# The Creativity of Using Batik Ethnic to Attract Foreign Tourists (Study on Customers of Banyuwangi Batik in Kemiren Village, Glagah District, Banyuwangi Regency, East Java Banyuwangi Regency, East Java)

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Abstract---This study aims to find out the stretching of Using Batik that has high creativity, the value of product innovation towards the marketing performance of batik products through customer value. This study uses a snowball sampling method of 200 respondents and analyzed using the SEM (Structural Equation Modeling) model. The results showed the variable creativity has an influence on customer value by maintaining modern patterns and images, innovation variables have an influence on customer value so that craftsmen can provide maximum value for batik customers, customer value variables have an influence on company performance, creativity variables affect marketing performance through customer value, innovation variables affect marketing performance through customer value.

Keywords---Creativity, Innovation, Marketing performance, Customer value

#### **I. INTRODUCTION**

Economic growth in the city of Banyuwangi shows an increasing trend from year to year. During the four years economic growth trends have increased compared to economic growth in East Java Province. In 2011, the economic growth of Banyuwangi Regency was at 7.14% while East Java Province was 6.86%; In 2012, Banyuwangi Regency's economic growth rose to 7.29% and East Java Province was at 7.27%; and in 2013 decreased by 6.76% and rose to 6.94% in 2014, but the situation was still above the level of economic growth in East Java Province in 2013 at the point of 6.5% and fell at the level of 5.8% in 2014 (Banyuwangi Dalam Angka, 2015). Efforts to empower local government budgets that are effective and efficient so that the 2018 APBD contribution is able to encourage economic growth and higher welfare. Internal and external trade aims to strengthen the local economy by utilizing local products to be one of the strategies carried out by the Banyuwangi Regency government by developing local products that reduce the consumption of imported products. (BPS, East Java, 2015; Jauhariyah & Inayah, 2016).

Based on an understanding of the development of MSMEs and the wider extent of regional economic growth, and with a variety of advantages introduced outside Banyuwangi, resulting in the local wisdom favored by foreign tourists. But the end of this research is marketing performance, Nur Amin Jauhariyah & Nurul Inayah,

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2016.Marketing performance indicators, according to some researchers include sales turnover and customer satisfaction. This is in line with the increasing number of MSME players in the province of East Java, as well as the sales turnover obtained also increases until 2016. But on the other hand if it is reviewed by analyzing the number of MSMEs compared to the average sales turnover per UMKM has decreased.

Performance is a problem that is always faced by management, therefore the management must certainly know the important factors that can affect employee performance. Research conducted by Wang & Feng (2012) also explains if marketing performance can be measured by 5 indicators, including with overall performance (overall performance), market share growth (market share), sales growth (profit growth) and customer satisfaction.

Creativity is an initiative of a product or process that is useful, true, appropriate and valuable to a more heuristic task, which is something that is an incomplete guide, guide, or guide that will lead us to understand, learn, or find something new (Hadiyati, 2011). Alfiatur Rohmaniyah & Tatiek Nurhayati, 2017, states that creativity requires the development of newer and radical alternatives. That creative employees have intrinsic motivation and cognitive orientation in every action. Marketing program creativity requires a variety of activities and techniques with a comprehensive approach. Thus the company should have a sub-system that can express various strategies and optimize techniques in achieving strategies in order to maximize performance (Saudi, 2018).

Value of innovation According to Product Innovation is a combination of various processes that influence each other. So innovation is not a concept of a new idea, invention or not a development of a market that is just but innovation is a combination of all these processes. Mudiantono & Purnomo (2005) states that innovation influences market performance. In his research he also presents that innovation in organizations is said to be successful if it can produce superior performance, resulting from a commitment to total customer satisfaction that can be caused by continuous innovation.

Customer value is the quality perceived by the customer that is adjusted to the relative price of the product produced by a company (Slater and Narver, 1994, p. 23). With the value of customers or customers, we interpret the emotional bond that is formed between the customer and the manufacturer after the customer uses an important product or service produced by the manufacturer and finds that the product provides an added value (Bakti & Harun, 2011).

Using Society / Osing Tribe is a native of Banyuwangi who lives in Kemiren Village, Glagah District, Banyuwangi Regency, East Java. Kemiren Village is now a tourist village and traditional village to introduce and preserve the traditions and culture of the indigenous people of Banyuwangi. Kemiren residents really appreciate the culture and ancient goods including family inheritance batik which is stored in a jar so that it remains durable not eaten by moths. In connection with changes in the Using community who are willing to accept a variety of cultures into their regions. Although on the other hand the majority of the population of the Using region prefers to maintain the old motives that are inherited from their ancestors.

The problem arises, among other things, the current creativity has not been fully carried out by the old pebatik which still retains the old motif with the color of the colat, black and ash and the image patterns that have no change. Changes in fashion trends today do not affect the characters that have been embedded throughout the batik craftsmen in Kemiren Village who are less fond of changes in tastes that occur around him. It is feared that old motives are increasingly fading with time, and cannot develop so that innovation is ineffective both in terms of raw materials, coloring techniques, motif designs and so on. Likewise, the customer's value cannot satisfy some of the customers who hunt batik to East Java in the hope that getting a different batik can be found. But what customers look for is in other areas that are far apart, this certainly makes it difficult for tourists to reach it.

Based on some of the thoughts that have been previously stated about stretching Using batik in the city of Banyuwangi, this study aims to examine the effect of high creativity, the value of product innovation on marketing performance through customer value. The study uses a survey approach method to find out directly the impact of batik stretching production in increasing MSMEs in the city of Banyuwangi.

# **II. LITERATURE REVIEW**

# II.I. The Influence of Creativity on Marketing Performance through Customer Value

Creativity is the first step in innovation, is the success of implementing novelty, the compatibility of ideas and innovation is vital for the success of long-term change. Increasing creativity and innovation in a business is very important, creativity in the innovation process is the ability to generate ideas to produce improvements in effectiveness and efficiency in a system. The business world is fast changing and step changes must be aligned with acceleration, no company that continues to offer the same goods or services can survive lon William E, Baker, James M, Singkula, 2002.. Research conducted also defines that creativity is a result of one's thinking or other work team than usual to realize a meaningful innovation work.

This is in accordance with the research of Sri Porwani, (2016) which states that creativity can also be stimulated by systematically utilizing curiosity about the development of new ideas and forces that are taking place around him, with the aim of building sources of information about various things that can be applied including impression, image and various ideas so that it can be used as something profitable.

Creativity can also be carried out on an ongoing basis that is associated with innovations that are continuously refined and adapted to the development of the current model. Innovation has a peculiarity by creating new production sources or managing existing resources by creating the latest potential value, so that innovation is said to be a combination of vision to create a better idea by maintaining the concept through implementation. Although sometimes the source of discovery can be due to discovery, development or duplication, according to the research (Ernani Hadiyati, 2016). While the research conducted by Muslikh (2014), creativity has a strong influence on marketing performance through customer value, this is reinforced by research published in a journal stating that the results of the study showed that creativity has a positive influence on the performance of MSMEs.

# II.II. H1: The Effect of Creativity on Marketing Performance through Customer Value

II.II.I. The Influence of Innovation on Marketing Performance through Customer Value

Innovation is a company mechanism to adapt in a dynamic environment. Therefore the company is required to be able to create new judgments, new ideas and offer innovative products and improve services that satisfy customers. According to Prakosa, Bagas, Ghozali (2005: 189) innovation is a company mechanism to adapt to a dynamic environment, therefore companies are required to be able to create new ideas, new ideas by offering innovative products and enhancements service that can satisfy customers.

Research conducted by Wahyono (2002) defines that innovation as a company mechanism to adapt in a dynamic environment. Therefore, companies are required to be able to create new thoughts, new ideas and offer innovative products and improve services that satisfy customers. Innovation has become the main and routine activity for companies, as well as marketing and financial activities. Thus innovation is an important function of management because innovation determines a superior business work.

Research conducted (Wahyono, 2002) Market Orientation and Innovation: Its Effect on Marketing Performance, Variables of research are market orientation, innovation and performance. The results of market orientation research have a positive effect on acceptable performance and innovation has a positive effect on performance. While the research conducted by Mike Reid and Erica Brady with the title Relationship Between Market Orientation, Management and Executive of NPD and NPD Performance Program. Research variables are market orientation, management and executive with performance. The results of the study market orientation significant role performance.

The results of this study are also supported by other studies, however small the progress adopted by small businesses from the development of product innovation, has contributed significantly to improving overall marketing performance. Innovation has a positive and significant effect on Marketing Performance in accordance with research (Ida Tri Mulyani, Mudiantono 2015).

# II.III. H2: Effect of Innovation on Marketing Performance through Customer Value

II.III.I. Effect of Customer Value on Marketing Performance

Customer value is the quality perceived by customers that is adjusted to the relative price of the product produced by a company (Slater, Narver 1994, p. 23). The value of the customer or customer, means that the emotional bond that is formed between the customer and the manufacturer after the customer uses an important product or service produced by the manufacturer and finds the product provides an added value.

Cravens (2009: 7), that the value to the buyer (the value felt by the buyer) consists of the benefits and costs resulting from the purchase and use of the product. Superior value occurs when there are positive net benefits. Superior customer value as a result of an experience in using that is very profitable compared to the expectations and values offered by competitors.

Bakti and Harun (2011) the influence of market orientation and customer value on the marketing performance of water lion airlines. The results of the study stated that there was a partial effect between market orientation and customer value on marketing performance on the airline lion air. While the research conducted by William A. Band (1991) saw the need for functional crossing in a company, namely marketing, operations and human resources as a prerequisite in managing customer value. The element of managing relationships with customers and managing perceived value is the task of the marketing function

II.IV. H3: Effect of Customer Value on Marketing Performance

#### II.IV.I. Methodology

This study uses a survey approach. The survey approach was carried out through the distribution of questionnaires in predetermined research samples relating to creativity, innovation, customer value and marketing performance in Cluring District, Kec. Glagah, Banyuwangi Regency, East Java. The population in this study is a batik entrepreneurial UKM in Kemiren sub-district, Glagah sub-district, Banyuwangi regency which is a research sample using snowball sampling with a total sample of 200 respondents.

This study requires a data analysis and interpretation that will be used to answer research questions to reveal certain social phenomena. So that data analysis is the process of simplifying data into a form that is easier to read and interpreted. The model that will be used in this study is a causality model or relationship or influence and to test the proposed hypothesis. The research method uses the SEM (Structural Equation Model) model which analyzes the relationship between indicator variables and latent variables called measurement equations, the relationship between one latent variable and another. The calculation is done with the help of the Lisrel 8.8 program, Cooper, D. R, & Schindler, P. S. (2014).

#### **III. FINDING AND ARGUMENT**

The Influence of Creativity and Product Innovation through Customer Value on MarketingPerformance. Testing the effect of the influence of creativity, product innovation and customer value on marketing performance in this study using statistical tools Structural Equation Modeling (SEM). The calculation is done with the help of the Lisrel 8.8 program.

1. Result of estimation of SEM model



Chi-Square=32.94, df=29, P-value=0.28000, RMSEA=0.026

**Figure1:** Structural Equation Modeling Model Effects of Creativity and Product Innovationthrough Customer Value on marketing performance

There are two parts in the SEM results, namely the first measurement model that explains the variance proportion of manifest variables (indicators) which can be explained in latent variables so that it is known which

indicators are significant in the formation of latent variables. The second part is the result of a structural model that explains the relationship between variables tested by looking at the partial test of each path of direct influence from the results of SEM analysis.

#### a.Goodness-of-Fit.

Evaluation of the SEM model that is formed seen from the measure of goodness of fit is presented in table 2.

Table 1: Goodnessof fit results					
Goodness of Fit Indeks	Value Cut-off	Computational Results	<b>Evaluation Model</b>		
Chi-Square	DF = 29; = $\chi^2_{tabel} = 42,557$	32,944	Fit (Good)		
Provability (significance)	$\geq 0,05$	0,2800	Fit (Good)		
CMIN/DF	$\leq 2$	1,136	Fit (Good)		
RMSEA	< 0,08	0,026	Fit (Good)		
GFI	0,90 < GFI < 1	0,966	Fit (Good)		
NFI	0,90 < NFI < 1	0,980	Fit (Good)		
CFI	0,90 <cfi 1<="" <="" td=""><td>0,998</td><td>Fit (Good)</td></cfi>	0,998	Fit (Good)		

#### Source: Output Result of Lisrel 8.8

The evaluation results of the SEM model by looking at the goodness of fit in Table 2 shows the model seen from the chi-square value meets the size of the model suitability (chi-square value of 32.944 is smaller than the table value) with a significance level (0.2800) greater than 0, 05, (Barker, C. Pistrang, N & Elliot, R (2016). The research model has CMIN / DF values, GFI, NFI, CFI and RMSEA which show a good level of suitability. This shows that the model proposed in this study is acceptable because overall it has a measure of goodness of fit which indicates that the model is acceptable.

# 1. Research Hypothesis Testing

After the evaluation results of the model can be stated that the model meets the criteria of a suitable model (FIT), then the research hypothesis is tested based on the value of t each causality relationship from the results of SEM processing as in table 2

Table 2: Significance Test Result						
Variable	Coefficient Influence	t- <sub>critical</sub>	t- <sub>count</sub> critical			
Creativity towards customer value	0,324	3,776	1,96			
Product Innovation on customer value	0,565	6,045	1,96			
Customer Value on marketing ferformance	0,292	2,744	1,96			
Creativity toward Marketing Performance through Customer Value	0,392	4,952	1,96			
Product Innovation on Marketing Performance through Customer Value	0,291	3,185	1,96			

# **IV. DISCUSSION**

Variables of creativity on customer value with a coefficient of 0.324 with a t value of 3.776 and a critical t value of 1.96 means that there is a significant influence.

Product innovation variables to customer value with a coefficient of 0.565 with a t value of 6.045 and a critical t value of 1.96 means that there is a significant influence of significant influence.

Customer value variables on marketing performance with a coefficient value of 0.292 with a t count of 2.744 and a critical t value of 1.96 means that there is a significant influence of significant influence.

Variable creativity on marketing performance through customer value with a coefficient value of 0.392 with a value of t count of 4.952 and a critical t value of 1.96 means that there is a significant influence of significant influence.

Product innovation variables on marketing performance through customer value with coefficient value of 0.291 with t count value of 3.186 and critical t value of 1.96 means that there is a significant influence.

#### **V. CONCLUSIONS**

Creativity variable has a positive effect in increasing customer value, this is strengthened by the results of path coefficient test, the test results can be concluded that to provide value to customers, namely batik craftsmen in two different regions, the idea of creativity is created together even though the craftsmen from Ex. Tumenggungan with bright colors and modern motif designs or patterns, while Kel. Kemiren has the distinctiveness of maintaining classic batik with sogan or dark colors, besides that it is also good craftsmen from Kel. Tumenggungan or from Kel. Kemiren has a different market.

Product Innovation variables have a positive influence on Customer Value this is strengthened by the results of path coefficient test, the test results can be concluded that the craftsmen from Kel. Tumenggungan and Kel. Kemiren innovates both coloring techniques and designs or patterns of images that are digged continuously. Although each of them retains their respective characteristics, the vision of the craftsmen is to provide maximum value for the customer's appropriateness.

Variable Customer Value has a positive effect on Marketing Performance, this is reinforced by the results of path coefficient test, the test results can be concluded that the value given to customers has a positive impact on batik craftsmen in the two villages through superior Marketing Performance. Moreover, Banyuwangi Regency is close to Madura which is famous for its free batik design and dares to get out of the predetermined standard.

Creativity Variables on Marketing Performance through Customer Values have a positive effect, this is reinforced by the results of tests that show both Creativity and Product Innovation interrelated with superior Marketing Performance, referring to the value and benefits that will be given to customers.

Product innovation variables on marketing performance through customer value Test results that show a strong relationship between Creativity and Product Innovation. This shows that the creation of ideas or ideas through the creativity of batik artisans is balanced with innovation that continues to develop today.

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