1 | 3 | 0,3 |
| 4 | Competent and experienced workers | 0,2 | 3 | 0,6 |
| No | Weaknesses | | | |
| 1 | Prices are comparable to quality and process but are still considered expensive | 0,1 | 2 | 0,2 |
| 2 | Promotions are less modern | 0,1 | 3 | 0,3 |
| 3 | Salary for small workers, depending on volume | 0,05 | 2 | 0,1 |
| 4 | There is no product warranty | 0,05 | 2 | 0,1 |
| Sub-Total | | 1 |  | 2,8 |

**EFE MATRICS**

External Evaluation Factor

The EFE matrix is ​​used to evaluate External factors to see the company's main Opportunities and Threats against its business functions, the EFE matrix for Bantul Regency is as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| EXTERNAL FACTORS | | Quality | Rating | Rating Quality |
| No | Opportunities | | | |
| 1 | Quantity of tourist | 0,2 | 2 | 0,4 |
| 2 | The high level of public consumption of fashion | 0,2 | 3 | 0,6 |
| 3 | The market share is quite large | 0,1 | 2 | 0,2 |
| 4 | High loyalty from customers to keep buying products | 0,05 | 1 | 0,05 |
| No | Threat | | | |
| 1 | Domestic customers choose products at prices that can adjust middle and lower society | 0,1 | 1 | 0,1 |
| 2 | The entry of Chinese batik products on the global market starting in January 2010 has a cheaper price | 0,2 | 2 | 0,4 |
| 3 | Marketing competencies possessed by competitors are better | 0,1 | 2 | 0,2 |
| 4 | High consumer bargaining power | 0,05 | 2 | 0,1 |
| Sub-Total | | 1 |  | 2,05 |

MATCHING STAGE

**SWOT MATRICS**

The SWOT matrix is ​​a strategic planning method used to evaluate the strengths, weaknesses, opportunities, and threats in a project or business speculation. The four factors that form the SWOT acronym (strengths, weaknesses, opportunities, and threats). SWOT will be better discussed using tables made in large paper, so that relationships can be analyzed properly from every aspect.

The SWOT Matrix developed by Wheelen and Hunger is structured as seen with 9 cells in the top. Horizontal lines contain the Internal Factor Analysis Summary (IFAS), and the vertical column contains External Factor Analysis Summary (EFAS). And produce 4 choices of strategies, namely:

1. Strengths-Oppurtunities (SO) are programmed using strategies to develop opportunities using existing strengths.
2. Weakness-Oppurtunities (WO) is programmed using strategies to develop opportunities by overcoming internal weaknesses.
3. Strengths-Threats (ST) are structured using strategies to avoid threats.
4. Weakness-Threats (WT) are built strategies to minimize weaknesses and at the same time avoid external threats.

The following is the SWOT Matrix results of the analysis in Bantul Regency

|  |  |  |
| --- | --- | --- |
| IFAS  EFAS | Strength (S)  1. Batik has been recognized by UNESCO  2. Product quality is guaranteed, comparable to price  3. New types of products can increase consumer interest to buy  4. Workers who are competent and experienced in old age  5. Location strategy  6. A convenient batik training place is available | Weakness (W)  1. Prices are comparable to quality and process but are still considered expensive  2. Promotion is not modern  3. Salary for small workers, depending on volume  4. There is no product warranty |
| **Opportunities**  1. A large enough market share  2. Number of tourists  3. The presence of competitors can be a benchmark to further improve product quality and quantity.  4. Per capita income increases  5. The high level of public consumption of fashion  6. High enough loyalty from customers to keep buying products  7. Relationship between good business networks and suppliers  8. The development of information technology in the process of selling | **SO Strategy**  1. Improving the quality of high-quality products, in order to attract foreign tourists to get maximum sales (S2, O2, O3)  2. Creating new innovation products by looking at the development of the fashion world in Indonesia (S3, O5)  3. Creating a more comfortable and more educated batik training atmosphere in one way to expand market promotion (S6, O8) | **WO Strategy**  1. Make a product warranty with several provisions to gain more trust from consumers (W1, W4, S5)  2. Provide good regulation for long-term workers, such as registering with employment and health insurance (W3, 05, 08)  3. Exploring digital technology such as social media for promotions such as (Instagram, Twitter and website) and registering business on well-known e-commerce such as (Amazon, Shopee) expanding market share. (W2, O8, O5, O1) |
| Threat (T)  1. Domestic customers choose products at prices that can adjust middle and lower society  2. The entry of Chinese batik products on the global market starting in January 2010 has a cheaper price  3. Competition with similar companies  4. The marketing power capabilities possessed by competitors are better  5. Prices of goods tend to continue to rise so that consumer interest in purchasing products decreases  6. The high bargaining power of consumers  Gambar 4. | ST strategy  1. Create class classes for different product quality in order to enter the market with lower price demands (T1, T2, T3, T6, T5, S2)  2. Recruiting young people who master technology to become batik workers, increasing competitiveness (T3, T4, S4) | WT Strategy  1. Increasing the competency of the company's human resources to become a qualified and recognized workforce (T3, T2, W3)  2. Making packaging that attracts customers' interest along with attractive promo promos (T1, T6, T4, W) |

From the analysis carried out using the SWOT Matrix produces several strategies such as Strength Opportunities. Improving the quality of high-quality products, in order to attract foreign tourists to get maximum sales, the strategy arises from Strength points 2 and Opportunities points 2 and 3 (S2, O2 , O3).

**SPACE Matrix**

Strategic Positioning and Action Evaluation (SPACE) is one of the matrices used by companies to determine what strategy is most appropriate to run. In this matrix there are four quadrant frameworks that can determine whether it is aggressive, conservative, defensive, or competitive which is the most appropriate for the organization.

The steps needed to develop the SPACE Matrix are as follows:

1. Select a series of variables
2. The value of these variables uses a scale of 1 (at worst) to 6 is best for FS and IS. The value of these variables uses a scale of -6 (worst) to -1 (best) for ES and CA.
3. Calculate the average of the FS, CA, IS, and ES by summing the values ​​you give to the variables of each dimension and then dividing by the number of variables in the dimensions in question
4. Map the average values ​​for FS, IS, ES, and CA on the appropriate axis in the SPACE Matrix.
5. Add the average value on the x axis (CA, IS) and map the results on the X axis. Add the average value on the y axis (FS, ES) and map the results on the Y axis. Map the intersection of both points X and Y ( the new xy).
6. Draw the direction of vetor (directional vector) from coordinates 0.0 through the new intersection point. The direction of the arrow shows the type of strategy suggested for the organization: aggressive, competitive, defensive, or conservative.

|  |  |  |  |
| --- | --- | --- | --- |
| Iternal Analysis | | External Analysis | |
| **Position of Finance (FP)** | | **Position of Stability (SP)** | |
| Working Capital | 5 | Market Entry Barriers | -3 |
| Cash Flow | 5 | Technology changes | -5 |
| Profit | 5 | Inflation | -2 |
| **Average** | **5** | **Average** | **-3,3** |
|  |  |  |  |
| **Competitive Position (CF)** | | **Industrial Position** | |
| Product Quality | -2 | Financial Stability | 4 |
| Technology | -4 | Utilization of Resources | 5 |
| Consumer Loyalty | -3 | Profit Potential | 5 |
| **Average** | **-3** | **Average** | **4,6** |

The analysis results from the SPACE Matrix show companies are most appropriate to use aggressive strategies, this aggressive strategy includes backward integration, forward integration, market penetration, market development, product development, and related diversification.

**BCG Matrix**

When the divisions of a company compete in different industries, a separate strategy is developed for each business. In particular the BCG matrix and IE matrix (Internal and External) are specifically designed to assist the efforts of multidivisional companies in formulating strategies.

The BCG matrix graphically illustrates the differences between divisions in terms of relative market share position and industry growth rate. The BCG matrix enables a multidevisional organization to manage its business portfolio by observing the relative market share position and industrial growth rate of each division relative to all other divisions within the organization. Relative market share position is defined as the ratio of market share (or income) owned by the largest competing company in the industry.

The biggest benefit of the BCG matrix is ​​attracting our attention to cash flow, investment characteristics, and the needs of various divisions within the organization. The BCG matrix is ​​a set of strategies to provide guidance on resource allocation decisions based on market share and UBS growth. The BCG matrix is ​​four business groups, namely:

1. Question marks

Division in quadrant I has a relatively low market share position, but they compete in a rapidly growing industry. Usually the company's cash needs are high and cash income is low. This business is called a question mark because the organization must decide whether to strengthen this division by running an intensive strategy (market penetration, market development, or product development) or selling it.

1. Star

Business in quadrant II (also called Bintang) represents the best long-term opportunity for growth and profitability for the organization. Divisions with relatively high market share and high industrial growth rates should receive large investments to maintain and strengthen their dominant position. This category is a market leader but that does not mean that it will provide positive cash flow for the company, because it has to spend a lot of money to win the market and anticipate its competitors. Future, backward, and horizontal integration, market penetration, market development, product development, and joint ventures are appropriate strategies to be considered in this division.

1. Cash Cow

Division that is positioned in quadrant III has a relatively high market share but competes in a slow growth industry. Called dairy cows because they produce more cash than they need, they are often milked to finance to finance other business sectors. Many dairy cows today are stars in the past, the dairy cow division must be managed to maintain its strong position as long as possible. Product development or concentric diversification can be an attractive strategy for strong dairy cows. However, when the division of dairy cattle becomes weak, retrenchment or divestment is more appropriate to be applied.

1. Dog

Quadrant division IV of the organization has a relatively low market share and competes in industries that have low or no growth. They are dogs in the company's portfolio. Because of its weak internal and external position, this business is often liquidated, divested or trimmed by retrenchment. When a division becomes a dog, retrenchment can be the best strategy that can be implemented because many dogs that stick out again, after cutting costs and large-scale assets, become a business that can survive and benefit.

The advantages of the BCG Matrix are one of the easiest decision-making tools. Only by reading the graph, people will be able to easily see which position their company is in. This matrix focuses on cash flow, investment characteristics, and the needs of various organizational divisions. Divisions can change from time to time: dogs become question marks, question marks become stars, stars become cash cows, and dairy cows become dogs. But what rarely happens is changes that are clockwise. As for the weaknesses of this matrix, only two dimensions are used, namely relative market share and market growth rate.

It may be difficult to get market share data and market growth rates. Simplifying too many businesses because they view all businesses as stars, dairy cows, dogs or question marks. In this method, it is assumed that each business unit is not dependent on other business units, whereas in some cases the "dog" business unit can help other business units to gain competitive advantage. This matrix does not illustrate whether their various divisions or industries are growing over time, so this matrix does not have time characteristics, so there are other important variables such as market size and competitive advantage. The matrix is ​​very dependent on the breadth of the definition of the market. A business unit can dominate in a small market, but has a very low market share in the industry as a whole. In such cases, the definition of the market can make the difference between "dog" and "dairy cow".

In the search for data for the BCG matrix there is no data available for making BCG matrices, therefore I cannot make this BCG matrix due to lack of data availability.

**Internal External Matrix**

The External Internal Matrix is ​​a model developed from the General Electric model, the parameters used include the parameters of the company's internal strength and the external influences faced by the company. The purpose of using this model is to obtain a more detailed business strategy at the corporate level. Identification of 9 cell strategy companies, according to Rangkuti (2001, p42) in principle the nine cells can be grouped into three main strategies, namely:

1. Growth strategy, is the growth of the company itself (cells 1, 2, and 5) or diversification efforts (cells 7 and 8).
2. Stability strategy, namely the strategy implemented without changing the direction of the strategy that has been applied.
3. Retrement strategy, which is an effort to minimize or reduce the business done by the company.

The Ngadirojo matrix results are in column V which means that the right strategy to use based on the IE matrix is ​​the strategy of maintaining and maintaining: market penetration and product development.

**Grand Strategy Matrix**

The following are the results of the analysis using the Grand Strategy Matrix

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Internal Factors | | Quality | Rating | Quality Rating |
| No | Strengths | | | |
| 1 | Batik has been recognized by UNESCO | 0,2 | 2 | 0,4 |
| 2 | Product quality is guaranteed, worth the price | 0,2 | 4 | 0,8 |
| 3 | There are always new products that can increase consumer interest to buy | 0,1 | 3 | 0,3 |
| 4 | Competent and experienced workers | 0,2 | 3 | 0,6 |
| Sub-Total | | 0,7 |  | 2,1 |
| No | Weakness | | | |
| 1 | Prices are comparable to quality and process but are still considered | 0,1 | 2 | 0,2 |
| 2 | Promotions are less modern | 0,1 | 3 | 0,3 |
| 3 | Salary for small workers, depanding on volume | 0,05 | 2 | 0,1 |
| 4 | There is no product warranty | 0,05 | 2 | 0,1 |
| Sub-Total | | 0,3 |  | 0,7 |
| Grand Total | | 1 |  | 2,8 |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| External Factors | | Quality | Rating | Quality Rating |
| No | Oppurtunity | | | |
| 1 | Quantity of tourists | 0,2 | 2 | 0,4 |
| 2 | The high level of public consumption of fashion | 0,2 | 3 | 0,6 |
| 3 | The market share is quite large | 0,1 | 2 | 0,2 |
| 4 | High loyalty from customers to keep buying products | 0,05 | 1 | 0,05 |
|  | | 0,55 |  | 1,25 |
| No | Threats | | | |
| 1 | Domestic customers choose products at prices that can adjust middle and lower society | 0,1 | 1 | 0,1 |
| 2 | The entry of Chinese batik products on the global market starting in January 2010 has a cheaper price | 0,2 | 2 | 0,4 |
| 3 | Marketing competencies possessed by competitors are better | 0,1 | 2 | 0,2 |
| 4 | High consumer bargaining power | 0,05 | 2 | 0,1 |
| Sub-Total | | 0,45 |  | 0,8 |
| Grand-Total | | 1 |  | 2,05 |

The matrix shows in quadrant I position which means that Bantul Regency is able to take advantage of existing external opportunities, so it will compete using aggressive business strategies. The forms of strategy that can be used in quadrant I are as market development, market penetration, product development, future integration, backward integration, horizontal integration, concentric diversification.

According to David, if he is in Quadrant I in the Grand Strategy Matrix he is in a very good position. If the organization concentrates on the current market, then market penetration and market development is the right choice, whereas if it concentrates on the products currently owned, then the product development strategy is an appropriate strategy. It is not wise for an organization in Quadrant I to move away from the competitive advantage it has today. When organizations in Quadrant I have excessive resources, then backward, forward, or horizontal integration can be an effective strategy. If the company in Quadrant I is too committed to one product, concentric diversification can reduce the risk associated with a narrow product line. Quadrant I is able to take advantage of external opportunities in several areas, quadrant I strategies can take risks aggressively when needed.

DECISION STAGE

**QSPM MATRICS**

QSPM Quantitative Strategic Planning Matrix is ​​an analytical tool used to decide on strategies to be used based on the attractiveness of existing strategy alternatives. Calculation of QSPM is based on input from the weight of the external internal matrix, as well as the alternative strategy at the matching stage. The following is the QSPM matrix of batik development in Bantul Regency. I use the strategies produced in the SWOT matrix, and choose those that are assessed and considered the most appropriate to consider, namely:

1. Recruiting young people who master technology to become batik workers, increasing competitiveness
2. Make a product warranty with several provisions to gain more trust from consumers.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Factor** | **Quantity** | **Recruiting young people who master technology to become batik workers, increases competitiveness** | | **Make a product warranty with several provisions to gain more trust from consumers** | |
| **AS** | **TAS** | **AS** | **TAS** |
| **Strengths** | | | | | |
| Batik has been accepted by UNESCO | 0,29 | 3,00 | 0,86 | 2,00 | 0,57 |
| Product quality is guaranteed, worth the price | 0,29 | 2,00 | 0,57 | 2,00 | 0,57 |
| There are always new products that can increase the interest of buyers to buy | 0,14 | 3,00 | 0,43 | 2,00 | 0,29 |
| Competent and experienced workers | 0,29 | 3,00 | 0,86 | 3,00 | 0,86 |
| Total | 1,00 | 11,00 | 2,71 | 9,00 | 2,29 |
| **Weakness** | | | | | |
| Prices are comparable to quality and process but are still considered expensive | 0,33 | 3,00 | 1,00 | 1,00 | 0,33 |
| Promotions are less modern | 0,33 | 3,00 | 1,00 | 2,00 | 0,67 |
| Salary for small workers, depending on volume | 0,17 | 2,00 | 0,33 | 1,00 | 0,17 |
| There is no product warranty | 0,17 | 2,00 | 0,33 | 3,00 | 0,50 |
| Total | 1,00 | 10,00 | 2,67 | 7,00 | 1,67 |
| **Oppurtunity** | | | | | |
| Quantity of tourist | 0,36 | 3,00 | 1,09 | 2,00 | 0,73 |
| The high level of public consumption of fashion | 0,36 | 3,00 | 1,09 | 3,00 | 1,09 |
| The market share is quite large | 0,18 | 4,00 | 0,73 | 2,00 | 0,36 |
| High loyalty from customers to keep buying products | 0,09 | 2,00 | 0,18 | 3,00 | 0,27 |
| Total | 1,00 | 12,00 | 3,09 | 10,00 | 2,45 |
| **Threats** | | | | | |
| Domestic customers choose products at prices that can adjust middle and lower society | 0,22 | 2,00 | 0,44 | 3,00 | 0,67 |
| The entry of Chinese batik products on the global market starting in January 2010 has a cheaper price | 0,44 | 3,00 | 1,33 | 2,00 | 0,89 |
| Marketing competencies possessed by competitors are better | 0,22 | 3,00 | 0,67 | 2,00 | 0,44 |
| High consumers bargaining power | 0,11 | 2,00 | 0,22 | 1,00 | 0,11 |
| Total | 1,00 | 10,00 | 2,67 | 8,00 | 2,11 |

From the QSOM matrix it was found that Strategy 1 Recruited young people who mastered technology to become batik workers, increasing competitiveness was chosen because it produced a higher total weight than strategy 2 Creating a product warranty with several provisions to gain more trust from consumers.

**Strategy Evaluation**

|  |  |  |  |
| --- | --- | --- | --- |
| **Destination Direction** | **Size or Taget** | **Expection of Time** | **Main Responsibility** |
| Customer | | | |
| Customer Satisfaction | Not complaints from customers | 2 months | Good service and quality that is always maintained |
| Manager / Employee | | | |
| Employees who obey the rules and have qualifications according to their skills | Can be responsible for the tasks that have been given | 3 months | Conduct training and continue to provide information to employees |
| Operation / Process | | | |
| Effective and efficient process | Processing time as budgeted | 1 month | Actual as planned |
| Community / Social Responsibility | | | |
| Give a price that matches the quality | The customer does not feel aggrieved at the price obtained | 3 months | Always update price to raise or lower them according to market prices |
| Business / Environmental Ethics Alamah | | | |
| Manage the waste produced | Making the waste has more value or at least does not cause pollution | 3 months | Make a special management place for the waste produced |

**Conclusions and recommendations**

From the results of the analysis that has been done, the conclusions from the research concerning the development of batik governance in Bantul Regency are as follows:

In stage 1 or the existing internal and external factor input stage given the last weight in stage 2, the matching stage of the 5 matrices (SWOT, SPACE, BCG, IE, Grand Strategy) produced many choice strategies that can be applied by the company. In the last stage, namely the decision stage, a strategy that is expected to be the most appropriate to be implemented between the existing strategy strategies is strategy 1, Recruiting young people who master technology to become batik workers, increasing competitiveness and strategy from consumers. The two strategies are compared and produce differences in scores, the biggest score achieved by strategy 1. Which results in strategy 1 as the chosen strategy to be applied.

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