ENTREPRENEURIAL MARKETING AND PRODUCT INNOVATION IN IMPROVING BUSINESS PERFORMANCE: A CASE STUDY ON BATIK TRUSMI CIREBON

a Diana Prihadini, b Iwan Sukoco, c Bambang Hermanto, d Pratami Wulan Tresna

ABSTRACT

Purpose: The research aims, and contribution of this research are to complement previous research on entrepreneurial marketing and product innovation in the Trusmi Cirebon batik business, the current obstacles and how to solve them to improve business performance.

Theoretical Framework: As the small business industry, Batik Trusmi must innovate some matter on its business. Innovation classifies as three form there are product innovation, business model innovation and process innovation. This research discussed the product innovation and marketing innovation system as part of the business model. The innovation on the product and marketing system will affect the business performance. So, this research discusses about the role of entrepreneurial marketing and product innovation to improve the business performance.

Method: This is qualitative research with a case study approach. Data collection methods used by researchers to obtain primary data include interviews, observation, and documentation. The type of interview conducted by the researcher is a semi-structured interview. There are 4 respondents as the actor of Batik Trusmi MSMEs.

Result and Conclusion: The results of this study indicate that entrepreneurial marketing and product innovation are needed to improve business performance. The main obstacles on developing Batik Trusmi business are the lack of innovation on the product and the quite understanding of the entrepreneur on effective marketing system. The results of this study indicate that all MSME entrepreneurs have yet to understand entrepreneurial marketing and always try to present the new creativity on the Batik Trusmi product whether on the pattern model, size, packaging, colour, and the others. The results of this study also show that MSME entrepreneurs who have implemented product innovation and entrepreneurial marketing can improve their business performance more quickly.

Originality/Value: This research focuses on product innovation where the most of MSMEs entrepreneur has no eagerness to develop their product better. Most of MSMEs entrepreneur sense “enough” on their product and this condition oftentimes will push the business into worst condition. Another hand, this research discuss about entrepreneurial marketing on micro,
small, and medium enterprises (MSMEs) whereas the most of MSMEs entrepreneur never consider the importance of marketing on the selling the products.

**Keywords:** entrepreneurial marketing, product innovation, business performance.

**MARKETING EMPREENDEDOR E INOVAÇÃO DE PRODUTOS NA MELHORIA DO DESEMPENHO EMPRESARIAL: UM ESTUDO DE CASO SOBRE BATIK TRUSMI CIREBON**

**RESUMO**

**Objetivo:** Os objetivos da pesquisa e a contribuição desta pesquisa são complementar a pesquisa anterior sobre marketing empresarial e inovação de produtos no negócio Trusmi Cirebon batik, os obstáculos atuais e como resolvê-los para melhorar o desempenho do negócio.

**Estrutura teórica:** Como a indústria de pequenas empresas, Batik Trusmi deve inovar alguma matéria em seus negócios. A inovação classifica como três formas: inovação de produtos, inovação de modelos de negócios e inovação de processos. Esta pesquisa discutiu o sistema de inovação de produtos e inovação de marketing como parte do modelo de negócios. A inovação no sistema de produto e marketing afetará o desempenho do negócio. Então, esta pesquisa discute sobre o papel do marketing empresarial e da inovação de produtos para melhorar o desempenho do negócio.

**Método:** Trata-se de pesquisa qualitativa com abordagem de estudo de caso. Os métodos de coleta de dados usados pelos pesquisadores para obter dados primários incluem entrevistas, observação e documentação. O tipo de entrevista feita pela pesquisadora é semiestruturada. Há 4 entrevistados como o ator de Batik Trusmi MSMEs.

**Resultado e Conclusão:** Os resultados deste estudo indicam que o marketing empresarial e a inovação de produtos são necessários para melhorar o desempenho do negócio. Os principais obstáculos ao desenvolvimento do negócio Batik Trusmi são a falta de inovação no produto e a compreensão do empreendedor sobre um sistema de marketing eficaz. Os resultados deste estudo indicam que todos os empreendedores do MSME ainda não compreenderam o marketing empresarial e sempre tentam apresentar a nova criatividade no produto Batik Trusmi, seja no modelo padrão, tamanho, embalagem, cor, entre outros. Os resultados deste estudo mostram também que os empresários de MPMEs que implementaram inovação de produtos e marketing empresarial podem melhorar o seu desempenho empresarial mais rapidamente.

**Originalidade/valor:** Esta pesquisa se concentra na inovação de produtos, onde a maioria dos empreendedores das MPMEs não tem vontade de desenvolver melhor seu produto. A maioria das MPMEs empreendedoras sentir “bastante” em seu produto e esta condição muitas vezes vai empurrar o negócio para a pior condição. Por outro lado, esta pesquisa discute sobre o marketing empresarial em micro, pequenas e médias empresas (MPMEs), enquanto a maioria dos empresários de MPMEs nunca considera a importância do marketing na venda dos produtos.

**Palavras-chave:** marketing empresarial, inovação de produtos, desempenho de negócios.
1 INTRODUCTION

One of the pillars of the national economy in developing countries, especially Indonesia, is micro, small & medium enterprises (MSMEs). The contribution of MSMEs to the national economy (GDP) is as much as 61.1% can absorb productive work energy in Indonesia. However, the Covid-19 pandemic has significantly impacted MSME players, resulting in a decline in Indonesia's GDP and signalling a global economic recession. During the economic crisis, MSMEs have proven to be able to survive. MSMEs are considered to be the creators of new jobs that are needed and have an impact on reducing unemployment and distributing people's income.

Some experts say that amid uncertainty, Entrepreneurial Marketing (EM) is the most appropriate concept if we want to maintain the performance of MSMEs (Hills & Hultman, 2013; Morris et al., 2002). In practice, the EM concept is considered the most appropriate to be implemented in types of businesses where human resources are limited, such as MSMEs (Collinson and Shaw in Astuti et al., 2018).

MSMEs will progress rapidly if their leaders dare to innovate products. In addition to technological advances that come in seconds, the number of competitors is also increasing. This will encourage MSMEs always to improve their business performance. The success of MSMEs is largely determined by the creative thoughts of their leaders, who can make creative breakthroughs to give birth to innovation in various aspects. Therefore, innovative skills are needed to satisfy consumer needs while retaining consumers as customers (Keh et al., 2007).

One of the MSME products that is growing quite rapidly is batik. Batik has long been known as the cultural heritage of the archipelago. For centuries the world has known that batik comes from Indonesia, and after going through a long process of submitting the nation's intellectual rights, finally, UNESCO, on October 2, 2009, declared that batik is one of the Cultural Heritage produced by the Indonesian nation (Herawati, 2010, p. 111).

Currently, there are more than 6120 batik industries in Indonesia with a total of 37,093 workers, spread over 5 main cities of batik craft centres in Indonesia, namely Solo, Yogyakarta, Pekalongan, Cirebon, and Madura (Siregar et al., 2020). Thus, batik is one of the drivers of creative economic growth that can absorb many workers and encourage the development of supporting industries. Batik has now become the life of the Indonesian nation internationally.
As previously mentioned, one of the cities in Indonesia that produces much batik is Cirebon. With motifs and colours that have their characteristics, Cirebon batik must be preserved and developed to be better known to the public, domestically and abroad. The investment value is so large, making batik has now become an icon of the city of Cirebon. Cirebon batik itself is known to have keratin and coastal motifs. The palace motif is more inspired by the conditions in the environment and the palace culture, both the Kasepuhan and Kanoman palaces. Meanwhile, the coastal motif is inspired by the geographical and social environment and the culture of the people outside the palace. The motifs of the natural environment, flora and fauna dominate this pattern.

Although Cirebon Batik has begun to be known, in its development, there are still many obstacles encountered in various aspects, including the problem of difficulty in obtaining raw materials, which must be imported from outside the region. This, of course, will affect batik production and also the rise and fall of prices. In addition, the problem of human resources is another obstacle because it involves batik artisans whose average age is no longer young, so the quality of their performance will affect the production process. The problem of the regeneration of batik artisans should receive attention from various parties. This condition of human resources will also affect the development of product innovation, which is running slowly. Because of some of these obstacles, the development of Cirebon Batik is less than optimal.

The batik production process has shifted from technical to creative because the quality and attractiveness of batik are focused on motifs. Batik motifs can be based on the type of material used, patterns, colours, characteristics and/or development. Product innovation does not have to come from top management alone but from the responsibility of all parties involved in the production process. Hamel (2000:419-421) says that the innovation strategy is the task of top management, and everyone can help build innovative strategies. This definition illustrates that the innovation of motifs and products in the batik industry does not come from entrepreneurs but tends to emerge more from the craftsmen themselves because they intensely and technically understand the motifs worthy of modification. Nevertheless, it is possible that innovations are designed by special designers, both from within and outside the craftsman group, to realise innovation.

Several studies on entrepreneurial marketing in MSMEs that have been conducted have found that entrepreneurial marketing and product innovation have an important role in improving business performance and success in medium and small-scale companies.
Entrepreneurial Marketing and Product Innovation in Improving Business Performance: A Case Study on Batik Trusmi Cirebon. Several researchers have done this and shown that product innovation significantly positively affects the competitive advantage of Trusmi batik entrepreneurs in the Cirebon Regency (Shintia, 2012; Sapitri et al., 2020).

Therefore, the purpose and contribution of this research are to complement previous research on entrepreneurial marketing and product innovation in the Trusmi Cirebon batik business, the current obstacles and how to solve them to improve business performance. The results of this study will contribute to the Cirebon Regional Government, in order to be able to find out the obstacles faced by MSME entrepreneurs of Batik Trusmi and find solutions, as well as for exporters to be more familiar with Trusmi batik and provide opportunities for collaboration.

2 THEORETICAL FRAMEWORK
2.1 INNOVATION AND SMALL BUSINESS

Small business sector has important role on the economic growth. By that conditions, small businesses expected to have best outcome year after year. Small business expected to do some innovation in any way. Innovation is how someone can apply the new method or device to create the higher productivity. Entrepreneurship and innovation involved on hard relationships, whereas an entrepreneur has to be an innovative person because business is always developing time by time. The existence of business depends on the innovation grade. Basically, there are three conditions where innovation must present. It is product innovation, business model innovation, and innovation of process (Thomas, et al, 2011). Product is the main character of a business, product quantity and quality always compete with the new business on the same industry, without innovation a business become defeated. Reciprocally the business models and process, the newer and better technology and technique always present every time. So, innovation must develop any time. One of innovation on the business model is innovation on the marketing system. So, this research will discuss about the influence of innovation on the product and marketing system on the business performance.
2.2 ENTREPRENEURIAL MARKETING

Entrepreneurial Marketing is a marketing strategy that combines Entrepreneurial Orientation and Market Orientation as outlined in the 7 dimensions of Entrepreneurial Marketing (Morris et al., 2002) which is more appropriate for SMEs. Entrepreneurial Marketing is developed by business owners themselves who seek to adapt traditional marketing frameworks to fit the company's situation. They offer a product or service to the target market at the right price. MSMEs and start-ups have low budgets, so they use Word Of Mouth (WOM) activities as promotional media and below the line activities (Gilmore and Carson in Rahim et al, 2015).

Miller & Friesen (1982), defines Entrepreneurial Marketing (EM) as 'proactive identification and exploitation of opportunities for acquiring and retaining profitable customers through innovative approaches to risk management, resource leveraging and value creation. Furthermore, Hills & Hultman (2011) explained that EM as 'a spirit, an orientation as well as a process of passionately pursuing opportunities and launching and growing ventures that create perceived customer value through relationships by employing innovativeness, creativity, selling, market immersion, networking , and flexibility'. Meanwhile Whalen et al. (2015) defines EM as a combination of innovative, proactive, and risk-taking activities that create, communicate, and deliver value to and by customers, entrepreneurs, marketers, their partners and society at large. From these three definitions, it can be concluded that EM involves very strong elements of innovation and proactiveness, as also stated by Moris et al in Arfanly, et al (2016).

Entrepreneurial marketing has seven dimensions, namely proactiveness, opportunity-focused, risk-taking orientation, innovation-oriented, customer intensity, resource leveraging, and value creation (M. H. Schindehutte & LaForge, 2002). Regarding the 7 Dimensions of EM, Becherer et.al (2012) put forward an explanation:

1) Innovation-Oriented are new ideas and creativity built by the company in order to produce new products, new services or new technologies.
2) Proactiveness reflects how the company can be responsive in responding to market demands or seeking new opportunities.
3) The Opportunity Focus dimension is how the efforts made by MSMEs see opportunities to develop
4) Risk Taking Orientation is how MSMEs have the courage to take risks in order to seize opportunities.
5) Customer Intensity is very necessary for MSMEs so that customers become the central pillar that will be the driving force in business development.
6) Resource Leveraging is not only by utilizing existing resources but also finding other resources that other people don't see.
7) Value Creation is a combination of creative works that produce innovative values that must be owned by IMKM.

2.3 PRODUCT INNOVATION

According to Kotler and Keller (2018) a product is anything that can be offered to the market to fulfill a want or need, while the definition of a product according to Saladin (2007:71) is anything that can be offered to the market to get attention, be purchased, used, or consumed, and which can satisfy a want or need. Creative efforts are needed and make innovations so that consumers are always interested. In order for consumers to survive, product innovation is needed, which is the result of various processes that are combined and influence each other (Myers & Marquis in Kotler, 2016: 454). With product innovation, it is expected to improve consumer purchasing decisions. This statement is also supported by Kotabe (in Tamamudin, 2012: 289), which states that product innovation encourages increased business performance (Severo & Guimaraes, 2022) which can be seen from the increase in buying decision.

According to Kotler & Keller (2016: 454), the dimensions of product innovation include: (1). New products for the world; (2). Improvements to existing products; (3). New product line; (4). An addition to an existing product line. Meanwhile, according to Kotler and Bes (2004) in approaches regarding new product development based on fixed market assumptions, namely:
1. Modulation-based innovation

   Innovation is done by changing the basic characteristics of a product or service.
   The trick is to increase or decrease these characteristics.

2. Size-based innovation

   This is the launch of a new product into the market without changing anything but the volume.

3. Packaging-based innovation

   The packaging of a product can make consumers interested in buying. Products are packaged in such a way that they are not only attractive but can also change consumer perceptions.

4. Design-based innovation

   This is an innovation where the product, container, or packaging is made different in appearance or modified.

5. Innovation based on the development of complementary materials

   This involves adding either complementary materials or additional services to the basic product or service.

6. Effort-based innovation

   This does not change the product or service, but increases the size of the market.

Product Innovation Indicators According to Kotler and Armstrong (2018), there are three product innovation indicators, namely:

1. Product Quality

   This aspect is measured by the ability of a product to perform its functions which include durability, reliability, and accuracy.

2. Product variant

   This is a competitive means to differentiate our products from competitors’ products.

3. Product style and design

   This is another way of adding value to customers. Style only describes the appearance of a particular product, whereas design has more of a concept than style.

Product innovation must be able to create a sustainable competitive advantage in a rapidly changing environment and towards a global market. The success of product innovation requires a match between the process and the enabling environment. Besides
that, the success of the innovations carried out must be continuous and not incidental (Zakon in Ellitan and Anatan, 2009: 4).

As described by (Kozludzhova, 2023) the keys of product innovation successful defined as company’s internal strength. It classified into three factors there are resources, knowledge, and experience. The business which used internal resources on innovation assume used less costly and risky contrast with which used external resources. It assumes will use more cost and the chance of risk will bigger. Second, it is knowledge whereas the basic of any form of innovation. The knowledge attracts “want to know” sense which will attract peoples to try more technique, models, tools, and other. Last, it is experience. Experiences will support innovation. Continuity on exploring product, will support the product development. Since those conditions, the experience seems necessary on product improvement.

2.4 BUSINESS PERFORMANCE

Business performance is the results of activities in a company that are influenced by internal and external factors in order to achieve the goals that have been set (Nuvriasari, 2012:265). Another opinion was conveyed by Rivai (2013) as quoted by Zulfikar (2018:49) that business performance is a term of organizational activity in a period with a reference to a number of standards such as projected past costs on the basis of efficiency, management accountability and the like. Meanwhile, according to Moehlerino (2012: 95) business performance is a description of the level of achievement of the implementation of a program of activities or policies in realizing the goals, objectives, vision, and mission of the organization as outlined in an organization's strategic planning. From some of the above understanding, it can be concluded that business performance is all actions or activities of an organization in a period to realize the goals, objectives, vision, and mission of the organization as outlined in an organization's strategic planning.

To measure business performance, Rahayu (2013) in Shandra (2018:7) explains using 3 indicators, namely increased sales, increased profits, and satisfactory growth, namely:

1. Increased sales. The increase in sales can be measured according to the assessment of business actors with an average level of sales over the three years ended.
2. Increased profit. Profit or profit measurement is assessed from the average level of company profits over the last 3 years.


3 METHODS

This is a qualitative research with a case study approach. When viewed from the point of view, the case study is a qualitative research method based on human understanding and behavior based on differences in values, beliefs and scientific theory (Polit & Beck, 2004; Borbasi 2004). Yin (2003) also defines case studies as a method of conducting research on phenomena that occur with a focus on one's life experience (real life context). According to Denzin and Lincoln (2005:445) qualitative research is research that uses a natural setting, with the intention of interpreting the phenomena that occur and is carried out by involving various existing methods. Research questions in qualitative research case studies emphasize a holistic conceptual framework in the social environment in which the research takes place (Robert & Taylor, 2002).

Data collection methods used by researchers to obtain primary data include interviews, observation and documentation. The type of interview conducted by the researcher is an in-depth interview to obtain primary data from the research subject. According to McMillan and Schumacher (2010), in-depth interviews are open-ended questions to obtain data about participants' intentions. Creswell (2014) states that questions in qualitative interviews require an open-ended nature to bring up a detailed explanation of the subject. Qualitative research generally uses unstructured or semi-structured interviews (Holloway & Wheeler, 1996).

According to Sugiyono (2010:233) suggests that semi-structured interviews are to find problems more openly, where the parties invited to the interview are asked for their opinions, ideas. The basis of consideration for the selection of semi-structured interviews is because the implementation is more flexible than structured interviews so that there will be intimacy between the researcher and the respondents who will eventually make it easier for researchers to collect data.

In this study, the researchers conducted interviews with 4 MSME entrepreneurs Batik Trusmi Cirebon, to explore information related to entrepreneurial marketing that was carried out and what innovations had been made to improve business performance.
The first informant is a businessman who has owned MSME Batik Trusmi Cirebon for 5 years, and now has 15 batik makers, and 10 workers for clothing and handicraft production. The second informant is an entrepreneur Batik Trusmi who has been running his business for 5 years and currently has 7 batik craftsmen. The third informant is the Trusmi Batik entrepreneur who has been running his business for 7 years and currently has 6 batik craftsmen, and the fourth informant is the Trusmi Cirebon batik entrepreneur who has been running his business for 9 years and has 7 batik craftsmen. This semi-structured interview was conducted for about 45 minutes to 1 hour for each informant. With the permission of the informant, the researcher recorded the entire interview process. However, due to objections from the Batik Trusmi Cirebon entrepreneur, the researcher did not write down his real name in this research paper.

In this study, researchers also used observation in data collection. Observation is a technique or method of collecting data by observing ongoing activities (Sukmadinata, 2005). In this study, the researcher used non-participant observation, namely the researcher did not participate in the activity, only played a role in observing the activity, and did not participate in the activity (Cohen et al, 2000).

Researchers also use documentation in data collection. The documentation method is looking for data about things or variables in the form of notes, transcripts, books, newspapers, magazines, inscriptions, meeting minutes, leggers, agendas and so on (Arikunto, 2002: 120). During the research process, the researcher also collected qualitative documents. This document is in the form of public documents, namely newspapers, papers, reports, and books related to batik, especially Trusmi Cirebon batik.

In this study, data analysis was carried out during data collection and after data collection was completed. The activities carried out in data analysis emphasize several stages and steps as stated by Miles and Huberman (1994), namely (1) the data collection stage, where in this case the researcher collects research data in the form of interviews, observations and documentation in the field individually. objective, (2) data reduction, means summarizing, choosing the main things, focusing on the important things, looking for themes and patterns (Sugiyono, 2008: 247), (3) Data Display, which is a set of structured information that provides the possibility of drawing conclusions and taking action (Miles and Hubberman, 1992: 18), and (4) conclusion/verifying, namely efforts to find, test, re-check or understand meaning or meaning, regularities, patterns, explanations, plots, cause and effect, or prepositions. While the conclusion can be in the
form of a description or description of an object that was previously unclear so that after research it becomes clear, it can be a causal or interactive relationship, hypothesis or theory (Sugiyono, 2008: 253).

4 RESULTS AND DISCUSSION

The results of interviews with 3 Batik Trusmi entrepreneurs are summarized in the following table.

Table 1. Results of interviews with Batik Trusmi Cirebon MSME entrepreneurs on Entrepreneurial Marketing (Based on EM Dimension of Morris, Schindehutte & LaForge, 2002).

<table>
<thead>
<tr>
<th></th>
<th>Innovation Oriented</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Informant 1</td>
</tr>
<tr>
<td></td>
<td>Always innovate in:</td>
</tr>
<tr>
<td></td>
<td>a. Batik motif design, both written and printed</td>
</tr>
<tr>
<td></td>
<td>b. fashion design</td>
</tr>
<tr>
<td></td>
<td>c. Size, by developing fashion for children, and big size</td>
</tr>
<tr>
<td></td>
<td>d. Innovation in materials, from cotton to silk</td>
</tr>
<tr>
<td></td>
<td>e. Innovation in packaging, with a more attractive and luxurious box</td>
</tr>
<tr>
<td></td>
<td>Informant 2</td>
</tr>
<tr>
<td></td>
<td>a. Do not have a courage to innovate products because of the worries of violating Trusmi's Batik standards</td>
</tr>
<tr>
<td></td>
<td>b. The Batik maker whose average age is above 50 years work based on what they know and understand</td>
</tr>
<tr>
<td></td>
<td>c. Innovation has been tried to produce bags and shoes, but less attractive to consumers</td>
</tr>
<tr>
<td></td>
<td>Informant 3</td>
</tr>
<tr>
<td></td>
<td>a. Innovation has been done, but only in terms of the fabric, not the batik motif</td>
</tr>
<tr>
<td></td>
<td>b. Packaging innovation has never been done</td>
</tr>
<tr>
<td></td>
<td>Informant 4</td>
</tr>
<tr>
<td></td>
<td>Innovation has been carried out but only limited to the fabric material, not the batik motif</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Pro-activeness</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Informant 1</td>
</tr>
<tr>
<td></td>
<td>a. Proactive in everything focused on business development</td>
</tr>
<tr>
<td></td>
<td>b. Provide endorsement for public figures so Trusmi batik products can be more popular</td>
</tr>
<tr>
<td></td>
<td>c. Visit government agencies and private event organizers to get information about major exhibitions at home and abroad</td>
</tr>
<tr>
<td></td>
<td>Informant 2</td>
</tr>
<tr>
<td></td>
<td>a. Not pro-active because the products produced are still standard</td>
</tr>
<tr>
<td></td>
<td>b. Haven't received many orders from online yet</td>
</tr>
<tr>
<td></td>
<td>Informant 3</td>
</tr>
<tr>
<td></td>
<td>a. Never participate in big exhibition</td>
</tr>
<tr>
<td></td>
<td>b. Not many orders from online</td>
</tr>
<tr>
<td></td>
<td>Informant 4</td>
</tr>
<tr>
<td></td>
<td>a. Never participate in big exhibition</td>
</tr>
<tr>
<td></td>
<td>b. Not many orders from online</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Opportunity Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Informant 1</td>
</tr>
<tr>
<td></td>
<td>Try to find opportunities by: proactiveness, customer intensity, innovation, value creation</td>
</tr>
<tr>
<td></td>
<td>Informant 2</td>
</tr>
<tr>
<td></td>
<td>Want to develop business but don't know where to start</td>
</tr>
<tr>
<td></td>
<td>Informant 3</td>
</tr>
<tr>
<td></td>
<td>Want to advance business, but still need guidance</td>
</tr>
<tr>
<td></td>
<td>Informant 4</td>
</tr>
<tr>
<td></td>
<td>Want to make a partnership if someone invites</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Risk Taking Orientation</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Informant 1</td>
</tr>
<tr>
<td></td>
<td>a. Promote fashion with new models that have never been produced before</td>
</tr>
<tr>
<td></td>
<td>b. Produce batik motives with more up-to-date designs</td>
</tr>
</tbody>
</table>
|   | c. Produce handicraft items from Trusmi batik that have never been
Entrepreneurial Marketing and Product Innovation in Improving Business Performance: A Case Study on Batik Trusmi Cirebon


The data showed that of the 4 entrepreneurs interviewed, only 1 had already run Entrepreneurial Marketing. This can be seen from the innovation-oriented factor, where

<table>
<thead>
<tr>
<th>No</th>
<th>Factor</th>
<th>Informant 1</th>
<th>Informant 2</th>
<th>Informant 3</th>
<th>Informant 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Product Quality</td>
<td>Maintain the quality of Fabric, Motif, Design, Sewing</td>
<td>Maintain the quality, especially Fabric, Sewing</td>
<td>Maintain the quality, especially Fabric, Motif, Sewing</td>
<td>Maintain the quality of Fabric, Motif, Design, Sewing</td>
</tr>
<tr>
<td></td>
<td></td>
<td>a. Not too frequent to release new variants</td>
<td>b. Just follow the trend</td>
<td>trend that the public likes</td>
<td>a trend that the public likes</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Product Variant</td>
<td>Always produce new variants</td>
<td>Produce a new variant if there is a trend</td>
<td>Produce a new variant if there is a trend</td>
<td>Produce a new variant if there is a trend</td>
</tr>
<tr>
<td></td>
<td></td>
<td>a. Not too frequent to release new designs</td>
<td>b. Just follow the trend</td>
<td>trend that the public likes</td>
<td>a trend that the public likes</td>
</tr>
<tr>
<td>3</td>
<td>Product Style/Design</td>
<td>Always produce new designs</td>
<td>Produce a new design if there is a trend</td>
<td>Produce a new design if there is a trend</td>
<td>Produce a new design if there is a trend</td>
</tr>
<tr>
<td></td>
<td></td>
<td>a. Not too frequent to release new design</td>
<td>b. Just follow the trend</td>
<td>trend that the public likes</td>
<td>a trend that the public likes</td>
</tr>
</tbody>
</table>

Table 2. Results of interviews with Batik Trusmi Cirebon entrepreneurs regarding Product Innovation (Based on Product Innovation Indicators from Kotler Armstrong)
the first entrepreneur has made various innovations ranging from batik pattern designs and clothing designs to innovations in sizes ranging from clothes for children to big sizes. The first entrepreneur also made innovations in batik cloth materials ranging from cotton to silk and made attractive packaging with specially designed boxes that looked more luxurious. Meanwhile, the other 3 entrepreneurs still need to dare to implement reforms. After all, they are still anxious because they have tried but failed. This aligns with Rusdiana’s (2014) statement that excessive fear and worry will hinder creative thinking.

If viewed from the customer intensity factor, only entrepreneur 1 has understood what it means that the customer or consumer is the king who must be given good service and maintain his relationship. Maintaining relationships with consumers is not only when they buy our products in large quantities. Then we give bonuses, but how can we remember them and invite them to attend special events and give special prices because customer intensity is one factor that determines business performance (Rashad, 2018).

From the four informants interviewed, data was obtained that the proactiveness aspect was only owned by informant 1, who was proactive in all matters focused on business development, such as providing endorsements to public figures so that Trusmi batik products could be promoted, visiting government agencies to get information about major exhibitions at home and abroad. In comparison, the other 3 informants still need to be more confident to make breakthroughs even though this aspect of proactiveness supports everyone to get opportunities for business to be more advanced (Lumpkin & Dess, 2001).

From interviews with informants, it was also found that 3 informants still needed to gain the self-confidence to take risks, so this became an obstacle to doing creative and innovative ideas. The risk-taking ability of an entrepreneur is needed to minimize risk so that the best opportunities can be obtained even though the situation is uncertain (Cho & Lee, 2018). Meanwhile, in resource leveraging, it was found that the first informant had taken quite bold actions, such as consulting professional designers for both fashion and batik designers and even inviting art and design students to work together to help produce new batik designs liked by millennials. Confidence to make breakthroughs is needed to create value to advance Trusmi Cirebon’s batik business. This is in line with the statement of Frank et al. (2010: 154), which suggests that entrepreneurial orientation is a combination of three dimensions, namely: innovation, proactiveness, and risk-taking.
5 CONCLUSION

From the analysis carried out, it can be concluded that one of the obstacles to the slow development of Trusmi Batik compared to Batik production from other regions in Indonesia is the lack of confidence of batik entrepreneurs to innovate products in various aspects ranging from design, size, packaging, and variants, and how every MSME entrepreneur can maintain the quality of all these aspects. In addition to product innovation, an understanding of entrepreneurial marketing is also needed so that business performance can continue to grow. The results of this study indicate that all MSME entrepreneurs have yet to understand entrepreneurial marketing. MSME entrepreneurs, in general, still use traditional methods in producing Trusmi Cirebon batik and have yet to have the courage to make modifications and innovations. The results of this study also show that MSME entrepreneurs who have implemented entrepreneurial marketing can improve their business performance more quickly. Therefore, related parties need to provide guidance and training related to entrepreneurial marketing to MSME entrepreneurs in order to improve their business performance. The researcher suggests that research on entrepreneurial marketing and product innovation of MSMEs be conducted with a different approach.
REFERENCES


https://katadata.co.id/sortatobing/berita/61123a832231f/batik-trusmi-cirebon-warisan-luhur-khas-kesultanan-cirebon