Conservatism In Batik Micro Business Strategies in the New Media Era

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Abstract

Batik can no longer be considered static; it must be seen as a dynamic tradition that can be communicated and developed. It is therefore necessary to develop a new awareness, wherein the preservation of batik traditions is undertaken by popularizing the textile using innovative products, technologies, and marketing approaches. This study seeks to address shortcomings in previous research by highlighting the conservatism in the strategies used by batik microbusinesses. This research employed a qualitative design, with primary data collected through observation and interviews with the owners of batik microbusinesses. We conducted content analysis of relevant secondary data to support this study’s arguments. This study finds that conservative business practices are employed by batik microbusinesses due to efforts to maintain local values and delays in integrating new technologies (particularly the new media). Likewise, innovations in products, production methods, and marketing approaches have been limited. This study is limited by its focus on batik microbusinesses. Future studies should seek a broader understanding.

Keywords: Conservatism, Business Strategies, Batik Micro Businesses, New Media.

INTRODUCTION

Although businesses and their revenues have been expected to expand rapidly in the new media era, the opposite has been true for batik micro businesses, which have experienced many obstacles. Batik-producing micro businesses have yet to become the first name in fashion, failing in their competition with the diverse other options (Rahmawati & Patrianti, 2023). At the same time, technological innovations have made it possible for micro businesses to produce batik on a massive scale (Widiaty et al., 2020) while reducing costs (Borshalina, 2019). The open-mindedness necessary for micro businesses to thrive in the current economy has not emerged, leaving them with great challenges (Friskadewi & Setiadi, 2020). Conservative business strategies have been viewed as hindering micro businesses efforts to overcome obstacles and expand their batik printing (Raya et al., 2021). In other words, such strategies can hinder businesses efforts to grow; a more open mindset is necessary.

To date, studies of the challenges and obstacles faced by batik micro businesses have focused on economic and technological factors, rather than the value (cultural) systems that significantly influence these enterprises business strategies and growth. As part of a specific culture, batik cannot be separated from its cultural and traditional background. It is this background that determines the existence of batik (Salma & Eskak, 2019). Some studies have examined batik through the production process, arguing that producers failure to employ technological innovations has contributed to their stagnation or even regression (Raya et al., 2021; Siregar et al., 2020; Widiaty et al., 2020). Market competition is also considered an important factor in these enterprises' growth (Nawawi et al., 2017; Sari et al., 2020). Institutional and socio-cultural factors, if managed poorly, can likewise limit the growth of batik micro businesses (Gunawan et al., 2022). Human resource development strategies are cornerstones of business growth (Utomo & Yulia, 2018), as is the motivation of the owners (Wang et al., 2011). Also important in improving business performance and marketing is having unique acculturative products (Sugiyarti et al., 2018). Appropriate business strategies are key to maintaining competitiveness (Farida & Setiawan, 2022; Abdulwase et al., 2020). Several studies have shown that factors such as competition, socio-cultural institutions, human resource development, motivation, and unique products, must be seriously

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considered when businesses are seeking growth. Reviewing the findings of earlier studies and considering the reality of batik micro businesses, such enterprises face multiple obstacles, with their conservative business strategies limiting product innovation, production technology, and marketing. This study focuses on conservative business strategies as the crux of micro businesses slow growth. It asks, "Why have conservative business strategies been employed by batik micro businesses, despite these strategies limiting product innovation, production technology, and marketing?"

This study seeks to explain the conservative business strategies of batik micro businesses within the context of product, technology, and marketing innovation, thereby filling the gaps in the literature on these enterprises. Innovation refers to concrete expressions of creativity that are derived from knowledge, expertise, and experiences. This article is built on the assumption that product innovation is paramount for improving competitiveness by introducing new products. Technological innovation, meanwhile, refers to the application of new technologies to create innovative products. Marketing innovation, finally, refers to the application of approaches to advertise products in the new media era. Innovative products, technologies, and marketing can be used to address the stagnation caused by conservative business strategies.

This article argues that it is paramount to recognize the importance of conservative business strategies vis-à-vis the product, technology, and marketing innovations, as well as its effect on batik micro businesses in the new media era. Understanding the cause of this conservatism will valuably contribute to batik micro businesses efforts to grow in the new media era while simultaneously contributing to the theoretical study of business policies and management strategies.

LITERATURE REVIEW

Conservatism

Conservatism here should be understood as rejecting total/radical change, rather than an absurd ideology that opposes all change. The political and social philosophies that are recognized as conservatism tend to emphasize tradition, governance, individualism, and market forces (Lowndes & Pratchett, 2012). The characteristic of conservatism is a desire to maintain the current social and political structure, as well as a skepticism of social engineering and extreme change (Horwitz, 2013). Within the context of microbusinesses, conservatism may take various forms. In this context, conservatism may promote reducing government involvement in business by cutting taxes, simplifying the tax codes, and removing administrative obstacles to establishing and operating businesses (Bergthaler et al., 2015). They may be less interested in newer, more creative models, preferring instead established models such as those used by family businesses (Craig et al., 2014).

Conservatism emphasizes individual accountability and free markets with minimal government involvement (Lowndes & Gardner, 2016). This philosophy may interest the owners of micro businesses, who desire autonomy and independence. Microbusinesses can also benefit from conservative policies that promote financial discipline, reduced taxes, and deregulation, as they argue that such an approach promotes a stable economy that provides room for expansion (Dong & Manning, 2017).

Business Strategies

Business strategies are the plans, choices, and decisions used by businesses to grow and succeed (Kourdi, 2015). Business strategies are also understood as the concepts and activities through which businesses achieve their goals, increase competitiveness, and connect with stakeholders (Fleisher, 2018). Business strategies may be developed based on internal analysis and external analysis (Gurel & Tat, 2018). Internal analysis involves reviewing all of the resources available to a business, thereby developing a profile that emphasizes its strengths and mitigates its weaknesses. Companies' internal resources include tangible resources, intangible resources, and the potential for profit and market performance (Kamasak, 2017). Culture is an example of an intangible resource, an important cornerstone of any business strategy (Krupskyi & Kuzmiytska, 2020). External analysis, meanwhile, is used to identify the opportunities and threats that exist outside the businesses themselves. Five external elements must be considered when developing any business strategy: competitors, suppliers, buyers, substitute products, and new arrivals (Paramadita & Hidayat, 2022). Effective strategies seek to connect businesses' strengths with outside opportunities, thereby ensuring their competitiveness.
Referring to business strategies, the ones used by microbusinesses tend to be limited to themselves (one-level), while larger businesses tend to develop both business strategies and functional strategies (two-level). Enterprises that operate multiple businesses tend to employ three strategies: general business strategies, divisional business strategies, and functional strategies. Business strategies help companies focus on certain activities, such as product innovation (Dogan, 2017), technology and marketing (Chungyalpa & Bora. 2015), increasing competitiveness (Abdulwase et al., 2020), increasing profitability, and improving business performance.

**Batik Micro Businesses**

Micro businesses are small companies with limited employees, incomes, and resources (Li & Rama, 2015). Common in Indonesia are batik micro businesses, i.e., micro businesses that sell batik, a textile that reflects the rich history and traditions of the area where it is produced (Elliott, 2013). Batik micro businesses employ no more than one hundred people; most consist only of a few family members or neighbors who use simple production methods (Van Diermen, 2019). Batik production requires talent and expertise, as well as access to specialized tools and supplies. Batik micro businesses face various challenges in finding suppliers, selling goods, and maintaining quality standards (Wijaya et al., 2021).

By producing batik, micro businesses have the potential to not only improve their revenues but also financially support the local community (Famiola, 2021). In recent years, support for micro businesses that produce traditional crafts has become increasingly common. Such support may take the form of training and education programs, financial access, or marketing aid (Raya et al., 2021). Such businesses, aside from providing individuals with the opportunity to earn a livelihood, also preserve traditional crafts (Roy Maulik, 2021). By providing high-quality handicrafts that have been produced using traditional methods and materials, batik micro businesses can fulfill the growing demand for sustainable traditional textiles (Maryam et al., 2021).

**New Media**

The phrase "new media" refers to the digital platforms and technologies that have emerged in recent years, including social media, blogs, podcasts, and online videos (Kahne et al., 2015). The way individuals consume and distribute information has drastically shifted with the rise of new technologies, as has the means through which businesses and organizations interact with their audiences (Henry Lucas et al., 2013). Likewise, the new media has made it easier to increase awareness of and respect for traditional handicrafts such as batik (Dirgiaatmo et al., 2020). Entrepreneurs can easily use social media platforms such as Instagram and Facebook to sell their goods to customers around the world, find new clients, and improve brand recognition, all without incurring significant costs. The new media can help microbusinesses connect with clients and spread consumer awareness (Chaffey & Ellis-Chadwick, 2019). Furthermore, microbusinesses can learn important information about consumer preferences and trends by soliciting their comments and ideas on social media (Mathur, 2018). At the same time, however, owners' desire to produce goods quickly and cheaply can lead to exploitation—poor working conditions, low wages, etc. (Porter, 2015).

At the same time, the new media may accelerate cultural appropriation, which occurs when traditional handicrafts such as batik are adapted and sold for profit without providing proper credit or remuneration to their original producers (McQuilten, 2014). Consequently, although the new media may help batik microbusinesses market their goods, it is paramount for them to cautiously evaluate and mitigate its potentially deleterious effects (Guci & Ghazali, 2019). On the positive side, the new media may make ethical and environmentally sound business strategies possible, increase knowledge of cultural values, and provide fair wages and working conditions to those involved in the batik production process (Mahmud & Karima, n.d.).

**METHODOLOGY**

As its analytical units or material objects, this study takes the batik micro businesses in Banyuwangi Regency, East Java Province, Indonesia, as represented by business owners. These family-owned micro businesses have been established for years; some are already in their second generation of family ownership. For analysis,
business owners were selected due to their lengthy involvement in the business; as such, they have a deep understanding of the industry and its dynamics.

This qualitative research uses a phenomenological approach, which was selected to obtain information on their conservative business strategies vis-à-vis the demand for innovative products, technologies, and marketing. This analysis will allow a comprehensive understanding of the factors that hinder business growth in the new media era.

Collected for this research were primary and secondary data. Primary data dealt with the factors underpinning batik micro businesses conservative business strategies, as well as their approach to innovative products, technologies, and marketing. Such information was obtained from nine informants, all of whom owned and operated a batik micro business. Secondary data dealt with the technologies used, goods produced, and other factors; these data were collected through direct observations and social/other media.

After collection, data were examined using content analysis. This approach was selected due to the need for a detailed understanding of the phenomenon being studied. The results of this analysis were divided thematically into three sections and are presented below to provide a detailed understanding of the conservative business strategies used by batik micro businesses vis-à-vis the product innovations, technological innovations, and marketing innovations, as well as the effects of this conservatism on micro businesses ability to grow and thrive in the new media era.

ANALYSIS AND RESULTS

Product Innovation Still Limited

The research location is known for a traditional batik motif, "Gajah Oling", which first emerged in the 16th–17th century CE. The word gajah means "large", while the word oling refers denotatively to a large type of eel but signifies "remember". As such, this motif is understood as reminding batik makers to remember He who is "Great"—i.e., God—when producing batik tulis (traditional hand-made batik) or a combination of batik tulis and batik cap (batik printed using stencils). The view of batik products as global heritage items that are protected by the government, rather than items of clothing, has resulted in the textile being perceived as eternal; as a result, innovation has been limited. Due to batik micro businesses reluctance to promote product innovation, the "Gajah Oling" design has remained relatively monotonous. The involvement of the local government in maintaining the design has likewise disincentivized innovation. This is evidenced in figure 1.

Table 1 shows examples of the "Gajah Oling" motif/design in the research location. The first innovation, as seen in the second image, involved the addition of additional details to the design as well as modifications to the color of the batik (i.e., by using red dye). The designs surrounding the "Gajah Oling" are lacking in complexity. In the second innovation, the designs surrounding the stem have become increasingly varied and complex. In the final innovation, the design has become even more complex. It is difficult to ascertain the time required to develop these innovations, as informants indicated that the ideas came to them suddenly. They identified these motifs/designs with new names, but never abandoned the original motif—"Gajah Oling".

Table 1. Examples of the "Gajah Oling" motif/design in the research location

<table>
<thead>
<tr>
<th>Traditional Design</th>
<th>Design Innovation 1</th>
<th>Design Innovation 2</th>
<th>Current Design</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image" alt="Traditional Design" /></td>
<td><img src="image" alt="Design Innovation 1" /></td>
<td><img src="image" alt="Design Innovation 2" /></td>
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Source: authors, 2022

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Informants indicated that they were free to identify their innovations with their own names. However, mostly the design names were agreed upon during periodic meetings (usually held monthly). Such meetings are also attended by representatives from the local government. However, these designs were informed more by informants' personal tastes rather than market demands.

The above details reflect the statement of one expert: "Batik makers do not rely on external designers, but their own tastes. Well, it doesn't sell." (Iwan Tirta, kompas.com/2023/08/03). This statement, issued by one of Indonesia's foremost experts on batik, is supported by the fact that the batik makers interviewed are unwilling to employ outside professionals to design their innovations.

No Innovation in Production Technologies

The production technologies used by informants remain simple, relying on manual methods, and it is therefore difficult to maintain quality standards. Informants identified the technologies used for batik production as part of their heritage, and thus worth maintaining. The technologies/tools used when making batik include “kain mori” (a type of cloth), dye, “jedingan” (washbasins), plastic pails, “malam” (blocking layers), “canting” (needles), pans, ovens, “cap” (stamps), “saringan” (sieves), and “gawangan” (hangers).

Figure 2. Production Technologies in Batik Product “Gajah Oling”

Source: authors, 2022

Figure 2.1 shows a worker washing a batik cloth in a washbasin (jedingan) to remove the “malam” (blocking layers). Figure 2.2 shows a partially completed cloth, which is hung in the sunlight to dry. Figure 2.3 depicts a girl using a “canting” to reinforce the design on the cloth; this requires patience and care to ensure that the final design follows the preliminary one. Figure 2.4 shows in more detail the various components of the “canting” used to finalize the design. Such needles come in various sizes and are used to draw on the raw material, a plain (usually white) piece of fabric. Such batik production technologies are quite simple, with most having been used for centuries, and continue to be commonly used by batik micro businesses.

Innovations in Marketing

Before the COVID-19 pandemic, many batik micro businesses relied on conventional marketing techniques, creating showrooms (at their production sites, family homes, or elsewhere), printing business cards, conducting direct sales, promoting positive word-of-mouth, and establishing networks with local stakeholders (government offices, schools, companies). Informants also attempted some digital marketing strategies, but as they were focused on local markets they did not develop these optimally. During the COVID-19 pandemic, as the government implemented its social distancing policy, informants were forced to approach marketing more creatively and innovatively. Informants explained that they subsequently attempted to develop digital marketing strategies while still employing their established conventional ones. Before the COVID-19 pandemic, informants’ business strategies relied on non-digital marketing. However, as mobility was limited during the COVID-19 pandemic, they began slowly rolling out digital marketing strategies—albeit without abandoning their non-digital efforts.

DISCUSSION

Conservatism may be viewed as an ideology that rejects new ideas as well as total/incremental change while maintaining the existing status quo (O’Sullivan, 1976: 9, in Andreasso, 2014); such an ideology is often viewed
negatively. Conservatism may also be understood more positively as protecting the philosophy behind the traditional batik production process. In October 2009, UNESCO recognized Indonesian batik as an intangible cultural heritage element based on its values, including the spirit of collectiveness that safeguards the ancestral means of producing *batik tulis* and *batik cap* (Poon, 2020). On the one hand, conservatism has a positive effect, as it ensures that traditional production technologies and processes are maintained while allowing incremental innovation. On the other hand, it is limited by its inability to optimally adopt new technologies such as social media. This will be discussed below.

**Excessive Fear of Product Innovation**

This study finds that, in their business strategies, batik microbusinesses have limited their attempts to innovate *batik tulis* and *batik cap* to slightly modifying the "Gajah Oling" with a personal touch. Product innovation requires skill, creativity, and the ability to sketch designs on raw materials. It also depends heavily on the creativity of owners. It may occur quickly, or it may require some time. This is why the innovations implemented by batik micro businesses appear slow; all "*batik tulis*, "*batik cap*, and blended batik are worked by hand. As a consequence, micro businesses cannot produce large volumes of batik, and thus their potential markets are limited. The paucity of product innovations can also be attributed to distrust of new technologies, such as computers, and an unwillingness to use these technologies for innovation. The product innovations described above have been incremental (Zhang, 2022), created by skilled hands to improve competitiveness while maintaining the local values embedded within the "Gajah Oling" design.

Conservatism in product innovation, as evidenced through incrementality and continued reliance on manual production methods, can seriously threaten the growth and continued survival of batik micro businesses where it is unaccompanied by the adoption of new technologies (such as computers). To borrow from Stenner (2009), the entrepreneurs who operate batik microbusinesses may be categorized as *authoritarians*; as such, they are easily malleable and exploitable. Conservatism has occurred due to entrepreneurs limited ability to use technology to design and create innovative batik products. Knowledge is a source of inspiration, creativity, and innovation, something to be applied and shared through products. Designing marketable batik products requires more than artistic ability; it greatly relies on owners' ability and willingness to apply new knowledge as they adapt to their environments (Mursinoto, 2016). Knowledge is a key source of creativity, innovation, and entrepreneurial spirit (Drucker, 1985; Ben Arf and Hikkerova, 2021; Kraus et al., 2021), as well as an important driver of competitiveness (Teece, 2018). Knowledge can be shared to improve organizational performance (Chau, 2018), and its creation is positively correlated with product innovation and organizational flexibility (Zia and Shafiq, 2017). Successful innovation depends on the effectiveness of knowledge sharing (Castaneda and Cuellar, 2020). Consequently, batik microbusinesses can mitigate the conservative tendencies that slow innovation by applying new technologies (such as computers) while continuing to uphold the ancestral values embodied by their products.

**Unwillingness to Transform Production Technology**

The batik production process has yet to incorporate technologies such as computers. Instead, the production process continues to rely on manual technologies such as *canting*, *malam*, etc. The half-finished product is washed using water that is contained within plastic pails and then hung on wooden hangers to dry in the sunlight. This reliance on manual labor and simple technologies has limited batik micro businesses productivity and made it difficult to ensure that these handmade products are of consistently high quality.

Batik micro businesses delay in adopting modern technologies, such as computers, may be attributed to the conservative view that ancestral technologies must be maintained in their business strategies. Indeed, the batik production process cannot be viewed simply as the means through which business owners earn a livelihood; it also embodies specific cultural values that must be maintained such as unity, obedience, and reciprocity (Setyawati et al., 2021). In these businesses, adults who never received a higher education work side-by-side with children who have yet to enter the formal workforce. This is partly why micro businesses reject modern production technologies, as suggested by the argument that the adoption of new technologies depends heavily on organizational goals (Wahab et al., 2012). This suggests that, even as production technology advances rapidly, it will not be adopted so long as it does not support businesses' goals.
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Delays in Marketing Innovation

This study shows that, before the COVID-19 pandemic, batik micro businesses relied almost exclusively on offline approaches to marketing; few employed digital technologies. However, during the COVID-19 pandemic, when the government implemented social distancing policies that stymied efforts to connect directly with consumers, these businesses began to incorporate offline and online marketing into their business strategies. Where conventional marketing limited these businesses’ markets to local markets, combined offline and online approaches enabled their markets to expand. However, it is important to recognize that these blended approaches were not optimally deployed, as many owners were new to social media.

Micro businesses slow adoption of digital technologies can be attributed primarily to their focus on local markets. Their batik products are not mass-produced goods, but rather made in limited quantities; many are made-to-order. For example, due to the length of the production process, only one or two pieces of batik tulis may be produced; consequently, the sale price is quite high. Products that combine batik tulis and batik cap are produced in greater quantities, albeit generally in amounts of less than a hundred items; consequently, they are somewhat less expensive. As few batik items are produced, sales are limited, and thus batik microbusinesses earn little revenue. In the new media era, the use of social media for marketing is unavoidable, and thus any delay in adopting new media platforms runs the risk of reducing businesses’ competitiveness (Karol & Norman, 2019; Tiwari, 2021; Urban & Mapathe, 2021). Examples of previously successful businesses that failed due to excessive conservatism include Nokia and Sony (KedaiTekno, 2021); family-owned microbusinesses run a similar risk (Heider et al., 2022; Rovelli et al., 2022; Symeonidou et al., 2022; Ahmad et al., 2021; Fries et al., 2021; Heider et al., 2022). Batik microbusinesses must optimize their usage of social media, thereby keeping abreast of the most recent scientific and technological advances.

CONCLUSION

This study has found that the conservative business strategies employed by batik micro businesses have limited their ability to innovate their products, production technologies, and marketing approaches, and thus reduced their competitiveness in the new media era. Batik remains inexorably intertwined with the ancestral traditions, which are conserved by entrepreneurs. There is a need for a new paradigm, wherein the preservation of batik as an intangible cultural heritage can be realized by increasing its popularity through product, production technology, and marketing innovation, all of which can be combined with various media channels to improve business performance. Batik must no longer be viewed as part of a static tradition, but rather positioned in communication with recent social and technological advances to ensure that the local values contained therein are retained even as it is commercialized. The philosophical values and rich symbology of batik must be communicated more strategically through educational institutions, social media, and business to ensure that they remain integrated into the business strategies of batik micro businesses.

The contribution of this study lies in its argument that batik micro businesses must develop a more creative and innovative attitude that enables them to combine advanced production technologies and digital marketing to navigate the challenges of the new media era without neglecting the ancestral values that are cornerstones of their business strategies. Such an approach may enable conservatism to be viewed positively within the context of the local values contained within batik micro businesses' management strategies. It is important to embrace advances such as computer-based production technologies and digital marketing, as this makes it possible to promote innovative design. Likewise, the use of online—rather than entirely offline—marketing approaches can increase sales and revenues. Only by moving from a closed-minded to an open-minded paradigm, as realized by accepting new technologies and employing digital marketing strategies, can enterprises achieve their desired goals.

Limiting this study, this study has focused solely on the conservative business strategies used by batik micro businesses that have relied on manual technologies to create new products even as they have partially adopted digital marketing strategies. Consequently, these businesses have seen limited growth in the new media era. At the root of the problem is these businesses' conservative approach, wherein traditional values are maintained at the expense of adapting new technologies and digital marketing approaches to navigate the challenges of the
modern world. Conservatism, which seeks to uphold ancestral values, may be viewed positively or negatively; at the same time, new technologies may have no less of a positive effect. Conservatism may be practiced by small and medium enterprises, which seek to uphold ancestral values, but it can be combined with modern technologies. Such a conservatism would be a boon for these businesses. Conservatism is not universally negative; where enterprises are open, creative, and innovative as they integrate ancestral values with recent technological advances, it can be quite positive. Future studies must examine the conservative business strategies that combine local values with modern ones (such as technology) in the new media era, thereby obtaining a more comprehensive understanding of said strategies.

REFERENCES


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