JOURNAL OF ECONOMICS
p- ISSN: 0000 - 0000 | e-ISSN: 0000 - 0000
Volume ume 2 Number 1 | January 2022

Competitiveness Strategy for Silk Craftsmen in Wajo Regency

Andi Asriadi AP
Muhammadiyah University of Makassar
andiasriadiaP@gmail.com

Article Info

Strategy .

Abstract

This research was motivated by the increasingly competitive conditions of the silk industry. Knowledge of the silk industry players as a cottage industry about the importance of power strategies and improving the quality of the products produced needs to be improved considering that small businesses are the backbone of a country's economy. By fostering the silk industry in the Department of Industry, Trade, Cooperatives and SMEs of Wajo Regency, it is mandatory for the silk industry players to be able to compete by developing a competitive strategy to be able to create products with low production costs, superior , unique, different and focused on creating a market for businesses run by silk industry players. The results showed that the competitive strategy of the silk industry was quite good when viewed from 3 strategic aspects, namely cost leadership (low costs including production costs, tools and raw materials), differentiation (creating different and unique products), and focus (target buyers, segments). products and marketing locations). In terms of differentiation, the Wajo Regency Industry, Cooperatives and SMEs are superior in this strategy. This can be seen from the form of coaching, training, technical guidance or entrepreneurship workshops attended by silk industry players which have had a positive effect on several silk industry players in Wajo Regency.

1. INTRODUCTION

Regional development is an important part of national development. It is therefore expected that development results can be distributed and allocated to regional levels. To achieve regional balance, especially in terms of economic development, several regional policies and programs are needed that refer to regional or regional policies .

During the current regional autonomy period, each region is given the authority to manage its own area according to the potential and capabilities of the region. The implementation of autonomy as an appropriate effort to explore potential sources of income, so that even though there are differences between regions caused by limited facilities and infrastructure, geographical factors such as differences in soil fertility and regional conditions, this will not result in differences in people's welfare. .

Community welfare is obtained from regional development which is carried out by means of sustainable development. The concept of sustainable development has now become a goal in district/city development and development. One of the measurement tools for the concept of a sustainable city is the level of competitiveness between regions. The higher the competitiveness of a city, the higher the welfare of its people. Some of the variables that are measured in measuring the level of competitiveness are regional economic variables, infrastructure and natural resources variables, and human resource variables.

The development of the industrial sector, especially small businesses that has been carried out by the government has brought into the era of industrialization for the nation and state of Indonesia. The role of small industries is very important in creating employment opportunities so as to increase people's income. In realizing economic democracy, namely in the framework of increasing the prosperity of all people in a fair, harmonious, equitable manner, small industry has the mission of creating business and employment opportunities in order to increase people's income, expand the industrial business structure and foster an industrial culture in society, and foster the existence and survival of industries related to the nation's cultural values.

As one part of small businesses, the silk weaving industry in Wajo Regency, South Sulawesi Province is the dominant sector among other industries. South Sulawesi Province is the largest silk industry center in Indonesia, while Wajo Regency has the most weaving business units among other districts. The industry is still a household business (*home industry*), with a share of 8 percent of the total existing weaving industry. Weaving in a city known as the City of Silk is a household industry that has grown and evolved massively and has dominated the lives of most people in Wajo Regency. Along with the development of the times, currently business competition between one business and another is running rapidly. all the elements that exist within the company both in terms of processes or operations, marketing, management, leadership, and others.

The problem of competitiveness in the current conditions is a challenge that is not light for existing businesses, especially small and medium enterprises, without the ability and good competitive advantage, the products produced will not be able to survive or compete with other businesses. .Having high competitiveness, now is no longer just a necessity but a necessity. Because without high competitiveness, it is impossible for a business to survive, let alone win the competition.

The demands become very strategic, especially if existence is not a choice taken, but winning the competition that is actually expected to be achieved. One of the salient features of today's global competition is the rapid development of information technology. This makes any business actor able to easily access business information without being limited by space and time. For consumers, they freely obtain market information, have many product references, and can make choices of quality products according to what they expect. Thus, at present and in the future, consumers will play a very strategic role. Therefore, there is no other choice for companies that want to survive in global competition other than being able to produce quality products that are acceptable to consumers. Currently the global competition situation is increasingly competitive, the issue of product quality is a central issue for every company. The company's ability to provide quality products will be a weapon to win the competition, because by providing quality products, consumer satisfaction will be achieved.

Product quality has become a universal theme in the global economy and continues to determine the dynamics of competition in many industries. Currently, product quality is important in all industrial environments. Having a business that is advanced, well established and has good prospects in all conditions is the hope of every entrepreneur. However, certain circumstances force entrepreneurs to be able to think and act more critically and innovatively in facing competition, either between the same type of business or with other businesses. This condition has now been experienced by Wajo Regency silk craftsmen, namely in the competitiveness strategy.

With the emergence of a wide variety of modern-style sarong products, most wholesale sarongs are supplied from outside the region, such as the islands of Java, Kalimantan, and others . Based on this background and problems, the author intends to conduct research with the title "Strategy for Competitiveness of Silk Craftsmen in Wajo Regency ".

2. LITERATURE REVIEWS

2.1 Strategy Review

The word strategy comes from the ancient Greek language which means the art of war or leadership in the army. A strategy has the basics or schemes to achieve the intended target. So basically strategy is a tool to achieve certain goals. Strategy was first used in the military world. Meanwhile new organizations started adopting it in the mid 60-70s. One of the reasons it is important to study strategy is that strategy as a framework (Frame Work) can be used to solve every problem that exists within an organization or industry, especially those related to competition.

According to Stainer and Miner (1997:4) defines that strategy means general. Therefore, it literally means the art of generals. In particular, strategy is the placement of a company or organization's mission, placement of organizational goals by binding external and internal forces, formulation of certain policies and strategies to achieve goals and ensure proper implementation, so that the main goals and objectives of the organization will be achieved.

According to Barry in Tedjo Tripomo (2005:17) states that strategy is a plan about what you want to achieve or what an organization wants to become in the future (direction) and how to achieve what you want. Meanwhile, according to Bateman in Tedjo Tripomo (2005:17) Strategy is a pattern of action and allocation of resources designed to achieve organizational goals.

According to two strategists, Hamel and Prahalad (1995:14) explain that strategy is an incremental (always increasing) and continuous action, and is carried out based on the point of view of what customers expect in the future. Thus, strategy always starts from what happened. The speed of new market innovation and changes in consumer patterns requires core competencies in the business being carried out. Meanwhile, according to Bryson (2001: 189) in his book strategic planning for social organizations provides a definition of strategy as a pattern of goals, policies, programs, actions, decisions or allocation of resources that define how the organization is, what the organization does, and why the organization has to do it.

According to Lawrence R. Jauch & WF Glueck (1998:74) strategy is a unified, comprehensive and integrated plan that links the advantages of industrial strategy with environmental challenges and which can be designed to ensure that the main objectives of the industry can be achieved through proper implementation by the company. From these various opinions it can be concluded that strategy is a pattern, goals, policies, programs, actions, decisions, and the allocation of organizational resources to achieve its goals through an effective relationship with the environment in conditions.

2.2 Definition of Competitiveness

According to economics, competitiveness at the micro level is often interpreted as the ability of an industry to control, improve and maintain a market position, the ability of an industry to cope with changes and market competition in increasing and maintaining its profits, market share, and business size (business scale). An industry is said to have a competitive advantage if it has something more than its competitors in attracting documents and defending itself against competitive forces that try to emphasize the industry.

Sources of competitive advantage can be in the form of the best products on the market, providing the greatest service, providing the cheapest selling prices, the most strategic locations, the most appropriate technology, the attributes that are in accordance with the wishes of consumers, the fastest marketing of new products, the best brands and reputations. has been tested, and provides greater value for goods than the money spent by consumers .

2.3 Power Up Strategy

Competitiveness There are three main values that a product company must fulfill in order to increase its competitiveness, which include:

a. **Operational Excellence**
   Operationsl excellence is a value where producers must always maintain efficiency and improve the quality of the system or process that produces products and service systems provided to always be able to satisfy consumers. Consumer satisfaction with the quality and service provided by the brand of a product will make it difficult for consumers to switch to other brands.
b. **Customer Intimacy**
   Customer intimacy is a value where producers must be able to meet the needs

and expectations of consumers. A good product/service, not only fulfills what is the basic need of the consumer but on the contrary can also fulfill what is the deep need of the consumer, namely the need that the consumer can feel after the use value of the item is used, the consumer realizes that the product/service It can meet their needs and expectations for a quality product/service. For this reason, continuous innovation is needed so that the value offered by a product can always adjust to consumer needs, in fact, beyond what consumers expect.

c. Product Leadership

Product leadership is a value that must be adhered to by producers based on excellence to continuously innovate on the products and services produced so that they can always become leaders in their industry. This kind of value requires high creativity and speed in reading market needs, especially consumer needs.

3 RESEARCH METHODOLOGY

3.1 Data analysis technique

In this analysis, it consists of three streams of activities that occur simultaneously, namely: data reduction, data presentation, and drawing conclusions/verification.

a. Data reduction

Data reduction is defined as a selection process, focusing attention on simplifying, abstracting, and transforming "rough" data that emerges from written records in the field. As we know, data reduction continues as long as a qualitatively oriented project lasts. In fact, even before the data is actually collected, the anticipation of data reduction is already evident when the researcher decides on the conceptual framework of the research area, the research problem, and which data collection approach to choose. During the data collection, the next reduction stage occurs. This data reduction/transformation process continues after the field research, until a complete final report is compiled.

b. Data presentation

The second important flow and analysis activity is the presentation of data. Presentation of data is as a set of structured information that gives back the existence of drawing conclusions and taking action. Various presentations found in everyday life ranging from newspapers to computer screens. By looking at the presentations we will be able to understand what is going on and what to do further, analyze or take actions based on the understanding gained in these presentations.

c. Draw conclusions/verify

The third important analysis activity is drawing conclusions and verification. From the beginning of data collection, a qualitative analyzer starts looking for the meaning of things, noting regularities, explanations, configurations, causal flows, and propositions. Final conclusions may not emerge until the last data collection, depending on the size of the fieldnote collections, the coding, storage, and retrieval methods used, the skill of the researcher, and the demands of the funder, but often the conclusions have been formulated beforehand. beginning, even if a researcher claims to have proceeded inductively.

4. RESULTS AND DISCUSSION

4.1 Results Discussion Study

The development of the Wajo district silk industry business is of particular concern to the government to be developed in the context of realizing a more productive business climate and increasing the income of people engaged in the industry. The strategy drawn up by the Department of Industry, Trade, Cooperatives and SMEs in the framework of fostering silk industry players is an important factor in its development. The programs that have been compiled so far are expected to be able to improve the quality of resources and management of silk industry players, including product quality and marketing. Michael E. Porter's strategy which suggests that there are 3 strategies in improving the quality of an organization or business, namely *Cost advantage* , *Differentiation* , and *Focus.* became

the author's reference in conducting this research.

a. Cost Advantage Strategy (*Cost Advantage*)

The cost advantage strategy is one of the strategies used by various organizations, both public and private, to increase competitiveness against other organizations. This strategy emphasizes how to increase organizational productivity by seeing costs as an important factor to achieve goals. Consumers are seen as an object that considers costs to meet needs and an organization is required to see costs as closely related to consumer purchasing power.

1) Cheap price with the same quality

This strategy seeks to win the competition with a price approach, where at a certain price for the product it produces, consumers are more interested in buying the product. In a cost advantage, companies try to offer goods that are sold at lower prices than similar goods in a particular industry group. The strategy carried out by the Wajo Regency Industry, Trade, Cooperative and UKM Service related to cost advantages which prioritizes price competition against other products has not been implemented.

This is according to what was stated by the Head of the Textile Industry Office of the Office of Industry, Trade, Cooperatives and SMEs which said that:

> "For the determination of the selling price of the silk, follow the selling price of the market or from the seller himself"

This is in line with what was conveyed by the resource person from the craftsmen, namely Mrs. Isiyah that:

> "For determining the selling price of silk is determined by the market price"

Based on the findings above, the Wajo district government has not implemented standard price setting for silk products and left it entirely up to market competition. So, the price of silk can be cheap in various places depending on the agreement between the seller and the buyer. With a model like this, sellers can only get a small profit because they have to lower the selling price to follow the prices in the market. Therefore, when the government's strategy regarding setting price standards for MSME actors has not been implemented, other ways need to be sought to gain a cost advantage.

2) Procurement of raw materials / raw

In a cost advantage strategy, organizations are required to control a relatively large market share and have a competitive advantage in cost efficiency, which occurs for example as a result of large economies of scale, variety of products produced, superiority in production processes, and mastery of raw materials. Moreover, the production of Wajo silk only depends on the supply of raw materials from outside the region, namely Enrekang and Soppeng regencies because of the minimum production of raw materials in Wajo and if supply from these areas is stagnant, the craftsmen use imported yarn from China, which in fact is more expensive than local silk. , thus craftsmen have to increase production costs.

Organizations are required to direct the creation of cost efficiency so that actors get more products with the same quality. The Office of Industry, Trade, Cooperatives and SMEs of the Wajo Regency is required to direct how the silk industry players can obtain raw materials or raw materials that are cheaper so as to get large profits resulting from cost efficiency. The government should be more active in controlling and emphasizing efforts to produce standardized products (same in all aspects) at a very low cost per unit.

Based on the existing findings, the Office of Industry, Trade, Cooperatives and SMEs of Wajo Regency still pays little attention to silk industry players in terms of cost efficiency. This is in accordance with what was stated by the informant that:

> "The availability of raw materials is sought by the weaving craftsmen themselves, so far there has been no assistance from the

government. We only rely on the help of our group leader or our boss."

In accordance with the statement that the process of procuring raw materials still depends on the ability of sellers to find their own raw materials without involving the government further for raw material subsidies. In this case, SMEs must find ways to make raw materials available at any time to support their business. The non-involvement of the government in the supply of raw materials for silk SMEs as a whole makes the cost of procuring raw materials for each UKM higher. This is because, the stock taking that is still managed by each UKM actor is small compared to when the procurement effort was carried out by the government. Seeing these conditions, the cost advantage strategy that relies on raw material elements in the business has not been able to be implemented properly to support large profits in the cost sector.

3) The use of production tools that increase efficiency

In the cost advantage strategy, to reduce production costs is not only done in terms of procuring cheap but high quality raw materials, but also leads to the use of machines or production equipment that can save production costs. However, in terms of production equipment, in reality the use of non-machine looms (ATBM) is still a hallmark of the silk industry in Wajo District, so that a cost advantage strategy cannot be fully achieved.

This is according to what was stated by Ms. Tien as the Head of the Textile Industry Department of Industry, Trade, Cooperatives and SMEs of Wajo Regency:

" The majority still use manual or traditional looms such as ball-loom looms, for machine tools some already use them even if only a small part, in terms of weaving with traditional tools there is no need for special training "

The absence of adequate machines forces silk SMEs to still rely on manual or traditional looms. The new government is trying to bring in new technology so that there is efficiency in the production of silk businesses. Therefore, there is no maximum profit to be gained in the superiority of the means of production in order to increase profits.

4) Promotion media

The cost advantage strategy also requires the ability to control costs strictly, good control information, incentives based on targets (allocation of incentives for various results). To achieve this requires the ability to analyze market prices and market needs. This is done so that there is no large difference in price to the prevailing market price. The Office of Industry, Trade, Cooperatives and SMEs of Wajo Regency in providing guidance either in the form of training or capital assistance must provide an understanding of the silk industry players on how to analyze prices and market needs so that the products produced truly meet the needs of the community.

The thing that needs to be considered in this strategy is how the organization or agency carries out product promotions to get consumer attention. Of course, in this promotional activity, you must choose which promotional media are in accordance with the target of the promotion and promotional media that do not require a large amount of money. This needs to be analyzed to get a cost advantage. Do not let the promotion that is carried out requires a lot of budget but is not targeted.

The Office of Industry, Trade, Cooperatives and UKM of Wajo Regency provides opportunities for silk industry players to promote their business and products. The goal is that people within the national and international scope can find out about the silk production of Wajo Regency. In general, promotional media consists of print and electronic media promotions. The Wajo Regency Government has also made silk patterns/motifs as the background on every

banner board and banners in every corner of the city and not only that, the Wajo Regency Government has also made silk villages. This was realized thanks to the collaboration between the Regency Government and BNI bank. The area is the center of artisans and sellers of finished silk fabrics and is the main destination for tourists who want to hunt for Wajo silk. Not only that, recently the government of Wajo Regency gave a new touch by giving Wajo silk cloth motifs to every village ambulance in Wajo Regency.

The Office of Industry, Trade, Cooperatives and SMEs also holds regular exhibition events which are held once a year, apart from that the government has also included Wajo silk in big events. This is in accordance with what was stated by an informant from the Office of Industry, Trade, Cooperatives and SMEs of the Wajo Regency as the Head of the textile industry, namely:

> "There was an exhibition in the Netherlands where there was cooperation between the Office of Industry, Trade, Cooperatives and SMEs of the Wajo Regency and the Provincial government and even went to Milan "

The promotional strategy carried out is able to increase profits due to small promotional costs but is able to bring in many buyers. The government in this case has contributed in terms of promotion by making silk one of the regional icons that can lure buyers from outside Wajo to come see and buy silk. So most of the production costs are borne by the government which allows for cost efficiency in the silk SME sector.

In general, a cost advantage strategy enables an industry to withstand price competition and even become a *market leader* in setting prices and ensuring high levels of market profits above average and stable through aggressive means in terms of efficiency and effectiveness. cost.

Maximizing prices and consumer needs by taking advantage of cost advantages in production, distribution and sales. In terms of customer behavior, this type of strategy is in accordance with the needs of customers or consumers. when consumers do not care much about brand differences, have relatively little need for product differences, or when a large number of consumers have significant bargaining power.

b. Differentiation Strategy (*Differentiation Strategy*)

The product differentiation strategy *encourages* an industry to be able to find its own uniqueness in the target market. The uniqueness of Wajo silk products which is put forward allows an organization to attract the maximum interest from its potential consumers. In general, product differentiation strategies are applied by organizations in order to achieve competitive advantage against their competitors in all markets. In this strategy, the government of Wajo Regency is trying very hard to create differentiation because Wajo silk products are superior products from Wajo Regency which have their own charm . For this reason, in order to realize silk that reflects Wajo Regency products, it is necessary to determine a characteristic of a product so that the product will have high value and be increasingly favored by buyers.

1) Create product characteristics

The differentiation strategy was carried out by the Office of Industry, Trade, Cooperatives and UKM of Wajo Regency, namely to give Wajo silk products its own characteristics. This is done so that consumers feel interested in existing silk handicraft products. The uniqueness of the product's characteristics will also help the product survive and compete with other products on the market. So far, the Wajo District Office of Industry, Trade, Cooperatives and SMEs has made various efforts to implement this strategy. In the near future the Wajo Regency Government together with the Industry, Trade, Cooperatives and SMEs Office will propose a patent for the Wajo silk motif.

This was stated by the Head of the textile industry at the Office of Industry, Trade,

Cooperatives and UKM of Wajo Regency that:

> "For now the Wajo silk motif does not have a patent right but is in the process of being patented at the Ministry of Law and Human Rights through geographical indications"

This characteristic is in the form of silk cloth motifs which will give value to the beauty of the potential of the Wajo area so that buyers who buy Wajo silk products will more easily recognize original Wajo products just by looking at the motifs. Differentiating motifs from other silks will increase the attention of tourists to introduce local products which are a hereditary legacy of the Wajo people themselves. This motif is only owned by products from Wajo which are owned by other silks so that this feature can be recognized by buyers when there are many other products on the market.

2) Making products not easily imitated by other products

The differentiation strategy is carried out so that the products produced are difficult to imitate by other competitors so that when they are available on the market, the products produced by Wajo silk craftsmen will be easily recognized. Even though Garut, Yogyakarta and Pekalongan also have a silk industry that is not as big and not as popular as Wajo silk, the district government pays attention to this strategy, mainly to preserve and introduce local products and increase their attractiveness. This is according to what was stated by the informant namely:

> ″ The difference between Wajo silk and other regions lies in its distinctive motifs such as balo renni, balo tettong, cobo', mallobang, lagosi, mappagili."

Based on the informant's information, Wajo silk products already have distinctive differences from foreign silk products. The uniqueness of Wajo silk has been recognized throughout Indonesia and the Wajo government, in this case, has made a differentiation of Wajo silk products so that they are not easily copied or imitated by other regions, which has the potential to reduce market prices. With its uniqueness, the product will also look better than other products, because this uniqueness is the added value of the product or service being marketed.

So that the product is not easily imitated by other products, one thing that is done is to create a product image or also *branding* . This is done so that the product has a branding value that is different from other products so that it is not easily copied or imitated. Branding in this case includes packaging and product labels. The more unique the product branding that we offer, the easier it will be for consumers to recognize the product, the greater our chance to instill the image of the product that you offer in the hearts of consumers. So that we can determine the right position, according to the target market that we aim at.

The Wajo government, in this case, has not fully carried out branding on packaging and product labels for silk products. The packaging is still in a simple form in the form of a plastic bag without any branding or special label on the package. This is in accordance with what was said by the Head of the textile industry at the Office of Industry, Trade, Cooperatives and UKM Wajo Regency that:

> "There is no special packaging or special brand given to silk products, usually the maker himself gives the brand he made."

In general, branding or packaging labels are made so that the product looks attractive and is not easily imitated by other products. This is very important because it relates to the uniqueness and attractiveness of consumers.

3) Product type grouping

The grouping of product types in sales is a way to attract consumers. The separation of these types of products can facilitate consumers in purchasing products. In general, this grouping is divided into two strategies.

First, product bundling, which is a way to combine sales into one sales package. Budding products can be done with pure budding and mix budling. Pure budding is selling products that are closely related to one another. Mix budding, namely the purchase of products that can be purchased separately. In the sale of silk in Wajo Regency, the strategy is applied mainly to silk products in product grouping in sales. This is in accordance with what was stated by the Head of the textile industry at the Office of Industry, Trade, Cooperatives and SMEs of Wajo Regency that:

> "The production of silk varies, several places in Wajo have provided special places for silk products, for example in the Silk Village and in the central market which provide lifa sabbe products, there are also jackets and clothes made of silk"

Based on the statement above, it appears that in terms of marketing, sales are very varied, not depending on just one type of product. This is done so that there are many choices for consumers in buying products made locally in Wajo Regency.

In addition, this grouping of product types is done to overcome saturation in the market. Considering that the sale of a product often experiences ups and downs in accordance with its continuously rotating life cycle, grouping in product sales can help market players when consumers are getting bored with the products they usually offer. With a variety of sales, consumers will not easily feel bored because there are always new products being offered. It is very important in a sale not to cause saturation of customers or consumers. Therefore, the customer is an important factor that needs to be considered in implementing this differentiation strategy.

c. Focus Strategy

The focus strategy is the last strategy applied in an industry to understand market segmentation. A focus strategy directs an industry to identify in detail the target market and apply overall cost advantage or differentiation to that focus segment. The focus strategy is used to build competitive advantage in a narrower market segment. This type of strategy is intended to serve the needs of consumers who are relatively small in number and whose decision to buy is relatively unaffected by price.

1) Determine market focus

Determining market share by focusing on target buyers is a feature of this strategy. How to define target buyers by leveraging buyer groups, product line segments as well as geographic markets. The Office of Industry, Trade, Cooperatives and UKM of Wajo Regency sees a market as a place for selling various commodities where it is necessary to determine a clear focus on buyers in order to increase sales.

The focus of selling Wajo silk products is of course not coming from the Wajo people themselves but rather focusing on those who visit the Wajo area, both Indonesian and foreign tourists. This was done in addition to introducing silk products outside the Wajo area as well as to attract buyers outside the Wajo area whose market share is wider and more promising. In the strategy of focusing on determining a market that guarantees the sale of products is an obligation, the government in this case is able to direct silk SMEs to determine sales targets for silk products.

Based on the scale of the industry, the Wajo Regency Government, in this case the Wajo Regency Industry, Trade, Cooperative and UKM Service, is trying to do this by gathering small-scale home silk industries and placing their products in silk villages with target consumers, namely tourists visiting Wajo Regency and for large-scale industries. large scale is expected to meet the needs of large-scale consumers by marketing their products outside the region.

Having such an arrangement has proven to be helpful for home silk craftsmen in marketing their products. Business actors no longer need to be difficult to find sales targets because there is already a forum provided by the government in marketing sales products. Of

course, this container indirectly attracts buyers because business actors have been united in one sales center where there are various product choices.

The growth in the number of the silk industry, which is increasing rapidly day by day, inevitably encourages the actors to be more creative and innovative in formulating marketing strategies. Marketing strategy is often likened to the heart of a business's life because here the silk industry players must see the focus of their business. So at this time the focus of industry players must be observant and thorough in creating a resilient marketing strategy in the midst of intense market competition. The most important factor that must be considered by business owners besides human resources is a clear market segment. Silk industry actors must be able to see the right market segment for the production they have, the market is the most important thing that must be considered by business owners. It is important for the government to intervene positively, professionally and proportionately in creating a joint marketing system for the silk industry.

The government and silk industry players must be able to determine which commodities have a relatively high selling value in the market. Market analysis must also be carried out in the face of increasingly modern world markets as a measure of the potential possessed by superior products in an area. The marketing of silk industry products is to see that the marketing focus is running quite optimally. This can be seen from the government, in this case the Wajo Regency Industry, Trade, Cooperative and UKM Service, involving silk industry players in events or exhibitions inside and outside Wajo Regency. So that a small strategy like this is able to socialize the product so that the target buyer can be achieved.

2) Attention to HR in determining the focus of marketing

In this strategy, an understanding of prices and market needs is carried out so that there are no losses due to unsolicited products on the market caused by high prices or products that do not meet the needs of the community. Therefore, to avoid losses, the products being marketed must be in accordance with the wishes and needs of buyers by looking at the marketing trends of products that sell a lot. The government must facilitate silk industry players to gain knowledge of existing market needs.

The following is an excerpt from an interview with the Head of the Textile Industry at the Office of Industry, Trade, Cooperatives and UKM Wajo Regency:

> "In the training conducted by Dekranas, the craftsmen are equipped with skills in processing silk fabrics. So before it was only used to make lifa' sabbe (silk sarongs), now it has become jackets, clothes, scarves etc...."

Identifying the buyer group is important to be able to determine which direction the product distribution will be. Errors in the focus will result in losses where the products distributed are not on target or not in accordance with the wishes of the community. In this focus strategy, silk industry players are directed to a more professional production process. Utilizing high quality resources so that the focus on marketing and production can be achieved easily. Improving human resource *skills carried out in this strategy aims to focus on production and sales to be consistent with the products produced.* The Office of Industry, Trade, Cooperatives and UKM of Wajo Regency is making efforts to increase resources by conducting training in collaboration with Dekranas.

Training is an important organizational investment in human resources. The training engages all human resources to acquire learning knowledge and skills so that they will soon be able to use them in the development of their silk industry. Basically, training is needed because there is a gap between the skills needed and the skills possessed now.

The importance of increasing human

resources to maintain quality and marketing focus is felt by all business actors, both from the agency and the silk industry players themselves. The existence of other products or competitors from outside the area triggers how to make the fostered agency actors have to prepare more carefully for product results to be able to fulfill sales to target buyers or groups of buyers.

This is also in accordance with what was stated by the Head of the Textile Industry Department of Industry, Trade, Cooperatives and SMEs that:

> "Training and coaching for silk industry actors is really necessary so that they can compete and develop their business. Because most of these craftsmen only graduate from high school or junior high school or have never even attended school, so with guidance it is hoped that their skills will increase in processing silk cloth into finished goods and have economic value..."

The training provided certainly has benefits, these benefits are then expected by the Service to be truly felt by the silk industry players in the future. Basically, resource training has several benefits, namely:

1. Helping existing resources in the organization to make decisions with much better thinking than before conducting training.
2. Improving the ability of resources in solving various problems faced by the organization
3. The emergence of encouragement in every resource to continue to improve its work ability.
4. With increased ability to overcome existing problems, self-confidence will arise in their souls.
5. Availability of information on various programs that can be utilized in the context of technical and intellectual growth.
6. Increased job satisfaction.
7. The greater the recognition of one's abilities.
8. The greater the determination to be more independent.
9. Reducing the fear of facing new tasks in the future.

The requirements for implementing this strategy are that there is sufficient *market size* , good growth potential, and not too much attention from competitors in order to achieve success (competitors are not interested in moving in that niche). According to this strategy, the Office of Industry, Trade, Cooperatives and SMEs of the Wajo Regency needs to work out ways on how silk industry players are able to see market segments that have great potential. This market segment is then used for production. This is in accordance with the opinion of the Head of the Textile Industry Office of the Office of Industry, Trade, Cooperatives and SMEs that:

> "For the types of products produced by the silk industry, actually it is necessary to conduct a survey first to see the potential market so that the target buyers are clearer. However, this is still constrained due to the limited resource capacity of the agency that is skilled in that field, and returning to the silk industry, which must be able to play an active role in finding the right market as an entrepreneur."

Usually, organizations that operate with this strategy concentrate more on a certain market group, a certain geographical area, or certain goods or services with the ability to meet consumer needs well. The focus strategy emphasizes the direction of achieving target buyers and geographic markets. Each product result must have a target buyer so that there is no broad market. Avoiding the possibility of high risk of competing with other products by narrowing the market according to the focus on production results. This can be achieved well when the cooperative and silk industry services are able to combine the potential of the silk industry services and actors. The occurrence of a targeted market is the focal point of this strategy.

5. CLOSING

5.1 Conclusion

By looking at the results of the study, the authors can draw the following conclusions:

a. Cost advantage strategy (*cost advantage*)
   The Office of Industry, Trade, Cooperatives and SMEs of the Wajo Regency, according to the strategy of cost advantage, was not so achieved, the strategy that prioritized organizational productivity by seeing costs as an important factor to achieve goals was not able to be implemented.
b. Differentiation strategy
   In the differentiation strategy, the Office of Industry, Trade, Cooperatives and UKM of Wajo Regency has more value in this strategy, the characteristics of a strategy that emphasizes the uniqueness and uniqueness of products in the target market. There are many government programs in terms of differentiation, one of which is the soon to patent Wajo silk cloth which is currently in the process of being patented at the Ministry of Law and Human Rights through geographical indications.
c. Focus strategy
   The focus strategy carried out by the Wajo District Office of Industry, Trade, Cooperatives and SMEs has been carried out and in its implementation looks quite optimal. The hallmark of this strategy is to determine target buyers by utilizing buyer groups, product line segments, and strategic markets. This has been done by the Department of Industry, Trade, Cooperatives and SMEs by maximizing the silk village that has been formed by placing home craftsmen to sell their silk products.

5.2 Suggestion

a. The district government of Wajo should pay more attention to the silk industry by subsidizing silk thread imported from outside the region. With the subsidy of silk thread, it is expected to be able to increase income for the silk industry players.
b. It is recommended that the Office of Industry, Trade, Cooperatives and SMEs of the Wajo Regency provide regular assistance considering that the silk industry in Wajo Regency is mostly engaged in by people who have a relatively low level of education so that with periodic assistance it is hoped that they will be able to increase the skills and knowledge of craftsmen.
c. It is recommended that the Wajo Regency Government, especially the Office of Industry, Trade, Cooperatives and SMEs, is expected to be able to carry out marketing of silk industry products by utilizing social media because they see that there is an increasing interest in the online market. In addition to conducting training on the use of IT and social media for silk craftsmen. Because of that it is important for silk industry players to understand today's information technology because it can help increase sales not only locally but nationally and even international marketing.

BIBLIOGRAPHY

Bryson, J. M. 2001. *Strategic planning for social organizations.* Student Library: Yogyakarta.

David , F. R. _ 2006. Strategy *Management* . Erlangga : Jakarta.

Glueck , W.F. _ , and Jauch , L . R. , 1998. *Management Strategy and Corporate Policy.* Erlangga: Jakarta.

Hamel and Prahalad. 1995. *Management.* Tatamcgrawhill: New Delhi.

Hariadi , Bambang. 2003. *Management Strategy* . Bayumedia : Malang.

Hilt , Michael . 2001. *Strategic Management of Competitiveness and Globalization.* Salemba Empat : Jakarta.

Lundberg, DE, MH Stavenga, M. Krishnamoorthy. 1997. Tourism *Economics* : I Wayan Geriya ., Diplomacy of Cultural Excellence. PT. GramediaPustaka Utama : Jakarta.

M asy h uridan M , Zainuddin. 2008. *Research Methodology-practical and applicable*

approach . PT . Refika Aditama : Bandung.

Moleong, L. J. 2005. Qualitative Research Methods . PT. Teenagers R *osdakarya* : Bandung.

Porter, ME, 1980. *Competitive Strategy Techniques For Analyzing Industries and Competitors* . Collier Macmillan Publisher : London.

Full Moon , Nursyabani. 2006. Quality *Management* . Economi : Yogyakarta.

Siagian, SP2005. *Strategic Management* . PT. Bumi Aksara : Jakarta.

Steiner, George. and Miner, J.B. 1997. *Policy and management strategy.* Translated by Ticoalu and Agus Dharma. Jakarta: Erlangga : Jakarta.

Sugiyono , 2011. *Quantitative, qualitative and combination research (mixed methods)* . Alphabet : Bandung.

Sule , E. Q. _ and Saeful, Kurniawan. 2004. *Introduction to Management, First Edition.* Graha science : Yogyakarta .

Tripomo, Tedjo . 2005. Strategy *Management* . Engineering Science : Jakarta.

Umar, Hussein. 2001. *Strategic Management in Action* . GramediaPustakaUtama : Jakarta.

(The page is intentionally left blank to complete)

(The page is intentionally left blank to complete)