Environmental Dynamics and Potential Development of Woven Sarong Business Based on Local Wisdom

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Abstract:
The purpose of this research: this research explains the local wisdom of Gresik which can be utilized for developing the potential of local wisdom-based woven sarong business in the Gresik region.

Design / Approach / Method: Qualitative research to summarize data collected accurately and reliably. This is the presentation of research findings in a way that is commonly done. The unit of analysis in this study is the home industry group of the woven sarong in Gresik district by taking in the Cerme and Benjeng areas. The determination of the unit of analysis is based on the dynamics and environment that exist in the woven sarong in the Cerme and Benjeng areas that are shaded by Local Wisdom.

Research findings: This research forms a renewal, because there is no research into the role of local wisdom in Gresik Regency related to development management in the production and marketing aspects of 3 aspects of local wisdom in Gresik namely Islamic Religion, Mutual Assistance and Souvenirs.

Theoretical Contribution / Originality: This research is in line with the opinion of Giddens (2005) which states that in the premodern society the discovery of four environments for growth and development of trust are kinship, local community, religious cosmology and tradition. This is in line with local wisdom in the Gresik district community, namely Islamic religion, mutual cooperation and support (souvenirs). Most of the main jobs of the Gresik community are traders and farmers, so the characteristic of the Gresik community is that they believe that they must struggle to stay alive and have to work so that a prosperous life can help others. They are hard workers and able to work hard to achieve prosperity through their local wisdom culture.

Practitioners / Policy Implications: This research develops the theory of strategy management especially the innovation product strategy developed by Chandler and Hanks (1994) and examines the effect of strategy comprehensively. The results complement the strategy management literature on the effect of strategy in increasing competitive advantage through focused strategies that produce product characteristics, geographical specializations and price-quality specializations. The role of Islamic religious business is able to apply a specific strategy in its production and marketing because when Islamic entrepreneurship is implemented comprehensively and can be utilized to create product innovation, then this entrepreneurship contributes to the potential of home industry businesses in Gresik.

Research Limitations: The research object in this study does not distinguish between small and medium industries. And only in Gresik district with 2 woven sarong areas namely Cerme and Benjeng.

Keywords: Local Wisdom, Strategy, Islamic Religion

1. Introduction
Non-machine loom industry is a small industry in Gresik district, which is experiencing rapid development from year to year. If this situation keeps on developing to be better, then the workforce absorbed in the non-machine loom (ATBM) industry in Gresik Regency will also experience an increase as well. Some obstacles that are still inherent in the non-machine loom (ATBM) industry, such as: capital, lack of adequate marketing, quality that is adjusted to modernization which is still lagging behind. Competition in the non-machine loom industry (ATBM), with the textile industry, namely Weaving Machine Equipment or loom machine (ATM), such as Behaestex, so that now there are many synthesis gloves such as stamped sarong, printing sarong, and so forth. With the existence of these synthesis items, it is necessary to make efforts to improve the development of the production of non-machine looms (ATBM). Under these circumstances, there needs to be a comprehensive system improvement and a breakthrough is needed to market production results.

According to Adeney (1995: 16-17) in certain cultures people may have to glorify themselves in public in
order to encourage the people, but in other cultures such actions may be considered arrogant or even prohibited. From this explanation we can understand that in a variety of cultures with all their cultural values, there is an understanding that is not always the same between what is considered good on one side that is different from the assessment of the other party. In this regard, the research problem is formulated as follows: "how to develop woven sarong based on local wisdom in Gresik?". Which aims to identify and describe the local wisdom of Gresik which can be utilized for developing the potential of local wisdom-based woven sarong businesses in the Gresik region.

2. Literature Review

2.1 Theory paradigm

Utilization of local wisdom to strengthen the competitiveness of micro, small and medium enterprises (MSMEs) is now a unique attraction that provides competitive advantage. This issue is being warmly raised, considering that Indonesia is a country with a variety of customs which means a variety of local wisdom. Research on local wisdom and its relation to empowering MSMEs has been carried out in Cirebon (Gunawan and Yana, 2016), and many more, shows how important local wisdom studies are in supporting MSMEs.

Based on previous research which mostly uses local wisdom based on education and religion as well as the use of quantitative research methods, the dynamics of the environment and local business potential based on local wisdom are determined by the phenomenon that the journey of human history from the very primitive to the development which is very modern today has never been separated from its dependence on natural resources. This dependency has produced environmental dynamics in various models of natural resource development whose main purpose is to preserve them. The natural resource management model is very dependent on the characteristics of natural resources, regional characteristics, and socioeconomic characteristics of the people. In the seminar conducted by Irwansyah and Maya (2012), regional economic growth was basically influenced by the comparative advantage of one region, regional specifications and economic potential of the region. Therefore, the use and development of all local economic potentials are the main priority that must be explored and developed in implementing sustainable regional economic development, while according to Arsyad (1997), Gresik Regency is a district that applies the concept of LED (local economic development) to develop its territory. The development of the local economy itself is to overcome the high unemployment rate in Gresik Regency. The high unemployment rate can be a sign that the nine livelihood sectors are: agriculture, mining, processing industry, clean water gas electricity, construction, transportation and communication, financial services and company rental, general government services. which is reflected in its GRDP (Gross Regional Domestic Product) has not yet been maximized in its potential, because this study aims to understand the woven sarong that exists as a superior product in Gresik district, how is local wisdom so that small businesses can continue to develop their dynamics and business potential?

2.2. Grand Theory

Maximum effort is needed to protect the potential of businesses based on local wisdom, using the concept of Resource Based View (RBV) which has been put forward well by Hitt et. al. (2001), as well as Grant (1991) and Barney (1991), who support the conclusion that a company achieves sustainable competitive advantage, through its unique resources, and these resources cannot be easily bought, transferred, or imitated, and simultaneously, its scarcity directly benefits the company. From this it relates to local wisdom in Gresik in the dynamics of the environment and the potential of traditional weaving sarong businesses that compete with modern technology.
2.3 Theoretical Frame

Building superior sectors that are highly competitive can provide economic benefits for the region and the community, local wisdom is seen as something that contains the good for the lives of the people who embrace it. With the development of the local industry, local excellence will become the potential for specific resources which are part of the scope of regional development planning, this is where the role of local wisdom emerges the development strategy, where socio culture influences with the mindset to get what is called the production strategy and marketing strategy.

3. Research Methodology

Researchers find out when the activities will be carried out, and observe the following: informant behavior, informant conversations, interaction between researchers and informants, and related symptoms. During the observation process, researchers found informal opportunities to conduct additional in-depth interviews with informants to find out, how they viewed their the non-machine loom industry (ATBM) efforts, what kind of experience they gained, and what they did. Near the end of the program, in-depth interviews were conducted with informants to find out how they could change, how they viewed the world of the non-machine loom industry (ATBM) in this case the local wisdom that sheltered them at this time, and their experiences for the future.

Thus the informant has the experience and extensive insight needed to enrich the description in which the selected informant is a craftsman who is willing to be involved and able to describe the culture related to local policy of business development in the transition period until it is able to survive until now. Thus it is expected that natural data can be obtained and reflections reflect the real situation and the informants deliberately selected for this study on the basis of the researcher's own observers. In qualitative research the research sample is called an informant. The sampling-criteria which is part of purposive sampling is used to select informants in this study. This means that the informant was chosen deliberately to provide information in accordance with the phenomena that are the focus of the study and guarantee the quality of the data. The informants in this study are, the Department of cooperatives, Micro and Perindang business district of Gresik and the owner of a home industry of weaving entrepreneurs.

In qualitative research there are no binding rules for the number of informants, ranging from 1 (Dukes, 1984) to 325 (Polkinghorne 1989, in Burkholder, 2009). Polkinghorne reminded that the samples in phenomenology research contained a number of individuals who were sufficiently able to provide experience information that varied from the phenomenon under study. While Creswell (2007) recommends that in phenomenological research the number of informants ranges from 2 to 10 with the assumption that in-depth interviews last 2 hours for each informant. So that the number of informants in this study followed the general instructions suggested by Polkinghorne, namely 4 informants. The process of selecting informants can be described as follows:
4. Findings

The progress of Gresik woven sarong production continues to increase from year to year. The rejuvenation of production equipment and the use of modern equipment make the production of Gresik woven sarong able to meet market demand. The establishment of the woven sarong industry in Gresik began in the late fifties, the beginning of the establishment of a woven sarong company with a non-machine loom (ATBM) and then developed a large scale using a loom machine (ATM) like PT. Behaestex. The existence of a machine loom does not weaken the workmanship done traditionally. Even though the workmanship is still traditional, the quality of the woven sarong is better when compared to the machine of woven sarong (ATM). The price of traditional woven sarong is much more expensive than the loom machine (ATM) woven sarong. Not only in terms of quality, style and motives that are more nuanced in nature seem to make its own charm for consumers so that many are willing to buy at expensive prices.

In Gresik Regency, centers for producing traditional woven sarong are widely distributed in Cerme and Benjeng Districts. There is a business branch (fostered) of a large woven sarong company such as PT. Behaestex such as those located in the Ngembung and Dungus Villages of Cerme District, there is also a family independent business that is often found in the Wedani Village of Cerme District. In this Wedani village, no less than 25 family business units (home industry) traditional woven sarong, both small scale (± 10 workers) to a rather large scale (± 100 workers).

As stated, the existence of woven sarong in Indonesia cannot be separated from religious elements. This religion that brings is foreigners, especially followers of Islam. So that the woven sarong is not an authentic Indonesian heritage, as is batik. Thanks to the trade cooperation undertaken by the ancestors with foreign nations, finally woven sarong has become part of the layers of Indonesian society. Gresik sarong also has a brand and social conditions that have been passed down for generations. In its development Gresik sarong not only produces to meet the needs but also for religious accessories.

Woven Sarong business in the context of non-machine looms in Gresik does not stand alone but is closely related to the business of machine looms, the mutual cooperation that emerges leads to good production in producing products, the synergy that arises due to the causal relationship, due to the machine cannot make the line arise or curve well, as a result the machine loom must cooperate with the loom not the machine, which the researchers describe in the discussion of mutual cooperation.

The dynamics of the business environment in Gresik that researchers obtained based on interviews with 3 informants can be triggered by:

a. Customers, whose demands for sarong are getting more complex, are thought to be much influenced by status, selea and uniqueness
b. Competition that occurs between home industries, although not visible competition, but is evident by changes in the boundaries of art that is the image on the woven sarong;
c. Changes in the fast-paced business environment cause uncertainty and are difficult to predict, which requires external adaptability to survive and innovation to be always relevant and superior, as well as resilience in creating competitive power

For this reason, the role of the Cooperative Allianz and MSMEs Office is urgently needed so that the woven sarong is able to keep up with the dynamics of the growing business environment, adjusting to the
changing environment in this industrial era, namely technology.

Woven sarong that is done by looms is not a potential business that is still promising until now, this is because the majority of Indonesian people are Muslim. Sarong is the most basic tool in worship. Especially if you have entered the month of Ramadan and the months of worship, the sales turnover or order sarong increases rapidly. The potential of a woven sarong business called home industry is done and owned by the perpetrators of economic activities based at home is the family itself by inviting people around it as employees. Although on a small scale, this economic activity indirectly opens up employment opportunities for relatives or neighbors. That way, this small company helps the government program in reducing unemployment, automatically the number of poor people will gradually decline. This is a potential that is owned by woven sarong.

Business potential can be used by sellers and entrepreneurs who are agents and distributors with the following considerations:

1. Sarong The Most Basic Worship Tool For Muslim Men this is because the sarong is one of the ways of worship itself, instead of the prayer mat. Not using sarong and prayer rugs is also okay, but it would be nice if you use it as an etiquette in worship.

2. Always looking for souvenirs, for relatives to use later on Eid. To welcome the Eid of course everyone wants to look new as a sign of our gratitude to Allah SWT. Likewise for people who want to go home, sarong and prayer rugs become souvenir items in addition to clothing and food for their loved ones.

3. The sales result because of the potential business of selling sarong and prayer rugs should not be asked again, especially if wecoming the month of Ramadan and the pilgrimage, then the sales result that can be increased several times. The pre-order of sarong and prayer rugs in the month of Ramadan will reach the high number in advance of the Eid al-Fitr.

4. Sarong is very easy to market because sarong and prayer rugs marketing is one that is always sought after by the general public. Especially if you have good quality goods, then the customer will come by it itself.

5. Capital is very affordable, especially if you understand the art and color offered on the sarong, you can quickly come direct to the factory or home industry to order sarong and prayer rugs with the desired brand.

The potential of woven sarong business is considered to be underdeveloped because of the many young workers who prefer to work in factories rather than opening their own businesses due to lack of awareness and lack of confidence to open their own businesses. Most people tend to have the mindset to live comfortably as employees, and forget that there is potential developed and generated in the woven sarong business.

The woven sarong industry is of high value one, because the quality of human resources in woven sarong has a high responsive nature of art. It is a determining factor for success and effort, as well as being a hallmark of a successful business. As for the strength of scarcity in this industry that can be considered as an opportunity of potential, as follows:

a) Weaving has a high meaning, historical value, technique and culture for Gresik Regency, it can be seen from informants of weaving craftsmen who understand how to weave because of their father, and their father because of their father (grandfather for second generation craftsmen) and so on.

b) Cultural uniqueness and cultural heritage as a source of inspiration for product development, which is contained in the motives, colors and patterns of the product.

c) Having creative human resources who have hereditary expertise, because the environment indirectly forces children born to weaving families, witnessing how woven sarong is made, and,

d) Having the expertise to teach the generation underneath, because unconsciously the culture of weaving grows and develops in the environment itself by displaying it, how patterns are made up to arrange threads for later weaving, in front of the next generation who indirectly art blood flows to be able to continue.

e) The ability to work in detail requires great patience and high concentration power

f) Has its own market segment and there are loyal customers and export networks in Muslim countries

g) The main raw materials and supporting materials are easy to obtain, because based on the family word of mouth, which indirectly provides information on where the material can be obtained
h) Most of the businesses that are in the form of a family system for generations.

And the potential of this business can be further developed, because the opportunities that exist, among others:

a) Interesting potential to become a tourist destination, as has been done in several villages in Benjeng, where Mr. H. A. Hamid is an example, because of the open nature of the weaving business to see how woven sarong made

b) Are labor intensive, so that it absorbs labor

c) Physical distribution channels such as modern and traditional markets, galleries, shops and more, are expected to increase sales of woven sarong sales.

d) A better appreciation of foreign markets in terms of the originality of art, culture and design can be developed by the cooperative and MSMEs Gresik district offices, through collaboration with the industry and trade offices.

e) Increasing access to technology. At least it can help accelerate the arrangement of threads

f) Potential domestic and foreign markets are still an open wide.

g) Government support in the form of policies and rules for the development of the creative economy, the existence of several villages that have used a gate with the center of woven sarong written on, adding to the buyer's appeal to the potential of Gresik woven sarong.

h) There are other sources of funding, namely the foster father's program from SOEs and Corporate CSR, for example the Gresik cement project, which was attended by Mr Nursalim.

i) Product diversification and development of new designs in the fashion world so as to create downstream industry opportunities that are more complex and can be combined with other types and motifs such as batik or other traditional fabrics.

Woven sarong is a resource that provides benefits for them, a rare potential. Those who work in the weaving industry are therefore always trying to have an honest nature, so that each home industry owner is always open (honesty value) to subordinates difficulties or when there is profit to be gained. Mr. H. A Hamid who felt he was not a member of the cooperative allianz, stated;

"I did not join the cooperative allianz, but I survived because I hope my weaving business continues to grow and if the Gresik district government has capital without interest then I will think once more to join the cooperative allianz, for the time being let the fraternal organization which motivates me to run this business, thank God until now it can still run my business and meet the expectations of my customers "

Likewise with Mr Nursalim's opinion as follows;

"Because in addition to being an entrepreneur at home, my wife also has to be able to run this business, I am a government civil officer so I know well, that the life of help will make this business grow even though it cannot be large because our business is a business that can be rented for other brands, as well as our weaknesses in the distribution of sales so that we must or indeed are not forced to participate in the partnership that was built with Semen Gresik "

Cultural orientation as a local wisdom that exists in Gresik people is classified as high togetherness in mutual cooperation is reflected because of the view that life to serve, and with regard to the ideal characteristics coveted the view of intelligence maintains good relations with others as desirable characteristics. In the desirable Gresik community is to become a responsible citizen. Cultural orientation as a local wisdom Gresik is classified as competitive, because the orientation that is a cooperative characteristic, such as the importance of personal satisfaction as a function of work in drawing woven sarong patterns and the importance of helping others as one of the factors that determine the success of a business.
Woven sarong products that are done through non-machine looms are products that are produced from a process of creativity, in which there is a certain process of art innovation from the maker. So in terms of local wisdom the strategy of developing production and marketing. Islamic religion puts work as worship seeking halal fortune from God to meet the needs of his life. From this worship the role of woven sarong production developed, starting with family succession which was the beginning of the work done. 3 informants interviewed by researchers expressed their opinions in their work as home industry non-machine loom (ATBM) sarong. And convincing writers about work as a woven sarong home industry, is a fun industry even though it is hard to do. It's fun because art that is loved from childhood can be channelled and hard to do because materials such as yarn are very expensive.

The results of the research interview are directed at local wisdom that protects the more Islamic culture of Gresik where the Gresik community has a future orientation whose pressure on the hereafter sometimes results in someone who actually has the potential to develop his business, because his life is prosperous enough, they reduce his worldly activities for the sake of to pursue religious practices. Empirical findings state that the application of Gresik culture in the daily activities of owners and managers of weaving gloves indicates that although Gresik culture is very important for weaving gloves in its implementation it has not been fully effective in the products they produce. This is a descriptive finding of this study which states that the characteristics of the more Islamic Gresik community where the hard work done by the owner and manager of weaving sarong is to achieve the pleasure of Allah.

The production of this woven sarong tells the Islamic religious process as well as the related factors and the consequences of its application is an ongoing phenomenon that is influenced by local culture, namely Gresik culture, so that according to the characteristics of social phenomena will always experience changes in color and cultivation depending on the context in which it is applied more inclined to the desires of the customer and the need for color and the meaning of special beauty. Thus the process of applying Islamic entrepreneurship is a "real life" phenomenon, and not a "historical life" phenomenon.

The nature of souvenirs will bring innovation to the production of woven sarong in obtaining an overview of what products can be made as an introduction to souvenirs, as the sarong itself or fabric waste for small souvenirs, the results of training to make unused items from sarongs into key chain knick knacks or other thing. The nature of gift giving is a form of attention of Javanese people especially Gresik to the closest people, and has become a culture that is difficult to avoid, the culture of giving and entrusting gifts.

Marketing strategy as an open promotional area that is realized or not all behavior can be a promotional event, such as wearing a sarong, which sometimes will unknowingly bring the direction from where the item was purchased, is a word of mouth advertising tool. Gresik has high cost resources that will be difficult to imitate, buy, and replace by competing companies, namely that local wisdom does not have insufficient

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Source: Processed by Researchers, 2020
costs if family succession is an internal mutual cooperation which can always be supported physically (materially) and mentally (prayer).

5. Discussion

Gresik area needs people who have a strong entrepreneurial spirit and until now, local wisdom inherent in the Gresik community often uses Islamic moral and religious ethics in speaking, discussing and trading. The economic traditions inherent in the Gresik community previously needed to be preserved. Tradition is still relevant to modernization and improvisation even though there have been many shifts, especially now that are leading to the industrial revolution 4.0. marked by "there is no money without goods", such as: e-commerce, e-business makes a drastic shift in the meaning of sales products, which usually must be seen and then held before buying into something abstract based on photos so that the products purchased only arise from just trust.

Menurt H. Evers in Damsar (2000: 90-92) the moral economy of the home industry arises when they face problems in trading activities. The moral economy of the home industry arises because of the conflict between home industries themselves. With a moral economy in the sarong weaving if the selling price is high, the merchandise will not be sold directly downgraded or follow the market price but waiting for special buyers who understand the value of art skilled hands who devote all energy to the product being and has been done, if sold cheap they will lose, because of the high cost of raw materials.

This research is in line with the opinion of Giddens (2005) which states that in the premodern society the discovery of four environments for the development of trust, namely kinship, local community, religious cosmology and tradition. This is in line with local wisdom in the Gresik district community, namely Islamic Religion, mutual cooperation and call (souvenirs). Most of the main jobs of the Gresik community are traders and farmers, so the characteristic of the Gresik community is that they believe that they must struggle to stay alive and have to work so that a prosperous life can help others. They are hard workers and able to work hard to achieve prosperity through their local wisdom culture. This research is expected to contribute to the owners of woven sarong home industry that by applying local wisdom Gresik through Islamic entrepreneurship and strategies focused on the value of modern product strategies and marketing strategies, will have a positive impact on the dynamics and potential of woven sarong businesses, so that the woven sarong home industry can compete not only at the local, national and even international level. Thus the dynamics and extraordinary business potential of the woven sarong in Gresik local wisdom that is capable of increasing income in this millennium era, because without the need for complicated marketing, local wisdom that interferes with culture can increase the income of the people in Gresik district in particular.

6. Conclusion.

The Resource-based View of the Firm approach sees internal resources as the most important part for companies in facing competition. There are criteria that can be used to determine whether a resource has a competitive advantage or not. In industry there must be companies that are superior, become leaders compared to other companies even though they all face the same external environment, so from that we can conclude that the internal environment is the local religious diversity of Islam, mutual cooperation and souvenirs that distinguish these small businesses with large companies, it can be identified the resources and capabilities possessed in the Gresik Weaving Industry based on local wisdom.

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