Defensive Strategy Analysis of Bag Handicraft Industry in SME Centers

Ramayani Yusuf [1]*, **Mira Veranita[2], Gunardi[3]**
Magnaz Lestira Oktaroza[4], Hedi Cupiadi[5]

ramayani.yusuf@poljan.ac.id[1]*

Politeknik Pajajaran Insan Cinta Bangsa[1, 3], Grand Surapati Core, Bandung, Jawa Barat, Indonesia
ARS University[2], Terusan Sekolah 1-2, Bandung, Jawa Barat, Indonesia
Universitas Garut[4, 5], Jl. Raya Hampor, Garut, Jawa Barat, Indonesia

ABSTRAK

With the rapid development of technology, various problems arise in producing and marketing handicraft products. Thus, this research aims to determine the survival strategies and provide a clear and detailed picture of the characteristics or attributes of research subjects without testing hypotheses or drawing causal conclusions. The research object is the bag craftsmens in Sukaregang, Garut Regency West Java, Indonesia. Both interview techniques and literacy studies were used to obtain the strengths, weaknesses, opportunities, and threats. Then, weighting is carried out, and a value is given; the weight and value are multiplied to get a total score. The existing IFAS and EFAS values are entered into quadrants. It is found that the position of Sukaregang bag craftsmen is in quadrant 1 which aims to take advantage of internal strengths and external opportunities. The strategy that can be applied is to improve the quality of raw materials so that they can produce good, high-quality, and high-value products. These findings are expected to provide insights for handicrafts to survive this digital era.

Kata Kunci : Economy; Management, Defensive Strategy; SWOT; SMEs

ABSTRACT

Dengan semakin pesatnya perkembangan teknologi, timbullah berbagai permasalahan dalam memproduksi dan memasarkan produk kerajinan. Dengan demikian, penelitian ini bertujuan untuk mengetahui strategi bertahan hidup dan memberikan gambaran yang jelas dan rinci tentang karakteristik atau atribut subjek penelitian tanpa menguji hipotesis atau menarik kesimpulan sebab akibat. Objek penelitiannya adalah para pengrajin tas di Sukaregang, Kabupaten Garut, Jawa Barat, Indonesia. Teknik wawancara dan studi literasi digunakan untuk mengetahui kekuatan, kelemahan, peluang dan ancaman. Kemudian dilakukan pembobotan, dan diberikan nilai; bobot dan nilai dikalikan untuk mendapatkan skor total. Nilai IFAS dan EFAS yang ada dimasukkan ke dalam kuadran. Diketahui posisi pengrajin tas Sukaregang berada pada kuadran 1 yang bertujuan untuk memanfaatkan kekuatan internal dan peluang eksternal. Strategi yang dapat diterapkan adalah dengan meningkatkan kualitas bahan baku sehingga dapat menghasilkan produk yang baik, bermutu, dan bernilai tinggi. Temuan ini diharapkan dapat memberikan wawasan bagi kerajinan tangan untuk bertahan di era digital ini.

Kata Kunci : Ekonomi; Manajemen; Strategi Pertahanan; SWOT; UKM

INTRODUCTION

Industrial sector activities in the Garut Regency are very diverse (Waluya, 2010). Industries in the Garut Regency include the leather tanning industry, leather jackets, batik industry, natural silk, dodol, vetiver oil, and bamboo woven crafts industry (Senania & Yanti, 2022). The famous leather craft that has become a tourist attraction is the bag made by Sukaregang craftsmen (Sabrina, 2023). This handicraft is widely known because of the beauty and uniqueness of its products. Garut Regency is a district with a population of 2,683,665 (BPS Kab Garut, 2024). The total workforce in 2023 will be 1,391,755, with 102,010 unemployed. The activities of craftsmen producing products can be a solution to reducing the number of unemployed in the Garut Regency. Number of leather craftsmen in Garut according to data from Badan Pusat Statistik Garut Regency (BPS Kab Garut, 2024), totaling 223 spread throughout Garut Regency with Sukaregang as a center for leather craftsmen (Waluya, 2010).

Based on interviews with craftsmen in the Sukaregang area, several factors hinder the development of leather crafts, including (1) the difficulty of finding high-quality raw materials, which affects the durability and aesthetics of the product, (2) lack of access to modern technology (Senania & Yanti, 2022), (3) hereditary skills are not balanced with the development of design, production techniques, and business management, (4) the abundance of production in craft centers is not balanced with a marketing system that keeps pace with developments(Krieger , 2018), (5) lack of limited access to global markets, (6) competition with imported handicraft bags at cheaper prices with designs that are more up to date with developments (Hendrayati, 2020). These various things are considered obstacles for leather craftsmen, especially those who process bag products, so they need a strategy to survive in this industry (Deti , 2022).

As the leather industry was established in 1925, it has become one of the largest fashion centers (Shen & de la Garza, 2019). Since 1930, Sukaregang has been a leather tannery. Initially, this place was very simple and used manual tools (Priyadi, 2014). Armed with inherited skills, there is enormous potential for craftsmen to be able to survive in the leather industry. One of the favorite products is bags (Cahyadi & Rosidin, 2021). Bag products from Sukaregang are not just fashion accessories (Hwangbo & Kim, 2019) but also a symbol of beauty, quality, and innovation in the local creative industry (Sutikno, 2017). Sukaregang craftsmen make bags with unique and attractive designs (Sabrina, 2023). This village's bag craftsmen often combine traditional Sundanese motifs with a modern touch, giving each bag a strong visual appeal (Suganda & Kartiko, 2021). One way is to make bags with ikat weaving, batik, or woven bamboo, giving an ethnic touch that is attractive to customers (Inawati, 2014). In addition, Sukaregang bags are famous for their intricate handcrafted details and thoughtful color combinations.

Bags as an object that can hold necessary objects, have many uses for their users, including (1) as an accessory that will add to a more attractive appearance, (2) as a social status and success, (3) as a way to express personality and tastes, as well as (4) as security when carrying equipment (Jenni Jesica, 2016). Some of the resulting products can be seen in Figure 1.

Source: Website bag crafter, 2024

Figure 1. Various Sukaregang bag products

A variety of bags, both small and large, are produced by craftsmen, models made based on current trends in the market as seen in figure 1. It's not uncommon that there are orders for corporate activities that are massive. The development of the Sukaregang leather industry, especially bag products, requires a survival strategy to compete in the increasingly developing fashion world. Using SWOT analysis, you can see leather bag craftsmen's strengths, weaknesses, opportunities, and challenges. Seeing this, the author was interested in researching survival strategies in the bag craft business in Sukaregang, Garut Regency.

RESEARCH METHOD

This research uses a qualitative-descriptive approach with interviews and documentation conducted as data collection. (Sugiyono, 2017) explained an interview as a meeting between two people to exchange information and ideas through questions and answers to create meaning about a subject. Also, the research uses a type of semi-structured interview or semi-structured interview. This type of interview has several main questions prepared beforehand, and the researcher can add additional questions so that the interview is freer to conduct than a structured interview. Documentation is the second research method, where researchers use documents containing records of events. The organizational structure, job descriptions, and documentation of the company's operational processes are the documents that will be used in this research.

The data analysis process consists of reviewing, reducing, categorizing, checking the validity of the data, and interpreting the data (Sugiyono, 2017). In testing the validity of the data, researchers use source triangulation techniques. The triangulation used in this research is source triangulation, which compares or backchecks the degree of trustworthiness of an information source obtained through different times and tools.

The collected data is categorized based on advantages, disadvantages, opportunities, and threats and then scored. This score reflects the level of importance or impact of each factor on the company's overall performance. Scores are given on a scale of 1.0 (very important) to 0.0 (unimportant). All these weights add up not to exceed a total score = 1.00. All points are given a value of 1 to 5, and then the score and rating are multiplied to obtain a score between internal and external factors. Enter the values obtained into the matrix, so you will know which quadrant you are in, and a survival strategy will be created based on that quadrant. The course of this research can be seen in Table 1.

Table 1. Research Flow
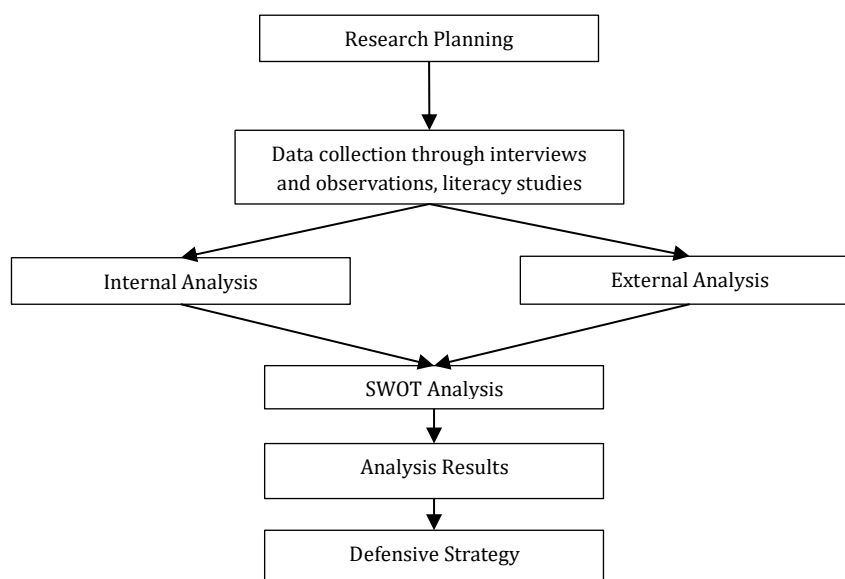
Source: Data processed, 2024

From the matrix on Table 1 obtained by the value generated, will be able to help the strategy that can be done by the craftsmen bag Sukaregang. The strategy drawn through SWOT analysis will be implemented by the bag craftsmen in the future business sustainability.

RESULTS AND DISCUSSION

Internal Factor Analysis Summary (IFAS) and External Factor Analysis Summary (EFAS) are carried out to determine the variables included in the SWOT analysis. The data obtained is presented in Table 2.

Table 2. SWOT Data

Strength	Opportunity
1. Quality products	1. The product is well-known in the community
2. It is a cultural heritage passed down from generation to generation	2. Having a centralized marketing system
3. Local partnerships with local communities (tourism)	3. Establish partnerships
4. Partnership with local government	4. Having an online shop
5. Local wisdom product	5. Development of the creative economy
6. Well known product	
7. It is a characteristic of Garut	
Weakness	**Threat**
1. Market limitations	1. Bargaining power of material suppliers
2. Lack of promotion	2. Domestic competitors
3. Environmental pollution	3. Abroad competitors
4. Careless disposal of waste	4. Inflation
5. Limited resources	5. Government regulations
6. Capital limitations	6. Trend changes

Source: Data processed, 2024

After obtaining data based on Table 2 SWOT analysis, the next step is to score each point in each strength, weakness, opportunity, and threat. Table 3 shows the IFAS weight calculation for strengths and weaknesses, while the EFAS score calculation for opportunities and threats is in Table 4. The score (shown in column a) is a score that shows how important the factor is to the company. Column (b) is the rating given; it can range from 1 (very bad) to 4 (very good). Then, calculate the total value for each factor by multiplying the score and rating.

Table 3. Internal Factor Analysis Summary (IFAS)

| Internal factors			
Strength	**Score (a)**	**Rating (b)**	**Total (axb)**
1. Quality products	0,2	3	0,6
2. It is a cultural heritage passed down from generation to generation	0,02	1	0,02
3. Local partnerships with local communities (tourism)	0,03	1	0,03
4. Partnership with local government	0,1	1	0,1
5. Local wisdom product	0,12	2	0,24
6. Well known product	0,1	2	0,2
7. It is a characteristic of Garut	0,09	3	0,27
Weakness			
1. Market limitations	0,1	3	0,3
2. Lack of promotion	0,1	3	0,3
3. Environmental pollution	0,04	4	0,16
4. Careless disposal of waste	0,05	4	0,2
5. Limited resources	0,02	3	0,06
6. Capital limitations	0,03	2	0,06
Grand Total	**1**		**2,54**

Source: Data processed, 2024

The total score of IFAS is 2.54. It will be made into a matrix by looking at the EFAS values in Table 4.

Table 4. External factor analysis summary (EFAS)

External factors			
Opportunity	**Score (a)**	**Rating (b)**	**Total (axb)**
1. The product is well-known in the community	0,14	2	0,28
2. Having a centralized marketing system	0,13	1	0,13
3. Establish partnerships	0,08	1	0,18
4. Having an online shop	0,07	1	0,07
5. Development of the creative economy	0,05	1	0,05
Threats			
1. Bargaining power of material suppliers	0,04	1	0,04
2. Domestic competitors	0,14	1	0,14
3. Abroad competitors	0,11	2	0,22
4. Inflation	0,1	1	0,1
5. Government regulations	0,07	1	0,07
6. Trend changes	0,07	1	0,07
Grand Total	**1**		**1,25**

Source: Data processed, 2024

After obtaining an IFAS total of 2.54 and an IFAS total of 1.25, the values are entered into the quadrant table:
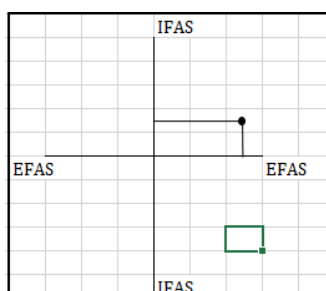
Source: Data processed, 2024

Figure 2. SWOT Analysis Matrix Quadrants

Bag craftsmen must carry out survival strategies to overcome obstacles in this business. The survival strategy steps revealed will enable bag craftsmen in Sukaregang to face current technological advances. The results of the EFAS IFAS analysis show that the resulting value is in quadrant 1, where each quadrant has the following meaning. Quadrant 1 explained that bag craftsmen implement Strategies that utilize internal strengths and external opportunities. In addition, in quadrant 2, it showed that the craftments applied strategies that exploit external opportunities while working on internal weaknesses. Furthermore, in quadrant 3, it indicated that craftsmen could maintain internal advantages while overcoming external threats. Moreover, quadrant 4 stated that the craftsmen could identify and overcome internal weaknesses and external threats.

With its presence in Quadrant 1, leather craftsmen, especially bag manufacturers, take advantage of their internal strengths and external opportunities. For this reason, a survival strategy that can be applied is to improve the quality of raw materials so that they can produce good, high-quality, and valuable products. Through the training provided to craftsmen, they can produce better leather raw materials. Another strategy that must be implemented is developing the craftsman skills. Hold regular training and workshops to improve workforce skills in design, business management, marketing, and production techniques. The use of modern technology in leather processing, namely the use of automatic sewing machines, needs to be done as a strategy to improve production and product quality.

The next strategy is to do intensive marketing and promotion by using social media and e-commerce platforms to increase product visibility in global markets and free trade. Another strategy is to collaborate with leading fashion companies as a partner to sell products directly to customers in order to reach more consumers and also collaborate with the famous fashion designers to create new product designs. Other strategy that must be done is to diversify products and innovate in production and management processes. Product diversification is carried out by introducing the latest models of bags and accessories, such as keychains, bag straps, and others. While innovation in production and management processes must be carried out continuously to increase efficiency and productivity.

CONCLUSION

A defensive strategy is an important thing to do to survive the blow of technological progress. Using SWOT analysis and then quantifying it using IFAS EFAS, it was found that the bag craftsmen in Sukaregang were in quadrant 1, where the strategy needed was to utilize external strengths and opportunities. The survival strategy could be successful if the Sukaregang bag craftsmen consistently made continuous improvement efforts. The survival strategies found concerning the SWOT analysis are (1) improving the quality of raw materials, (2) developing skills, (3) using modern technology, (4) marketing consistently, (5) collaborating with leading fashion industries, (6) collaboration with fashion designers, (7) product diversification, (8) continuous product innovation. All survival strategies can be implemented slowly according to the bag craftsman's abilities.

RECOMMENDATIONS

This research is only limited to interviews and existing literary studies; for more specific results, it would be better for future researchers to research more deeply into the problem by observing for a longer time so that the problems that arise in the process can be seen.

REFERENCES

Bambang Sutikno, J. B. (2017). Analisis Kearifan Lokal Terhadap Pembangunan Ekonomi Hijau Di Kabupaten Pasuruan. *Jurnal Ekonomi Islam*, *8*(2), 243–256.

BPS Kab Garut. (2024). Kabupaten Garut Dalam Angka. In *BPS Kab Garut* (Vol. 31).

Cahyadi, U., & Rosidin, M. R. (2021). Rancangan Perbaikan Prosedur Pengelolaan Limbah Kulit di Sukaregang Kab. Garut. *Jurnal Kalibrasi*, *18*(2), 42–48. https://doi.org/10.33364/kalibrasi/v.18-2.730

Deti, R., Mantri, Y. M., & Yusuf, R. (2022). Identification of Productivity Factors in Increasing Economic Resilience in West Java. *Wacana Ekonomi*.

Hendrayati, Heny; Yusuf, Ramayani; Ridwanudin, Oce; Henri, M. (2020). Adaptasi Kebiasaan Baru : Perspektif UMKM Jasa Oleh Womanpreuner di Jawa Barat Bangkit di Era Covid 19. *JMBP UPI*, *53*(9), 1689–1699.

Hwangbo, H., & Kim, Y. (2019). Session-Based Recommender system for sustainable digital marketing. *Sustainability (Switzerland)*, *11*(12), 1–20. https://doi.org/10.3390/SU11123336

Inawati, A. (2014). Peran Perempuan Dalam Mempertahankan Kebudayaan Jawa Dan Kearifan Lokal. *Musãwa Jurnal Studi Gender Dan Islam*, *13*(2), 195. https://doi.org/10.14421/musawa.2014.132.195-206

Jenni Jesica. (2016). Analisa Strategi Bisnis Pada Click Fashion. *AGORA*, *4*(2).

Krieger, A., Block, J., & Stuetzer, M. (2018). Skill variety in entrepreneurship: A literature review and research directions. *International Review of Entrepreneurship*, *16*(1), 29–62.

Priyadi, R. (2014). Efektivitas Teknologi M-Bio Pada Pengelolaan Limbah Padat Industri Penyamakan Kulit Sukaregang Garut untuk Pertanian Ramah Lingkungan. *Jurnal Bumi Lestari*, *14*(2), 180–188.

Sabrina, N. A., Erawan, W., Gumelar, A. P., Nu, M., Agribisnis, S., Pertanian, F., & Garut, U. (2023). *Analysis Of The Efficiency Of A Home Industry Business Processing Dorokdok Cowhide in Sukaregang Garut*. *6*(2), 344–353.

Senania, A., & Yanti, N. (2022). Analisis Parameter Air Limbah Industri Penyamakan Kulit Sukaregang Garut. *Lantanida Journal*, *10*(1), 1. https://doi.org/10.22373/lj.v10i1.11088

Shen, Z., & de la Garza, A. (2019). Developing a digital artifact for the sustainable presentation of marketing research results. *Sustainability (Switzerland)*, *11*(23). https://doi.org/10.3390/su11236554

Suganda, F. R., & Kartiko, E. (2021). Analisis Komunikasi Tentang Faktor-Faktor Yang Mempengaruhi Kinerja Ukm Penyamakan Kulit Di Sukaregang Kabupaten Garut. *Jurnal Komunikasi Universitas Garut: Hasil Pemikiran Dan Penelitian*, *7*(1), 635. https://doi.org/10.52434/jk.v7i1.983

Sugiyono. (2017). *Metode Penelitian Kuantitatif Kualitatif dan R&D*. Alfabeta.

Waluya, B. (2010). Analisis Geografis Konsentrasi Industri Kulit Di Kabupaten Garut. *Jurnal Geografi Gea*, *10*(2). https://doi.org/10.17509/gea.v10i2.1078