

MARKETING PERFORMANCE OF BATIK TULIS BASED OF ENTREPRENEURSHIP ORIENTATION IN DAERAH ISTIMEWA YOGYAKARTA SME's

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ABSTRACT

This study aims to examine the effect of entrepreneurship orientation and external factor to value creation and value creation to marketing performance in Batik's SMEs. Small Medium Enterprise of Batik Tulis is one of business in Indonesia, its movement can also influence economic. Batik as the original culture of Indonesia gets admission from UNESCO, but this industry development is getting decreased. In facing ASEAN economic, Small Medium Enterprise of Batik Tulis needs to keep struggle through the evaluation value creation of entrepreneurship orientation based and support from external factors, which is government. In reviewing Batik Tulis, it is conducted survey in 120 Small Medium Enterprise which is in Daerah Istimewa Yogyakarta. This analysis used structural equating modelling with Partial Least Square; it is done descriptive analysis and causality of entrepreneurship orientation, external factors, value creation and marketing performance. The study result that entrepreneurship orientation and external factor are positive affected to value creation and value creation is positive affected to marketing performance. It is appropriate with the assumption on hypothesis, that value creation can be developed by Small Medium Enterprise of Batik Tulis through entrepreneurship orientation and external factors control. Besides that, marketing performance can be also influenced by value creation. Those reviews conclude that marketing performance can be improved by value creation of entrepreneurship orientation based and support from external factors. Information from this study result can be used by Small Medium Enterprise generally in decision making of entrepreneurship orientation based. In addition, it can be input for government in facing ASEAN economic with the review of Small Medium Enterprise development as independent business.

Keywords: Entrepreneurship Orientation, External Factors, Value Creation, Marketing Performance.

INTRODUCTION

Small Medium Enterprise(SME) has been trusted as supporting of economic development in a country, both in advanced country and developing country (Sulaeman, 2004). Indonesian Bank (BI) records the economic in Indonesia, one of which is supported by Small Medium Enterprise that provides contribution until 99% for Indonesia economic development, which in 2012 reaches 6.2% and the rest is 1% in form of big business. According to the context of national industry development, the attention to grow Small Medium Enterprise is at least based

on 3 reasons, which is Small Medium Enterprise absorbs many labours, Small Medium Enterprise intensives in using local natural resources and makes positive impact towards the equitable of income distribution and economic development in village (Kuncoro, 2010).

Small Medium Enterprise in Indonesia today is faced on readiness faces ASEAN Economic Society (MEA), in which most of goods trading of intra ASEAN gets benefit rate 0% (zero rate). This is a chance for Small Medium Enterprise to fulfil ASEAN market needs with product excellence possessed, especially the product that has competitiveness as creative and innovative industry (Wicaksono & Nuvriasari, 2012). Small Medium Enterprise has to keep and improve standard, design and product quality in order to be appropriate with customer's provision in ASEAN (Abdurofiq, 2015). As for, SME-Industry based, which is covering business units that conduct production process which is known by the term of Small Medium Industry (SMI) is managed by Ministry of Industry. SMI is a business group with the number of labour is about 5 until 99 people and the selling turnover is between 200 million until 50 billion IDR that is owned by Indonesian (Protret Tiga Setengah Tahun Pelaksanaan Rencana Pembangunan Jangka Menengah Industri Manufaktur 2005-2009, 2008). One of the famous Small Medium Enterprise in Indonesia is Batik Tulis business in Daerah Istimewa Yogyakarta. In the 1980s, Batik is formal dress that must be worn in every state event or others formal events in Indonesia. Batik is one of cultural heritage belongs to Indonesia that has acquired the admission from UNESCO since 2nd October 2009 (Nurainun & Rasyimah, 2008). The development of Batik Tulis Small Medium Enterprise is getting decreased; it is seen from the decreasing of Batik production business which switches to other business. Business of Batik in Daerah Istimewa Yogyakarta in 1970 reached 1200 business units, while in 2014 there are 697 business units which is recorded in Department of Cooperative, Industry and Commerce (Nurainun & Rasyimah, 2008). The reduction in the number of Batik Small Medium Enterprise is not be separated from the low of marketing performance gained, for processing results of resources that is owned by Small Medium Enterprise, which is human and product. Truly, to improve company marketing performance is needed the support from human resources in entrepreneurship orientation (Cho & Jung, 2014).

Indonesia is a country that is famous with the term of multicultural. It can be seen from the diversity of arts and cultures which spreads widely in every area, included Daerah Istimewa Yogyakarta. Batik Tulis is one of arts and cultures from Daerah Istimewa Yogyakarta, but arts and cultures will not develop if business of Batik Tulis has no entrepreneurship orientation, remembering it is one of the initial capital to reach a good company performance (Lumpkin & Dess, 1996). Small Medium Enterprise of Batik Tulis has opportunity and chance where Batik is one of Indonesian's arts and cultures, in fact of many Small Medium Enterprises of Batik Tulis cannot keep struggle the growing and the competitiveness finally. It is caused some obstacles, such as: the decreasing of young generation who is interested to sustain business of traditional Batik Tulis and they prefer Batik with using printing technology (Saraswati & Pamungkas, 2016). From those statements, it seems degradation of entrepreneurship orientation from businessmen of Batik Tulis. The decreasing of Batik craftsmen's interest is contrary with the government's effort to encourage Small Medium Enterprise (Tambunan, 2005). So that it needs attention to Small Medium Enterprise, especially entrepreneurship orientation from businessmen of Batik Tulis in Daerah Istimewa Yogyakarta.

Entrepreneurship orientation reflects the priority that company identifies and takes the chance from external environment like factor of politic, economic, social culture, technology, environment, law and all of them play role in explaining individual decision to use the

opportunity (Block, Fisch, Hahn & Sandner, 2015). Those cases can be guidance that one of factor which influences company performance in its marketing is entrepreneurship orientation that is triggered by surrounding environment factor in order to encourage entrepreneurship activity. External factors influence the tendency of businessmen to be involved in entrepreneurship activity (Suh & Kim, 2014). Government as economy regulator and one of company's external factors form economic climate for company, helps providing infrastructure and learning for businessmen, make environment's rule in which business operates and take the active role in promotion and marketing (Ghazali & Weetman, 2006). Some studies show that business is related to external factor involvement can improve company performance and give contribution for competitive advantage (Menguc, Auh & Ozanne, 2010; Shiamwama, Ombayo & Mukolwe, 2014; Wang, Zhou, Ning & Chen, 2015). Remember, there is relationship between environment factor with marketing performance (Gadenne, Mia, Sands, Winata & Hooi, 2012), so it needs to be reviewed the relationship of marketing performance with entrepreneurship orientation on Small Medium Enterprise of Batik Tulis in Daerah Istimewa Yogyakarta.

Each of Batik Tulis which is created has value content, not only the value from price but also another invisible value which is searched by customer like traditional and prestige (Cass & Ngo, 2011). This is implying the importance of observing value creation on Batik Tulis in order to improve customer's interest in having or conducting Batik Tulis's purchasing of others Batik or ordinary clothes. By improving value from Batik Tulis product, so it will also improve customer's buying interest. Reviewing of that, the meaning is marketing performance of Batik Tulis will improve if the creation of Batik Tulis by Small Medium Enterprise's actors in Daerah Istimewa Yogyakarta can be improved. Truly, there is correlation between value creation and marketing performance (Abdullah & Sukandi, 2011; Cass & Ngo, 2011). Value creation is process happened inside of company, resources that is bought as input to production process, to get the new use value. Entrepreneurship orientation has positive effect in company value creation, where the high entrepreneurship orientation will make decision to allocate the resources which can create value in business opportunity (Martins & Fernandes, 2015). So as with the correlation from external factors in product value creation (Prada & Andrade, 2014). Innovation as one of entrepreneurship orientation dimensions can bring company to get the benefit (Kafouros, Wang, Piperopoulos & Zhang, 2015). Small Medium Enterprise is known as source of innovative product and innovation system process and the strong of entrepreneurship orientation relationship with performance is depends on the characteristic of external environment (Wiklund & Shepherd, 2005).

Reviewing of research phenomenon seems the study focuses on marketing performance evaluation for entrepreneurship orientation and external factors through value creation, with the study on Small Medium Enterprise of Batik Tulis in Daerah Istimewa Yogyakarta. The review is related to the relationship of entrepreneurship orientation with marketing performance are conducted before (Wiklund & Shepherd, 2005), but the relation with external factors and value creation fully have never been reviewed, in particular of Small Medium Enterprise in Indonesia. So it seems the research position recently is completing the previous research, which is useful for Small Medium Enterprise generally, which the importance of developing entrepreneurship orientation.

MATERIALS AND METHODS

The Relationship of Entrepreneurship Orientation, Environmental Factor and Value Creation

In development of entrepreneurship orientation, it is defined as strategic process that is conducted by company; entrepreneurship orientation reflects policy and practice that become basic for decision and entrepreneurship action (Rauch, Wiklund, Lumpkin & Frese, 2009). Therefore, entrepreneurship orientation can be regarded as the process of entrepreneurship strategy creation that is used by decision maker in reaching the company's goal, maintaining their business and creating competitive advantage. Generally, entrepreneurship orientation is a company strategic orientation that can comprehend aspect of decision making of entrepreneurship which is specific, style, method and practice (Frank, Kessler & Fink, 2010). Besides that, it is said that entrepreneurship orientation reflects style and special methods about strategic guidance, decision making and running a business (Lan & Wu, 2009).

Surely, entrepreneurship orientation can be valued from some dimensions, in study of Hughes & Morgan (2007), identified five dimensions of entrepreneurship orientation that have a big influence on performance as the important priority for small business which has limited resources that is growing, such as: innovation, be brave in taking risk, proactive, aggressively compete and autonomy. The same cases also stated by Naldi, Nordqvist, Sjoberg & Wiklund (2007) & Rauch et al. (2009), who judge that entrepreneurship orientation is better seen as multidimensional construction which is innovation, proactive, taking risk, aggressively compete and autonomy because it impacts to performance; it is different in organization context on Small Medium Enterprises needed entrepreneurship orientation, in order to improve value creation on product created. This case based on reviewing from the previous studies which seems there is relationship between entrepreneurship orientation with value creation (Keil, Maula & Syrigos, 2015; Martins & Fernandes, 2015). Innovation as one of entrepreneurship orientation dimensions is potential to create value, introduce product or new service as source of traditional value creation (Hafeez, Noor, Shariff, Bin & Lazim, 2012).

Small Medium Enterprise is started from businessmen who can identify new chance in a society and encourage to use that opportunity (Yahya, Nair & Piaralal, 2014). In strategy maintaining value creation, supported by capability conducted in different activity or micro practice in Small Medium Enterprise (Achtenhagen, Melin & Naldi, 2013). Actually, company in maintaining value creation in a way of strategic action, capability and activity. Those three things as a tool for manager to help business model management. Perspective of dynamic capability can make company success in maintaining the value which needs selection of business idea and the number of resources and the competence which is hard to be imitated.

Entrepreneurship orientation that has owned by company influence positively in company value creation, in which the influence of decision directly hit to entrepreneurship's behaviour and overflow authority are characteristic of entrepreneurship in organization, so that it encourages entrepreneurship's behaviour (Keil et al., 2015). Value creation is one of bridge that can improve the value of a company; obviously, by improving the value of a business will give the value for the owner. Therefore, business owner will be care of the process and value creation result from a business. Value creation is the output of a process that encourages creativity and diversity, yet does not allow the players to go out of tune completely (Pagani, 2013).

Another aspects that must be considered in supporting entrepreneurship orientation to create company value is social culture in which businessmen has to make sure that every plan in

entrepreneurship activity has conformity with local culture (Choi & Gray, 2008). Actually, culture and tradition from the environment of businessmen have the impact on product value creation or service created by company (Prada & Andrade, 2014). Environment factors is a pool of resources; the degree of resources abundance is called environmental munificence and it will significantly influence the start-up process (Gomezelj & Kusce, 2013). Meanwhile, Mann & Blum (2002) define environment factors as “The role of company with an emphasis on initiative, innovation and entrepreneurship, within organization or independently”. These factors as determining factors to produce and entrepreneurship can be used as basic determining of an organization face with uncertainty of environment. The input, especially on regulation or rule that is enacted by government, where businessmen has to participate and balancing or investigating all of regulations initiated (Li, Zhao, Shi & Li, 2014). Those statements are stated by the previous studies, where it is explained that macroeconomic factor has the meaning of existing the relationship between external factors (macroeconomic and cultural factors) with value creation (Hegbrant & Hellberg, 2014).

Culture is the strongest component that influences businessmen to create value which is the value of economic, social and environment that become target of value creation (Hechavarria et al., 2016). At Small Medium Enterprise in Indonesia, external factors are needed to encourage in creating the product value. From the review of entrepreneurship orientation, external factors and value creation for Small Medium Enterprise, so it is stated the hypothesis of this study which is mixed on Hypothesis 1 (H1) and Hypothesis 2 (H2).

H1: Implementation of entrepreneurship orientation can influence value creation of Small Medium Enterprise on its product.

H2: Orientation of company external factors can influence value creation of Small Medium Enterprise on its product.

The Relationship of Value Creation and Marketing Performance

Value creation is one of bridges that can improve the value of a business, of course by improving the value of a business will give the value for the owner (Poulain-Rehm & Lepers, 2013). Besides that, value creation is also useful in measuring performance of company (Cass & Ngo, 2011), in which it seems the value obtained from the product assessed by its customer as the dimension success of value creation (Awa, 2010). Small Medium Enterprise as businessman in Indonesia faced by value creation of its product, in this case the value of carving on Batik Tulis. Remember, the transcription on Batik that created can influence customer’s assessment, where product value of Batik is its motif (Sanabila & Manurung, 2009). The final result of the perfect value creation is supporting on a good marketing performance, those cases are in line with the review of some previous researches (Abdullah & Sukandi, 2011; Cass & Ngo, 2011; Chen, Wang, Huang & Shen, 2016).

To get benefit from the value created, it is conducted through innovation activity (Biggemann, Williams & Kro, 2014). It explains the importance of innovation on product value creation of company. Innovation which is done by Small Medium Enterprise of Batik Tulis obviously needs to be noticed, in order to improve the value of Batik that it is created. Kotler & Keller (2012) said that “Value creation is how a company can efficiently create more promising new value offering? To exploit a value opportunity, the company needs value-creation skills.” Those opinions affirm that value creation is closely related with the change of more efficiently product value and company needs that ability. In which company can be more focus on its

customer. Small Medium Enterprise is known as innovative product source and in the process of innovative system, it has competitive advantage like response from market, effective internal communication in an innovation activity (Najib & Kiminami, 2011).

Company as economic actor and legal entity; in its role as customer and provider. As customer, company tries to optimize customer's advantages and as provider, company aims to optimize the income obtained from customer from product and service provided (Bowman & Ambrosini, 2000). Product and service provided is surely focus to review about value creation process, with recommendation from creation value to create organization performance (Cass & Ngo, 2011). Organization performance can be separated from marketing performance (Imam & Zainul, 2014), where something that is produced by company in certain period with refers to the standards assigned (Clark, 2001). Those reviews emphasize indirectly that marketing performance is the result from company performance. It is emphasized by Chenhall & Langfield-Smith (2007), who stated "Firm performance in its broadest sense as the outcomes of organizational activities can be characterized in financial and non-financial parameters". Why company performance is not marketing performance. The essence of those opinions are the same with the first opinion from (Clark, 2001), which is the pressing of the result obtained by company. The final result of value creation is on marketing performance, based on those reviews so it is made the hypothesis three (H3).

H3: Value creation on Small Medium Enterprise can influence the improvement of marketing performance.

From three hypotheses proposed (H1, H2 and H3), so it seems the research framework explained on Figure 1.

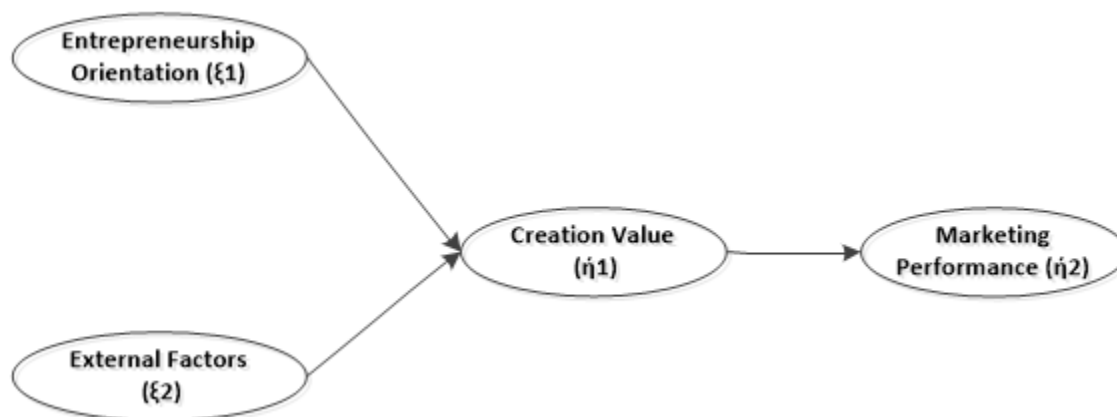


Figure 1
THE RESEARCH FRAMEWORK

Research Method

This empirical study reviewed the impact of entrepreneurship orientation implementation and external factors in value creation, also its impact on marketing performance. Descriptive and verification study were conducted by research hypothesis testing (H1, H2 and H3). Data and information obtained by questionnaire and direct survey to Small Medium Enterprise of Batik Tulis in Daerah Istimewa Yogyakarta Indonesia. In which it was determined about 125

respondents which was the owner from Small Medium Enterprise of Batik Tulis, with the data retrieval as cross sectional one shot in 2016. There were four research variables, such as: entrepreneurship orientation, external factors, value creation and marketing performance. The research construct was measured by dimension and indicator stated in research questionnaire. In measuring the research construct used five points of Likert Scale 1-5 which was “disagree” until “agree”.

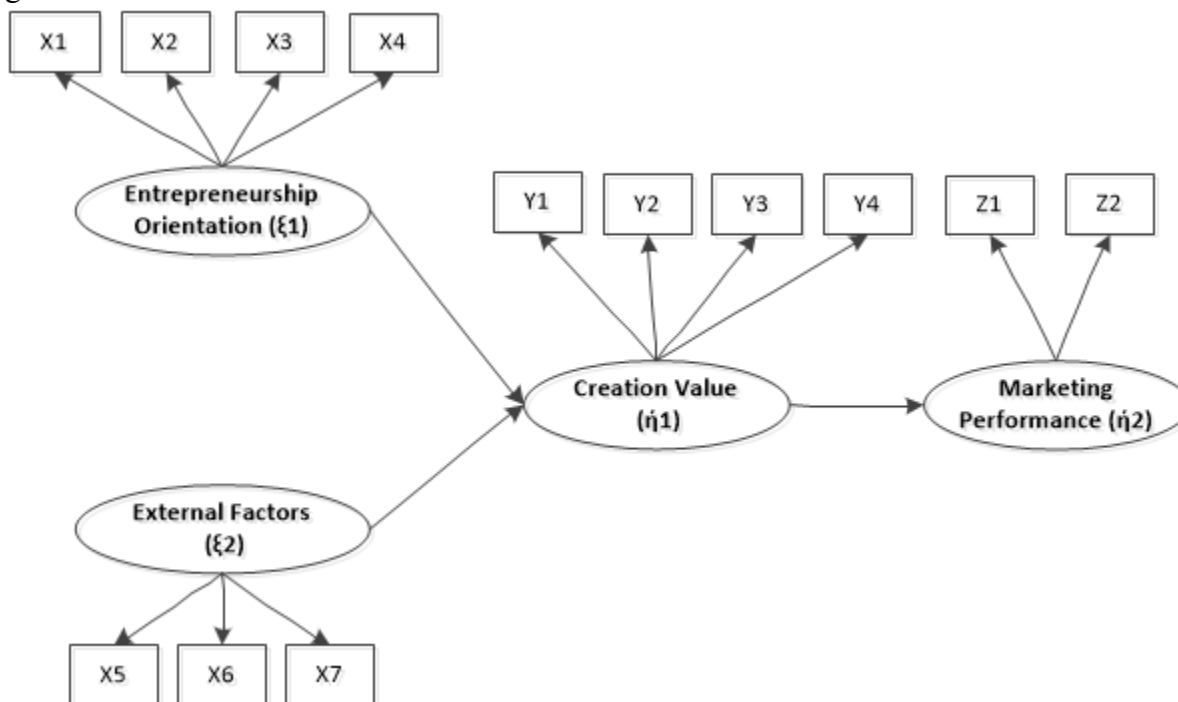


Figure 2
RESEARCH MODEL

The measurement of each research variables explained as follows:

Entrepreneurship Orientation (ENTRE) consisted of four dimension such as: innovation (product design, product idea, creativity, number of product, product introduction), proactive (opportunity to develop business, fulfil market demands, market information, response competitor, initiative), risk taking (capital access, bearing of risk, big assets, experiment) and autonomy (labour acts and thinks individually, authority and labour’s responsibility, labour’s freedom, information for labour and labour’s initiative). **External Factors (EXTE)** included three dimensions like social culture (the influence of culture, local resources, entrepreneurship tradition), Public Support (promotion supporting, product protection, training of product standardization, training of entrepreneurship) and technology (electricity equipment, internet, information through internet). **Value Creation (VALC)** consisted four dimensions, such as: performance value (product quality, product over customer’s expectation, innovative product features), Value Price (a fair price, a consistence price, benefit price for customer), value of co creation (customer interaction, design product with customer, cooperation with customer), Relationship Value (easiness of access, special offering, the relationship of long period). **Marketing Performance (MART)** consisted of two dimensions like selling volume (selling growth and selling volume), Market Segment (the improvement of market segment and the

improvement of market segment growth). Furthermore, the complete research model would be tested and stated on Figure 2.

Remember the research model (Figure 2) lead to path analysis, so it is used SmartPLS as data processing. And for conformance test of the research model, it was conducted validity test (Loading Factors, Average Variance Extracted) and reliability test (Cronbach's Alpha, Composite Reliability) for research questionnaire.

RESULTS

The study result is derived data about 125 questionnaires from Small Medium Enterprise of Batik Tulis's owner in Daerah Istimewa Yogyakarta. In which the average Small Medium Enterprise of Batik Tulis has been over 10 years in making Batik Tulis, with the numbers of workers are over 5 people. From the respondents' background seem that Business of Batik Tulis that is initiated are a form of preservation of local culture; besides that it can produce profit for them because Small Medium Enterprise of Batik Tulis is hereditary business.

From the data obtained by questionnaire, it is conducted validity test and data reliability, with the provision for the value of Loading Factors and Average Variance Extracted (AVE) >0.5 , while the value of Cronbach's Alpha and Composite Reliability >0.7 . Based on Table 1 and Table 2, it seems all of the values fulfil the determined standard. So it can be assumed the research model fulfils the requirement of model conformity. As for the research model of test result stated on Figure 3.

ITEMS	EXTE	ENTRE	MART	VALC
X11		0.887		
X12		0.839		
X13		0.795		
X14		0.718		
X21	0.743			
X22	0.808			
X23	0.683			
Y1				0.722
Y2				0.684
Y3				0.828
Y4				0.856
Z1			0.936	
Z2			0.963	

Variables	Composite Reliability	Average Variance Extracted (AVE)	Cronbach's Alpha
EXTE	0.790	0.557	0.702
ENTRE	0.885	0.660	0.828
MART	0.948	0.902	0.893
VALC	0.803	0.522	0.674

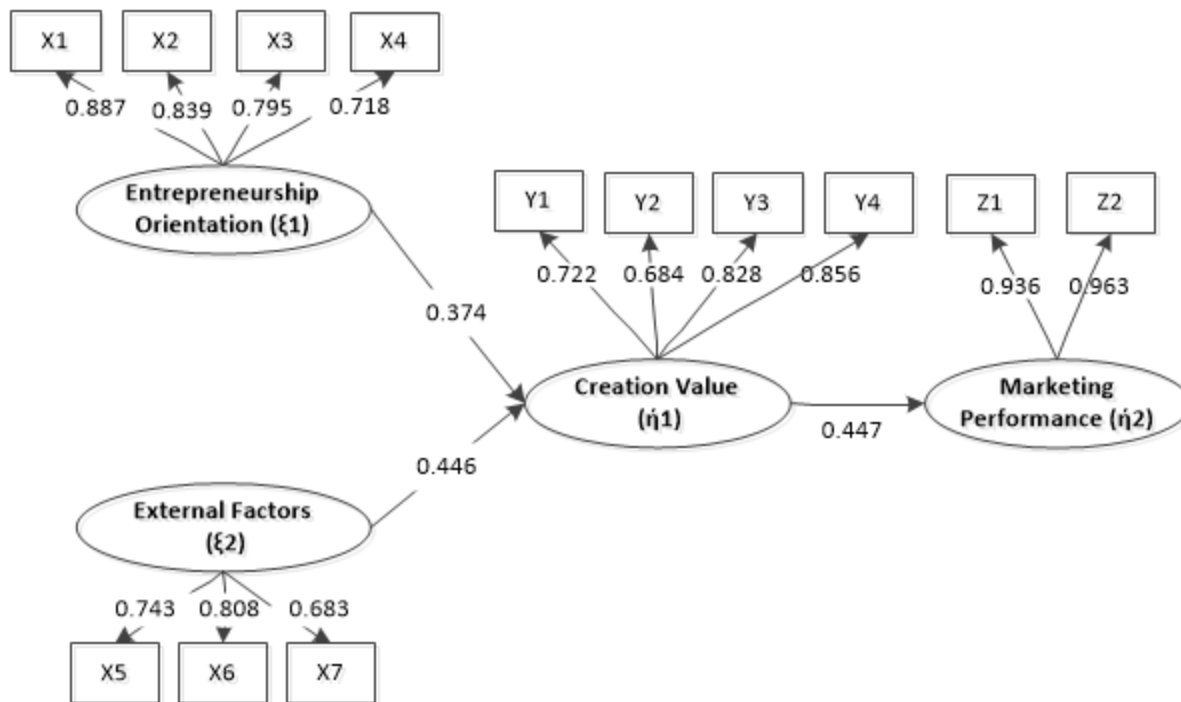


Figure 3
THE FINDING OF RESEARCH MODEL

The test result which is conducted (Tables 1 and 2 and Figure 3) next to test the study result is conducted Hypothesis test. Hypothesis stated there are three (H1, H2 and H3), from all of hypotheses proposed is support for the result. In which the meaning of them are appropriate with the expectation, which is there is influence from entrepreneurship orientation on value creation (H1), the influence of external factors on value creation (H2) and the influence of value creation on marketing performance (H3). Those test value seem on Table 3.

Table 3 COEFFICIENT PATH				
	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)
ENTRE->VALC	0.446	0.450	0.080	5.551
EXTE->VALC	0.374	0.383	0.072	5.185
VALC->MART	0.447	0.449	0.074	6.062

Value Creation of Small Medium Enterprise Product of Batik Tulis through Businessmen Entrepreneurship Orientation and the Control of External Factor Industry

The research finding explained there is relationship between entrepreneurship orientations with value creation (Figure 3). This case explains directly that to improve product value from Batik Tulis in Daerah Istimewa Yogyakarta is needed entrepreneurship orientation from businessmen of Small Medium Enterprise. It is in line with the previous study of Keil et al. (2015), who explained the correlation between entrepreneurship orientation with value creation

process. Entrepreneurship orientation is making decision process of company through innovation and new creativity, in delivering company success.

So that innovation, proactive, risk taking and autonomy from businessmen can improve value creation Small Medium Enterprise of Batik Tulis. In entrepreneurship orientation, innovation becomes the major dimension that needs to be noticed. Innovation seems to be a trigger for businessmen to give the best product (Szczepańska-Woszczyna, 2015). The same case also seems happened on Small Medium Enterprise of Batik Tulis in Daerah Istimewa Yogyakarta. Next, the measurement of proactive from businessmen also become the important measurement, remember spirit and passion to go forward accompany usually proactive from businessmen (Hussain, Talib & Shah, 2014), in providing the best product creation. One of the current innovations on Batik Tulis is the use of “green batik” concept which uses the natural dyes, which leads environment issue for the product. That concept has truly impact on customer’s interest, because customer’s friction today has already on friendly products (Alamsyah & Angliawati, 2015). Innovation in Batik motif that combines traditional batik concept and design with combining transcription and printing motif as superior product where a high quality and valuable product are under the competitor; that case is the value created by SME of Batik Tulis. The rest that must be noticed is on entrepreneurship orientation is risk taking soul where businessmen of Batik Tulis do experiment before they produce batik, in order to get a high quality of Batik Tulis and autonomy for their business, in which they give authority to workers who make batik to be creative in creating a valuable Batik. Besides of entrepreneurship orientation, external factor has control for value creation UMKM of Batik Tulis. It seems on Figure 3, explained its correlation value on value creation. This finding is line with previous study from Hegbrant & Hellberg (2014); those findings explain that value creation can be improved if Batik Tulis’s businessmen in Daerah Istimewa Yogyakarta can observe external factor.

Some of considerations in external factor are social culture, public support and technology. Public support becomes the most closely measurement and external factor, like at company in getting investor commonly investor notices the assessment of public support (Plotnicki & Szyszka, 2014). It means the overview of public support needs to be attention for Small Medium Enterprise of Batik Tulis, especially public support also became support to evaluate company performance indirectly (Goedhuys & Sleuwaegen, 2013). The other cases that must be noticed in external factor are social culture and technology. Batik Tulis is not separated from social and culture element, in fact of Batik is original traditional culture from Indonesia (Sanabila & Manurung, 2009). So this element becomes one of dimension in external factor, it is the same with technology. In which the development of technology actually attracts the attention both big or small businessmen that exist on Small Medium Enterprise (Chumaidiyah, 2012). The influence of environment factor encourages value creation on Small Medium Enterprise with fixing service from government, like training program of Batik Tulis’s businessmen which can help them. Helping like learning Batik making process that is efficient appropriate with standardization, such as training of RISPRO (Research of Batik Tulis Natural Dyes), concerning about high quality-colouring that is held by Balai Batik who corporates with Gadjah Mada Yogyakarta University. And also exhibition and protection of Batik Tulis from modern batik where batik will give certification in form of mark-batik that aims to protect the original Batik Tulis product. Value creation by government is more than innovation, both organization or policy and more than leadership. Government as instrument from the whole of choices and

activities with constitution, institution, policy, program, rule and others are social construction (Kirlin, 1996).

Compared with entrepreneurship orientation, the impact of external factor is actually bigger. It seems from coefficient value (Figure 3), reviewing that result is recommended for Small Medium Enterprise of Batik Tulis keep focus review and keep maintain external factor, but it is not forget entrepreneurship orientation. Because if both factors are combined, it is surely has a quite good impact on this creation, which is 45%. Innovation from this study is the existing of literature simultaneously among entrepreneurship orientation and external factor on value creation. In which a part of those study has not already been literature of the previous researches.

Improving Marketing Performance through Value Creation

Company exists to create the value for other people which is customer (Biggemann et al., 2014). However, there is a few research has developed comprehensive environment which impacts on all of organization system and give additional value for organization and company stakeholders (Sutthirak, 2012). Company as economic actor and legal entity, in the role as customer and provider, as company customer tries to optimize customer surplus. Company aims to optimize profit obtained from customer from product and service provided (Bowman & Ambrosini, 2000). Small Medium Enterprise of Batik Tulis in Daerah Istimewa Yogyakarta does the same, in this case gives the best product for customer through adding value on its Batik. It seems from the measurement explained on value creation which is performance value for product, price value stated, cooperation value with customer in creating product and the relationship value built. Small Medium Enterprise of Batik Tulis feels that value creation will do well when it can conduct cooperation with customer in case of product creation; in the meaning of Batik Tulis manufacture depends on customer's desire. This is not rarely happened, remember company often tries to touch its customer with co-creation value (Biggemann et al., 2014). Cooperation between company and customer in product creation surely bring to positive way, where comfortable feeling and customer's satisfaction will also improve (Yin & Jamali, 2016). This case maintained by Small Medium Enterprise of Batik Tulis, in the effort of maintaining its marketing performance.

Besides that the relationship value formed by Small Medium Enterprise also support of value creation. Customer is very appreciating for special offering from product offered by Small Medium Enterprise. Customer is not often think that Batik Tulis is premium product (Sanabila & Manurung, 2009), so special offering is big opportunity which needs to be responded by customer. And long step which is conducted by Small Medium Enterprise of Batik Tulis is try to remember customer with the product design that is appropriate with customer's desire (Sirdeshmukh, Singh & Sabol, 2002). In value creation, the value of product performance, such as: product quality, product that is over customer's satisfaction, innovative product features, also price value for product like a fair price, a consistence price, a profitable price for customer; it is actually can create the better of value creation. Those cases obviously need to be maintained by Small Medium Enterprise, in the relation with marketing performance of it. Value creation given by Small Medium Enterprise of Batik Tulis finally can control marketing performance, this case is depends on correlation value that seems on Figure 3.

Reviewing from the finding of this chapter, it seems to explain the similarity with the previous research (Abdullah & Sukandi, 2011; Cass & Ngo, 2011; Chen et al., 2016; Husted & Allen, 2007), where it explains that marketing performance from company can be improved if company can give the best value both product and its service. However, if it is combined with

the previous result, it seems to appear new research model (invention), which is the improvement of marketing performance through value creation also support from entrepreneurship orientation and external factors (Figure 3). Remember the finding of this research model especially Small Medium Enterprise of Batik Tulis has never been the review of the previous study. Also the impact of this finding is also useful for Small Medium Enterprise in Indonesia generally, where businessmen gathers on Small Medium Enterprise that suggested considering entrepreneurship orientation and the influence of external factors before create the value for product and its service. After that, it will reach a better marketing performance. By improving marketing performance from Small Medium Enterprise in a country, it obviously encourages economic improvement from that country, like Indonesia; so the support from government is very expected. At least, this study result can be the useful information for government in considering the improvement of Small Medium Enterprise through performance-entrepreneurship and value creation based.

DISCUSSION

Marketing performance from Small Medium Enterprise of Batik Tulis becomes a barometer of company success. So SME of Batik Tulis tries to improve marketing performance through value creation and also entrepreneurship orientation and external factors control. Actually, after it has conducted the examination of entrepreneurship orientation and external factors are indeed capable to influence businessmen of Batik Tulis in implementation of product value creation and its service. Businessmen need to observe innovation-soul and proactive, this case becomes dimension of success from entrepreneurship orientation besides risk taking-soul and autonomy. Besides that, some cases which need to be considered from external factors are public support, except social culture and technology. Those research sections complete the previous research (Hegbrant & Hellberg, 2014; Keil et al., 2015), but there is difference of dimension and review model, where it is conducted simultaneously in the study today.

Other conclusion that stated is SME of Batik Tulis finally find value creation of product and its service. It is determined by dimension of co-creation and the relationship value, also the value of product performance and the value price determined. Besides that, actually value creation that is conducted by SME of Batik Tulis can improve marketing performance. Those cases seem from the development of market segment and selling volume, which have good correlation with marketing performance. So value creation can be as one of barometer to reach marketing performance. Research model reviewed in this study is the latest findings, although it completes from other researches separately. And the study result can be used by SME generally in Indonesia in the effort of fixing marketing performance through value creation and support from entrepreneurship orientation also external factor. Today, it has spread the marketing effort with the review of environment through green marketing concept (Ko, Hwang & Kim, 2013), those cases are suggested to be reviewed furthermore. Remember it has not already explained on the study currently and it has impact on marketing performance (Ariffin, Yusof, Putit & Shah, 2016).

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