

# Strategy in Developing the Tenun Ikat in Kediri City East Java Province

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## ABSTRACT

Kediri City in East Java Province has a centre of 'tenun ikat' crafts that has already been in existence since the year 1980s. The tenun ikat cloth, as one of the cultural heritages, becomes the icon of Kediri City community and at the same time also becomes the regional product of excellence. The problems of research are as follows: 1) How is the potential, strength, constraint, opportunity and threat of the 'tenun ikat' compound in Bandar Kidul, Kediri? 2) How is the strategy in developing the 'tenun ikat' compound in Kediri City?. The aims of this Research are as follows: 1) To know the potential, strength, constraint, opportunity and threat to the 'tenun ikat' compound in Bandar Kidul, Kediri City. 2) To make the plan in preparing the development strategy for 'tenun ikat' village in Bandar Kidul, Kediri City. Meanwhile, the outputs of this Research are as follows: 1) The mapping of the potential, strength, constraint, opportunity and threat to the 'tenun ikat' compound in Bandar Kidul, Kediri City. 2) The findings of the strategy and the follow-up plan for the 'tenun ikat' compound in Kediri City.

This research applies the *descriptive qualitative method*, supported by the *qualitative data* and *analyzed qualitatively by using the SWOT analysis*. The **Results of this Research** are as follows: The commitment on **strength** is to implement the good and sufficiently opened business management system to renewal. **Weakness**: Less availability of raw materials in Kediri; limitedness of manpower with technical skill; export market, institution, waste treatment and work safety. **Opportunities**: The demand for product is relatively stable and even increasing, the manpower willing to be trained is available. Media of promotion is quite a lot. **Threats**: There are quite a lot of competitors' products; the family management puts the business continuity in worrying situation, lack of consumers' interest in hand-made / traditional products, manpower hijacking to other regions with the lure of bigger compensation, the high trend in hijacking the 'tenun ikat' design model by other regions.

Finally, based on these SWOT – Strength, Weakness, Opportunity and Threat, the strategy is analyzed.

## Keywords

“Strength, Weakness, Opportunity and Threat”

## INTRODUCTION

An economic development is a process causing the income per capita of citizen in a certain community increases in a long term, accompanied by the change in important characteristics of the said community, namely the changes in technology, in people's mindset and also in institution. Meanwhile, the globalization and regional autonomy bring quite logical consequences that the level of competition is getting sharper and sharper, either in regional, national or international levels.

The regional products of excellence produced by the *Small and Medium Scaled Enterprises* are potentially able to be developed by utilizing the resources owned by regions, either in the forms of natural resources, human resources or the local culture. They also create the income for community and for government, expected to become the economic power for region and for local community, as the potential products having the competitiveness, selling power and able to enter into the global markets. This is in conformity with the *Regulation of Home Affairs Minister Number 9 the Year 2014 on Guidelines in Developing the Regional Products of Excellence*. The Kediri City has the centre of 'tenun ikat' crafts already been in existence since the year 1980s. . At present, there are many tenun ikat crafters having their production continuously on Jalan Agus Salim Gang VIII, Bandar Kidul village, Sub-District of Mojoroto, Kediri City. The tenun ikat is an Indonesian woven fabric in the form of cloth and dipped into a natural dye. The loom applied is called “*ATBM*” (*Non-Machined Loom*).

The policy of Kediri City Administration on the use of work-clothes in the form of traditional woven fabric is one of the efforts of the Kediri City Administration to conserve the 'tenun ikat' as the specific traditional cloth of the Kediri City whose existence seemingly is beginning to sink. This policy is expected able to lift-up the prestige of 'tenun ikat' which has ever dimmed and the tenun ikat cloth as the cultural heritage becomes the icon of the community of Kediri City and at the same times becomes the regional product of excellence.

## Problems of Research:

Based on the aforesaid background, the problems can be identified as follows:

1. How are the potential, strength, constraint, opportunity and threat to the tenun ikat compound ?

- How is the development strategy of the tenun ikat compound in Kediri City?

**Aims of Research:**

- To know the potential, strength, constraint, opportunity and threat to the tenun ikat compound.
- To know the strategy in developing the tenun ikat compound.

**Outputs of this Research:**

- The mapping of the potential, strength, constraint, opportunity and threat to the tenun ikat compound.
- The finding of strategy and the follow-up plan for the tenun ikat compound in Kediri City.

**LITERATURE REVIEW**

**1. Industrial Strategy:**

Strategy is a long-term goal of a company as well as the empowerment and allocation of all important resources to achieve the said goal (*Chandler, 1962: 13 in Rangkuti, 2002:4*). Good understanding concerning with the concept of strategy and other pertinent concepts is very crucial in determining the success of strategy to be prepared. Those concepts are as follows:

- Distinctive Competence:** is an action conducted by a company in order to be able to perform it much better than that by its competitors. This Distinctive Competence covers skill of the manpower and ability of the resources.
- Competitive Advantage:** is a specific activity developed by a company in order to be able to perform it much better than that by its competitors. The strategy applied in order to gain excellence in competition covers the *cost leadership, differential and focus*.

**2. Industrial Strategy Through Stages of SWOT Analysis**

The idea of SWOT Analysis is the strategic planning method used to evaluate the strength, weakness, opportunity, and threat in a project or in a business speculation. The SWOT Analysis can be implemented by means of analyzing and selecting various subjects influencing its four factors, then implementing them at the SWOT Matrix Drawing, in which its application is how the strength can take *the advantage* from the available opportunities. Further is how the can deal with the existing threat, and the final is how to overcome the weakness able to make the threat to be real or to make a new threat encountered by a company, namely the new government regulations harming the businessmen very much.



The Motifs of Beras Tumpah (Spilled Rice), the Motifs of Daud, Kawung, Pokemon, Prawan Kalimantan (the Kalimantan Virgin), the Motifs of Sakuntala, Butterfly, Orchid, Rose, and Parang Rusak Motif.

**Drawing 1. Motif of Tenun Ikat**

**RESULTS AND DISCUSSION**

**SWOT ANALYSIS, IDENTIFICATION OF INTERNAL AND EXTERNAL FACTORS OF TENUN IKAT COMPOUND IN BADAR KIDUL, KEDIRI.**

Based on the results of characteristic identification and interview as well as the field observation, the internal and external factors of tenun ikat crafts existence can be identified. The identification result is as shown on the table-1:

**Table 1. Matrix of internal strategic factors**

FACTOR IDENTIFICATION				
A	Strength Factors	Weight	Rating	Weight x Rating
1.	Lots of raw materials are available at the local market / easily obtainable and located not too far.	0.05	4	0.2
2.	The Human Resource experiences and skills of the Owner hereditarily are good enough.	0.05	4	0.2
3.	The Applied Manual Technology is available and easily obtainable.	0.075	4	0.3
4.	It has labor intensive nature, so that it becomes the means of livelihood.	0.05	3	0.15
5.	The product marketing to other cities tends to increase.	0.1	4	0.4
6.	Majority of them join the Joint Venture Group (JVG).	0.05	3	0.15
7.	Easily obtainable access to capital	0.1	4	0.2
8.	Business management is sufficiently opened; vision and mission are clear.	0.05	3	0.15
<b>Total Score</b>				<b>1.75</b>

B.	Weakness Factors:	Weight	Rating	Weight x Rating
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1.	Raw material still has to be purchased and even parts of them are imported, and not yet been able to be produced by the tenun ikat joint-venture groups themselves in Kediri City.	0.01	1	0.1
2.	Application of technology is still very limited to ATBM (Non-Machined Loom) so that Its selling price is relatively inferior to that of tenun (woven fabrics) manufactured by using machines.	0.1	1	0.1
3.	Though there are sufficient numbers of manpower, but only few of them have the designing skill and diversification of tenun ikat products.	0.1	2	0.2
4.	The limitedness in export marketing, and if doing the export, it is still through the third party.	0.1	1	0.1
5.	The Institution of Joint-Venture Group (JVG) is still very weak and tends to stand alone, considering the fact that some of them are not yet the members of JVG of Tenun Ikat Kediri.	0.01	1	0.1
6.	Waste treatment still needs attention	0.05	3	0.15
7.	Production certainty is still limited. The majority are to fulfill the orders.	0.05	3	0.15
8.	The work safety of employees still needs to be improved, for example through Manpower Social Insurance.	0.025	4	0.1
<b>Total Score</b>				<b>1.00</b>

Table-2. Matrix of external strategic factors

FACTOR IDENTIFICATION				
A	Opportunity Factors	Weight	Rating	Weight x Rating
1.	Product demand is relatively stable and even it tends increasing.	0.05	4	0.2
2.	Sufficient number of available manpo-wer are willing to be trained.	0.05	4	0.2
3.	There are quite lot of Promotion Media such as Expo/Exhibition, Online Busi-ness, Visit, Comparative Study, and Touring Visit, etc.	0.075	4	0.3
4.	Services for transportation, communi-cation, goods distribution and delivery are quite easy and available.	0.05	3	0.15
5.	Access to financial institutions is quite a lot; the JVG cooperates with Bank of Indonesia, so that it facilitates the banking access.	0.05	3	0.15
6.	The social environment of surrounding community is very conducive, even tends to become the workers..	0.05	4	0.2
7.	The programs of related government (Kediri City Administration) supports very much and facilitates existence of this tenun ikat business in Bandar, cooperates with various Universities for	0.05	3	0.15

	training and mentoring programs.			
8.	The manpower protection / insurance is available through BPJS and Manpower insurance.	0.05	3	0.15
<b>Total Score</b>				<b>1.50</b>

Source: The Processed Primary Data.

**CONCEPT OF STRATEGY IN DEVELOPING TENUN IKAT IN BANDAR KIDUL, KEDIRI**

By virtue of the aforesaid data, a strategy can be made by synchronizing the Strength (S) and the Opportunity (O), known as the *S-O Strategy*. Then, synchronizing the Weakness (W) and Opportunity (O), known as *W-O Strategy*, and synchronizing the Strength (S) and the Threat (T) known as the *ST-Strategy*. The S-O Strategy is intended as an effort to maximize each element of strength owned in order to sieze every element of the available opportunities as optimally as possible. Meanwhile, the W-O Strategy is intended as an effort to improve each element of weaknesses in order to be able to be to utilized as optimally as possible each element of the available opportunities. Whereas the S-T Strategy is intended as an effort to maximize each element of strength in order to counteract and subdue each element of challenges as optimally as possible.

B	Threat Factors	Weight	Rating	Weight x Rating
1.	Competitor products / similar products either from domestic or overseas are in sufficient big amount and their prices are relatively cheap because they use machines.	0.15	1	0.175
2.	Hereditary/continuing Family Manage-ment is still relatively dominant, so that if its continuity is not well maintained on shift of generation, it will bring worry to the business continuity.	0.175	1	0.175
3.	Exchange Rate of Rupiah fluctuates very much and it gives influence to the raw material.	0.175	1	0.175
4.	Decreasing interest of consumers in hand-made / traditional products.	0.15	1	0.15
5.	Many efforts of manpower hijacking to other regions with the lure of bigger compensation.	0.15	1	0.15
6.	The tendency of hijacking the tenun ikat design model by other regions is sufficiently high.	0.15	1	0.15
<b>Total Score</b>				<b>0.950</b>

Table-3. Strategy based on SWOT analysis

Strength (S)	Strength (S)	Weakness (W)
	1. Business Management continues hereditarily. 2. Vision and Mission of Business are clear. 3. Numbers of male and female workers are sufficiently available. 4. Manpower absorbing. 5. Cooperating with Gove-rnment and Private 6. Though the production is done by ATBM, but remains committed to make innovation.	1. Raw material still has to be purchased and even parts of them are imported, and not yet capable of producing themselves. 2.The use of technology is very limited to ATBM (Non-Machined Loom). 3. Manpower with design skill and product diversification is very limited. 4. Limitedness in Export marketing. 5. j Institution is still very weak and tends to stand alone. 6. Waste treatment still needs attention.

		<p>7. Production capacity is still limited, mostly to fulfill the orders.</p> <p>8. The Manpower social Insurance is low.</p>
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Opportunity (O)	Strategy S-O	Strategy W-O
<p>1. Demand for product is relatively stable and tends increasing.</p> <p>2. Many manpower are willing to be trained.</p> <p>3. Many Promotion Media are available and the tour visit.</p> <p>4. Services in transportation, communication and goods distribution and delivery.</p> <p>5. Lots of access to the financial institutions, business groups and cooperating with Bank of Indonesia, so that it facilitates to get the banking access.</p> <p>6. Social environment of the surrounding community are very conducive.</p> <p>7. Related Programs of Government (Kediri City Administration) supports very much and facilitates the existence of Tenun Ikat Bandar.</p>	<p>1. Increasing the production by innovating the ATBM.</p> <p>2. Setting-up an education institution, vocational school or courses in woven fabrics.</p> <p>3. Cooperation with the Banking Institution shall be maintained well and increased.</p> <p>4. Cooperation with the travel and goods delivery bureaus.</p> <p>5. Improving development and mentoring with Government and the related Private Sectors.</p> <p>6. Cooperation with Universities to improve Management and Production Technology</p>	<p>1. Making a cooperation with the raw material suppliers.</p> <p>2. Motivating businessmen to be the raw material providers.</p> <p>3. Improving Marketing Strategy, especially Export.</p> <p>4. Improving existence of JVG (Joint-Venture Group), so that it leads to the Centre.</p> <p>5. Serious handling on Waste Treatment.</p> <p>6. Paying attention to the Manpower Social Insurance.</p>

Challenge /Threat (T)	Strategy S-T	Strategy W-T
<p>a. Competitor products or similar ones either from domestic or overseas are many and relatively cheap because they use machine.</p> <p>b. Hereditary / continuing Family Management is still dominant so that if its continuity is not well maintained in the shift of generation it will worry the business continuity.</p> <p>c. Exchange Rate of Ru piah fluctuates very much and influences the raw materials.</p> <p>d. Decreasing interest of the Consumers to the hand-made /traditional products.</p> <p>e. Many efforts to hijack manpower to other regions with lure of bigger compensation.</p> <p>f. High tendency of hijacking the design model of tenun ikat by other regions</p>	<p>1. Product innovation is adjusted to the tastes of consumers and fashion.</p> <p>2. Improving the ability of Family Management for the next business continuity.</p> <p>3. Motivation the growth of Small &amp; Medium Scaled Enterprises to be the raw material providers.</p> <p>4. Motivation the growth of Small &amp; Medium Scaled Enterprises operating in Woven Fabric Loom.</p> <p>5. Improving the Manpower Insurance and Wages to avoid the manpower hijacking.</p> <p>6. To get the Patent for Product Design and model.</p>	<p>1. Innovating the ATBM (Non-Machined Loom).</p> <p>2. The use of ATBM and Woven Fabrics Machines.</p> <p>3. Work Uniforms worn at the Government and Private Agency.</p> <p>4. It becomes a compulsory.</p> <p>5. Government assistance in Patent, Trade Mark, Business Permit, etc.</p> <p>6. Improving the ability of manpower for the Design and Motif.</p> <p>7. Business Partnership is increased.</p>

**CONCLUSION**

Based on SWOT Analysis and discussion on Strategy on Tenun ikat Business in Bandar Kidul, Kediri, as stated above, it can be concluded as follows:

1. The existence of the Tenun Ikat Industry in Bandar Kidul has developed relatively in a long time and managed hereditarily, mostly is under a Family Management, so that the improvement in business management ability needs to be increased.
2. The existence of the Tenun Ikat Crafts Industry in Bandar Kidul has not yet been able to be declared as the “*Centre*”, because the amount of businessmen who has developed the Tenun Ikat Small & Medium Scaled Enterprises are less than 20 (twenty) persons, so that it needs to be developed to be the Industrial centre.
3. Development of tenun ikat crafts fluctuates but at present it tends to undergo the increase in sales in many cities in Indonesia, so that it needs a better promotion.
4. Export market is carried out by using the third party, so that a breakthrough is required by means of design innovation, strengthening the business network, and also better product quality.
5. Most production only uses the ATBM manual technology, and this becomes the excellence o tenun ikat, so that it shall be well maintained.
6. Numbers of manpower and the availability of manpower, either male or female are lots enough, but those who have the skills in design and the skill in making the innovative motif are very limited, so that a training in design is required.

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