

## Business Strategy to Improve the Competitiveness of Sekarmulyo Batik

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**Abstract.** *This study aims to formulate a business strategy to increase the competitiveness of Batik Sekarmulyo, a hand-drawn batik business operating in Rembang Regency. The problems faced include limited product innovation, suboptimal digital marketing, and competition with other batik producers. The research method used is a case study with a descriptive qualitative approach, through interviews, observations, and documentation. The analysis was conducted using a SWOT analysis. The results show that strategies that need to be developed are product design innovation by emphasizing local wisdom, optimizing promotion through social media, improving the quality of human resources through training, and strengthening marketing networks. The implementation of this strategy is expected to increase the competitiveness of Batik Sekarmulyo, expand market share, and support the preservation of batik culture in Indonesia.*

**Keywords:** *Business Strategy; Batik; Competitiveness.*

### 1. Introduction

One of the main challenges faced by Micro, Small, and Medium Enterprises (MSMEs) in Central Java is limited access to capital and financing. According to data from the Central Java Provincial Cooperatives and MSMEs Office, approximately 60% of MSMEs in the region experience difficulties accessing capital loans from formal financial institutions. This is due to complicated administrative requirements, a lack of collateral, and low financial literacy among MSMEs. As a result, many MSMEs rely on informal loans with high interest rates, which actually burden their cash flow. Bank Indonesia data shows that only 30% of MSMEs in Central Java have active bank accounts, reflecting low financial inclusion in this sector. (Central Statistics Agency, 2023).

Furthermore, MSMEs in Central Java also face challenges in marketing and digitalization. A 2023 survey by the Central Java Statistics Agency (BPS) revealed that only 35% of MSMEs had utilized digital platforms to market their products. The majority of MSMEs still rely on

conventional marketing methods, such as direct sales or through traditional markets, which are less effective in reaching a wider market. Lack of knowledge about digital technology and limited internet infrastructure in some rural areas are major inhibiting factors. However, adapting to digital technology can be key to increasing MSME competitiveness, especially in the rapidly growing digital economy.(Central Java Province Cooperatives and Small and Medium Enterprises Service, 2024).

Traditional batik MSMEs in Lasem, Central Java, face significant challenges in maintaining their existence amidst the onslaught of modernization. Lasem, known as "Little China Town" due to the strong Chinese cultural influence in its batik motifs, boasts a rich traditional batik heritage. However, according to data from the Central Java Department of Industry and Trade, only around 40% of Lasem batik artisans still employ traditional techniques, such as the use of canting (a type of dyeing tool) and natural dyes. Most artisans struggle to compete with modern, mass-produced batik at lower prices. Furthermore, the regeneration of traditional batik artisans is hampered by the low interest of the younger generation in learning the complex and time-consuming ancient techniques.(Central Java Province Cooperatives and Small and Medium Enterprises Service, 2024).

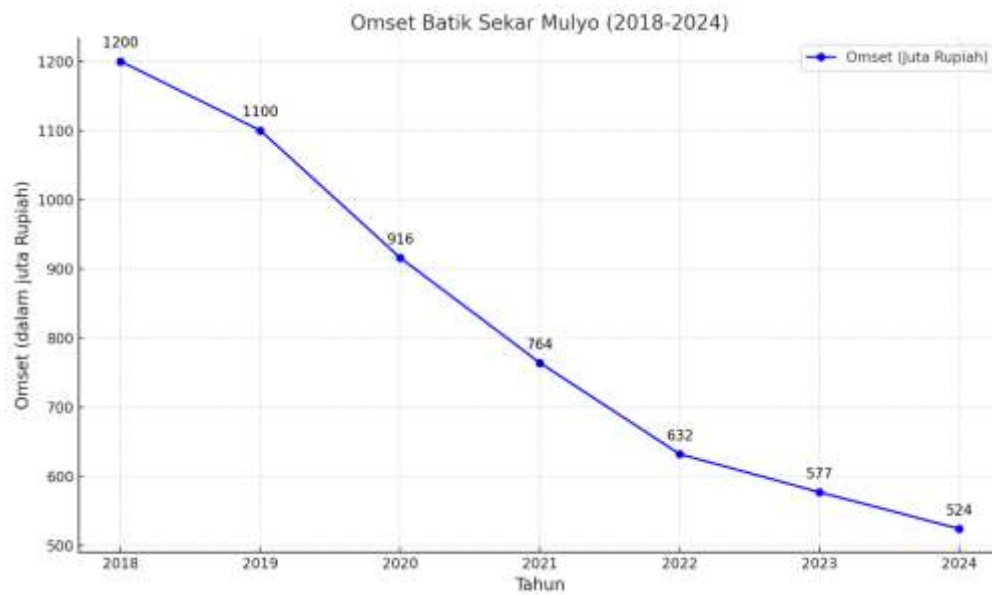
On the other hand, modernization and digitalization pose unique challenges for Lasem batik MSMEs. Although some artisans have begun to turn to digital platforms to market their products, this technological adoption is not yet widespread. A 2023 survey by the Lasem Batik Artisans Association showed that only 25% of artisans actively utilize social media or e-commerce to sell their batik. The majority of artisans still rely on direct sales or through intermediaries, which limits their market reach. Furthermore, the modernization of production with batik printing machines also threatens the existence of traditional hand-drawn batik, as consumers are often more attracted to lower prices than the artistic and cultural value inherent in hand-drawn batik. This creates a dilemma between maintaining tradition and embracing modernization to survive in the competitive market.

Batik Sekarmulyo is a micro, small, and medium enterprise (MSME) engaged in the manufacture of authentic Lasem batik. Located in Babagan Village, Lasem District, Rembang Regency, Central Java, the company was founded in 2010 by the owner who has a great interest in batik. With an initial capital of around 20 million rupiah, Batik Sekarmulyo has grown into one of the centers of hand-drawn batik in Rembang Regency, known for its distinctive Lasem patterns and colors. The company not only produces batik cloth, but also ready-to-wear clothing from batik cloth, with various unique motifs such as aseman, gunung ringgit, lasem krecek, and many more.

Batik Sekarmulyo's vision is to preserve and cultivate the Lasem batik tradition and improve the welfare of the surrounding community. The company's mission includes promoting Lasem batik nationally and internationally, improving product quality and competitiveness, and sharing knowledge and information about batik with the community. With approximately 200 employees, both on-site and in-house, Batik Sekarmulyo is committed to producing high-quality, competitive batik.

Batik Sekarmulyo's marketing strategy includes promotions through social media platforms

like WhatsApp, Facebook, and Instagram, as well as participation in exhibitions both within and outside the city. The company also offers discounts for bulk purchases, attracting resellers and customers. With a wide distribution network, including major cities like Jakarta, Bandung, Semarang, and Surabaya, Batik Sekarmulyo continues to strive to increase sales volume and expand its product market. Batik Sekarmulyo Lasem's current challenge is a decline in sales turnover from 2018 to 2024.



#### Picture

#### Sekarmulyo Lasem Batik Turnover 2018-2024

Source: Batik Sekarmulyo Lasem (2025)

#### Table

#### Sekarmulyo Lasem Batik Turnover 2018-2024

Year	Turnover (Million Rupiah)	Growth (Million Rupiah)	Growth (%)
2018	1200	-	-
2019	1100	-100	-8.33%
2020	900	-200	-18.18%
2021	800	-100	-11.11%
2022	700	-100	-12.50%
2023	600	-100	-14.29%
2024	500	-100	-16.67%

Source: Batik Sekarmulyo Lasem (2025)

Batik Sekar Mulyo experienced a consistent decline in turnover from 2018 to 2024. In 2018,

turnover reached 1,200 million rupiah, but in the following year it fell to 1,100 million rupiah, indicating a decline of 8.33%. This downward trend continued with a decline in turnover of 18.18% in 2020, 11.11% in 2021, 12.50% in 2022, 14.29% in 2023, and 16.67% in 2024. At the end of the period, turnover fell to 500 million rupiah, indicating significant challenges in the growth of Batik Sekar Mulyo's business over the past seven years, which was most likely caused by increasingly fierce market competition, especially with the presence of batik products from other manufacturers. The COVID-19 pandemic that hit the world in 2020 had a significant impact, causing turnover to drop drastically to 916 million Rupiah. This decline is inseparable from the reduction in economic activity and people's purchasing power, which also affects the creative industry sector such as batik.

In 2021, the impact of the prolonged pandemic became increasingly apparent, resulting in a further decline in revenue to 764 million Rupiah. Changes in consumer behavior, prioritizing basic necessities, and the emergence of substitute products exacerbated the situation. In 2022, revenue was recorded at 632 million Rupiah, the lowest point in five years. The challenges of a slow economic recovery and increased competition from modern and digital batik products also limited Batik Sekarmulyo's scope for expansion. This trend continued in 2023 and 2024, with revenues reaching 577 million Rupiah and 524 million Rupiah, respectively. This continued decline reflects the need for Batik Sekarmulyo Lasem's business strategy to increase its competitiveness.

The use of SWOT analysis in business strategy formulation is highly relevant when linked to Resource-Based View (RBV) Theory and competitive analysis. RBV Theory emphasizes that a company's competitive advantage stems from its resources and capabilities, particularly those that are valuable, rare, difficult to imitate, and non-substitutable. SWOT analysis helps identify internal resources (strengths and weaknesses) that can be linked to this theory.(Mansur & Zulfikri, 2020). In addition, SWOT analysis also helps in understanding the external environment (opportunities and threats), which is a key component in competitiveness analysis. By identifying opportunities such as increasing global market demand for cultural products or government support, Batik Sekarmulyo Lasem can allocate its resources strategically to capitalize on these opportunities. On the other hand, threats such as competition from modern batik or fluctuations in raw material prices can be addressed by optimizing internal resources, such as product innovation or production efficiency. By combining SWOT analysis, RBV Theory, and competitiveness analysis, Batik Sekarmulyo Lasem can formulate a business strategy that not only optimally utilizes internal resources but also responds effectively to market dynamics to create a sustainable advantage.(Hilmiyah et al., 2022).

## 2. Research Methods

This research uses a qualitative approach with a descriptive method. Descriptive analysis is data analysis that helps describe, show, and summarize data points in a constructive manner so that possible patterns emerge that meet each data condition.(Schindler, 2019)This study aims to identify and analyze the external environment, internal environment, key success

factors and competitive advantages that support the formulation of strategies to increase competitiveness. Sekarmulyo Lasem Batik.

### 3. Results and Discussion

#### 3.1. Respondent Profile

The profile of the research respondents is as follows:

**Table**  
**Respondent Profile**

No	Name	Position
1	<b>Bella Ayu Paramitha</b>	Owner
2	Sari Dewi	Marketing employees
3	Ahmad Fauzi	Production employees
4	Nur Aisyah	Consumer
5	Rizky Pratama	Consumer

Source: Primary data (2025)

Bella Ayu Paramitha is the founder and owner of Batik Sekarmulyo, a hand-drawn batik business that has been running for over 20 years. She comes from a family with a long history of working in Lasem batik and has mastered the technique, which has been passed down through generations. In addition to being responsible for strategic management and product development, Bella also actively oversees the production and marketing processes. Her experience and vision are crucial in maintaining the authenticity of batik motifs and quality while adapting to modern market trends.

Ms. Sari Dewi is a marketing staff member who manages promotional strategies, digital marketing, and customer relations. Around 30 years old, she has an educational background in communications and marketing. Ms. Sari is responsible for managing social media, digital campaigns, and developing Batik Sekarmulyo's distribution network. Her five years of experience at the company have given her a deep understanding of the dynamics of the batik market and the ever-changing consumer behavior.

Mr. Ahmad Fauzi is a hand-drawn batik expert with over 10 years of experience at Batik Sekarmulyo. Around 40 years old, he has mastered various traditional Lasem batik techniques, including the intricate four-color dyeing technique. In addition to creating batik products, Mr. Ahmad is also involved in training new employees and maintaining production quality standards. He is a crucial asset in maintaining the authenticity and quality of the batik produced.

Ms. Nur Aisyah, aged around 45, is a loyal customer of Batik Sekarmulyo, who uses batik products for both formal wear and personal collections. She has known Batik Sekarmulyo for a long time and appreciates its quality, distinctive motifs, and authenticity. Ms. Nur also actively follows product developments and frequently recommends Batik Sekarmulyo to friends and family. These consumer perceptions and satisfaction levels provide important insights into the product's market superiority.

Rizky Pratama is a 28-year-old customer interested in batik as a casual and lifestyle fashion

item. He purchased Batik Sekarmulyo products online and was drawn to the ready-to-wear product's innovation and eco-friendliness. Rizky represents the millennial market, which is the company's primary target market for product development and digital marketing. His feedback and preferences help Batik Sekarmulyo adapt its products to modern market trends and needs.

### **3.2. Improving the Performance of Sekarmulyo Batik Business**

Based on the key success factors and competitive advantage findings, to improve Batik Sekarmulyo Lasem's business performance, the company needs to strengthen synergy with government policies, which have been a significant source of support. Government-driven cultural preservation and MSME development programs can be optimally utilized through access to funding, training, and more intensive promotion. Compliance with tax regulations, exports, and health protocols must be maintained to ensure business operations run smoothly. This is also crucial for maintaining Batik Sekarmulyo's reputation in the eyes of the government and the wider community. By being well-prepared to adapt to policy changes, Batik Sekarmulyo can capitalize on opportunities presented while simultaneously maintaining business continuity. This proactive approach will also strengthen Batik Sekarmulyo's position in the face of competition from Oemah Batik Lasem and Batik Tulis Beruang Lasem, which also diligently follow government policies and are active in cultural preservation.

On the production side, the implementation of environmentally friendly practices needs to be further optimized. The use of natural dyes and systematic waste management will not only meet environmental standards but also add value to the product in the eyes of increasingly sustainability-conscious consumers. Obtaining environmental certification will provide a competitive advantage that can differentiate Batik Sekarmulyo from its competitors, especially Oemah Batik Lasem, which is also starting to emphasize sustainability. Continuous training for employees to master environmentally friendly production techniques is essential to maintain consistent quality. Clear communication to consumers about these environmentally friendly values will increase loyalty and expand the market. With a strong environmental commitment, Batik Sekarmulyo can strengthen its reputation and increase its competitiveness against Batik Tulis Beruang Lasem, which focuses on authentic motifs but has not yet maximized sustainability.

Innovative product development is another key to maintaining Batik Sekarmulyo's relevance amidst intense competition. The company needs to continuously expand its line of ready-to-wear batik fashion products with modern designs that appeal to the younger generation and tourists. Conducting regular market research is crucial to ensure innovative products keep up with trends and meet consumer preferences. Collaborating with young designers or influencers can help penetrate a broader market and increase brand awareness. Innovation carried out through close coordination between production and marketing will ensure products can be produced and marketed effectively, on par with Oemah Batik Lasem, which offers batik learning facilities and attractive tourist attractions for visitors. Through product diversification and continuous innovation, Batik Sekarmulyo can strengthen its position as a

pioneer of traditional batik with a modern touch and reach a wider market segment.

To improve operational efficiency, efficient production scheduling and regular employee training should be a key focus. Reducing wasteful materials and time can lower production costs without compromising product quality. Implementing simple technology in inventory management and the production process will speed up workflows and improve accuracy. Good coordination between production, marketing, and customer service teams must be continuously improved to ensure smooth business processes and responsiveness to fluctuating market demand. Consumers will benefit from this efficiency through more consistent product availability and fast, reliable delivery. Continuously improving operational efficiency will give Batik Sekarmulyo a price and quality advantage over competitors like Batik Tulis Beruang Lasem, which tends to focus on quality but has not yet optimized production efficiency.

Fast, responsive, and professional customer service is also crucial for maintaining loyalty and building brand reputation. The marketing team needs to provide friendly and accessible service, both offline and through digital platforms. Two-way communication with customers will help Batik Sekarmulyo better understand needs and concerns so that it can promptly adjust products and services. Adequate after-sales service is an added value valued by consumers amidst fierce competition. Oemah Batik Lasem, which boasts comprehensive facilities including a cafe and lodging, provides a more comprehensive customer experience. With superior service, Batik Sekarmulyo can retain existing customers while attracting new ones seeking a satisfying batik shopping experience.

Digital marketing strategies must be further optimized to expand market reach. Batik Sekarmulyo needs to increase creative content on social media, strengthen its presence in marketplaces and e-commerce platforms, and conduct targeted promotions. Training human resources in digital marketing will increase campaign effectiveness and audience engagement. Improving the distribution system for faster and more affordable product delivery is also a crucial aspect in building customer satisfaction. Mastering digital marketing and distribution technology will give Batik Sekarmulyo a competitive advantage over Oemah Batik Lasem, which has already integrated tourism and shopping experiences in one location. An effective marketing strategy will boost sales and strengthen brand awareness.

Product diversification is a crucial step in expanding the market and reducing the risk of dependence on a single segment. Batik Sekarmulyo can offer a wider variety of products, from premium hand-drawn batik to casual batik fashion at varying price points. This will appeal to a wide range of consumers without sacrificing quality. Design innovations that combine traditional and modern elements will maintain product appeal in an ever-changing market. With a diversification strategy, Batik Sekarmulyo can compete more effectively with Batik Tulis Beruang Lasem, which focuses on authenticity and quality but lacks innovation in product variety. Product diversification will strengthen Batik Sekarmulyo's position in facing market dynamics and increase market share.

Brand strengthening through a community of batik and local culture enthusiasts can also increase customer awareness and loyalty. Batik Sekarmulyo can utilize activities such as

batik workshops, cultural exhibitions, and collaborations with local artists to expand its marketing network. A storytelling approach that emphasizes cultural values, unique motifs, and the traditional manufacturing process will deepen consumers' emotional attachment to the product. Active community activities can open new market opportunities through recommendations and word-of-mouth promotion, which is an effective strategy to compete with competitors like Oemah Batik Lasem, which is already better known as a cultural tourism destination. By building a strong brand and a loyal community, Batik Sekarmulyo can strengthen its long-term position in the market.

Finally, sound financial management and strategic investments are crucial to support growth. Batik Sekarmulyo must ensure sound cash flow management, cost control, and efficient utilization of financial resources. Investments in human resource development, technology, and product innovation must be carefully planned to deliver maximum results. Regularly monitoring business performance through appropriate indicators will facilitate rapid and accurate decision-making. Furthermore, diversifying revenue sources, including developing cultural tourism and batik education, can increase revenue streams and strengthen the business. With professional financial management and the right investment strategy, Batik Sekarmulyo will be able to improve performance and achieve sustainable growth.

### **3.2.1. Business Strategy to Improve the Performance of Sekarmulyo Batik**

#### **SO Strategy Analysis**

Batik Sekarmulyo has a significant opportunity to develop a ready-to-wear fashion line using hand-drawn batik with distinctive Lasem motifs, renowned for their beauty and unique four-color dyeing technique. These products will not only offer authenticity and high artistic value, but also promote an environmentally friendly concept using natural dyes, which is increasingly sought after by the global market. The primary focus is on targeting millennial consumers and tourists who appreciate culturally valuable products while still following modern fashion trends. To reach this market, the company must launch an intensive and measurable digital marketing campaign on popular social media platforms such as Instagram and TikTok for at least six months. This campaign should include engaging visual content, behind-the-scenes videos of the production process, customer testimonials, and collaborations with relevant influencers who have strong influence within the target market. Furthermore, interactive promotional programs such as giveaways and challenges on social media can increase engagement and expand audience reach. This strategy allows Batik Sekarmulyo to maximize its traditional strengths while adapting to rapidly evolving market opportunities, thus strengthening its position as a modern and sustainable premium batik brand.

#### **WO Strategy Analysis**

One crucial step to address Batik Sekarmulyo's internal weaknesses is investing in a simple digital-based production management system, such as an ERP specifically for MSMEs. This system will automate raw material recording, production scheduling, and stock monitoring,

reducing the risk of manual errors and improving coordination between teams. With the ERP implementation, the company targets a 20% reduction in production lead times within 12 months, directly impacting its ability to fulfill orders faster without compromising quality. This technology will also provide real-time data to aid operational decision-making and more effective production planning. Furthermore, this system will facilitate integration with digital distribution and marketing platforms, resulting in a more efficient and responsive supply chain. The use of this technology is crucial for addressing production capacity limitations caused by manual methods and maintaining competitiveness in an increasingly digital and rapidly changing market. Thus, Batik Sekarmulyo can increase productivity and expand market capacity sustainably.

### **ST Strategy Analysis**

Facing strong competitive pressure from Oemah Batik Lasem and Batik Tulis Beruang Lasem, Batik Sekarmulyo must take strategic steps by implementing the “Exclusive Environmentally Friendly Batik” program. This program will emphasize the premium quality of authentic Lasem batik tulis, made using traditional techniques and environmentally friendly natural dyes. This emphasis on sustainability will provide unique added value to consumers who are increasingly aware of the importance of environmental conservation. To increase the visibility of this program, Batik Sekarmulyo needs to actively participate in cultural events, handicraft festivals, and art exhibitions at both the local and national levels over the next year. This will not only help expand its market network but also build its reputation as a socially and ecologically responsible batik entrepreneur. Furthermore, through this program, the company can build strategic partnerships with environmental institutions and cultural communities to strengthen the brand's legitimacy and appeal. With this strong differentiation, Batik Sekarmulyo will be able to attract premium and loyal customers, providing significant added value in the face of competition.

### **WT Strategy Analysis**

To address weaknesses in online customer service and address the threat of intense competition, Batik Sekarmulyo needs to build an integrated online customer service center that provides live chat with a target response time of up to one hour. This system must be integrated with the ordering platform and social media so that customers can easily contact and receive answers or solutions in real time. With this service improvement, the company targets a 30% increase in online customer satisfaction ratings within the first six months after launch. Responsive customer service not only increases the loyalty of existing customers but also expands the customer base through a positive reputation and testimonials. In the digital era, the ability to respond quickly is a crucial differentiating factor in maintaining and increasing market share. Furthermore, this integrated system will enable Batik Sekarmulyo to systematically collect customer data and feedback, allowing it to continuously improve the quality of its products and services according to market needs. This strategy is crucial for making Batik Sekarmulyo more adaptive and competitive amidst increasingly fierce and dynamic competition.

## Strategies to Face Threats

To overcome the threat of tight competition, Batik Sekarmulyo needs to have a strategy to overcome this threat.

**Table Strategies to Deal with Threats**

Threats	Strategy	Implementation of Strategy in the Field
Competition with Oemah Batik Lasem & Batik Tulis Beruang Lasem	The "Exclusive Eco-Friendly Batik" program with natural dye labels and premium quality.	Collaboration with tourist rickshaw drivers → tourists are directed to the Batik Sekarmulyo showroom, similar to the Yogyakarta bakpia strategy.
Rapid changes in fashion trends	Developing a ready-to-wear line (outerwear, dresses, casual shirts, accessories).	Launching a limited edition collection every 3 months + TikTok challenge "OOTD Batik Lasem" with young influencers.
Increase in the price of raw materials (mori & natural dyes)	Simple ERP for stock management & raw material efficiency, plus collaboration with indigofera farmers.	Building partnerships with local farmer groups for sustainable natural dye supply & stable prices.
The threat of printing and stamping batik (cheaper)	Educating the artistic value of hand-drawn batik through workshops & cultural storytelling.	Holding a short tour "Try Batik" → tourists can make mini batik and take home the results.
Competitors' customer service is more responsive online	Integrated Online Customer Service (WhatsApp, IG, Website) with a response target of ≤ 1 hour.	Automatic notification of order status + customer testimonials displayed on social media to strengthen branding.
Young generation's interest in batik is low	Interactive digital campaigns and collaborations with creative communities.	Batik design competition for college/high school students, winners produced in a limited edition collection. Collaboration with indie musicians → batik as concert merchandise.
Dependence on offline sales & tourists	Expansion of digital distribution channels (e-commerce & official website).	"Virtual Tour Batik Lasem" program on YouTube/TikTok → after watching, viewers are directed directly to the Batik Sekarmulyo online store.

**Source: Primary data, 2025**

Based on the identification of external threats facing Batik Sekarmulyo, an adaptive strategy can be developed to maintain the company's competitiveness. The table above shows the direct relationship between the threats faced and the chosen strategy, along with practical examples that can be applied in the field.

First, the intense competition with Oemah Batik Lasem and Batik Tulis Beruang Lasem is addressed through product differentiation by launching the "Exclusive Eco-Friendly Batik" program. The advantages of premium quality and the use of natural dyes are the main attractions. To support the implementation, Batik Sekarmulyo can collaborate with tourist rickshaw drivers to direct tourists directly to the showroom, similar to the bakpia culinary tourism pattern in Yogyakarta. This strategy not only increases sales but also enhances the cultural tourism experience in Lasem.

Second, rapidly changing fashion trends have encouraged Batik Sekarmulyo to develop a ready-to-wear product line, including batik outerwear, dresses, and accessories. Limited-

edition collections are launched every three months to maintain market relevance. This strategy is combined with digital campaigns, such as the "OOTD Batik Lasem" TikTok challenge involving influencers, bringing batik products closer to the younger generation.

Third, rising prices for raw materials such as cotton and natural dyes are anticipated through investment in a simple ERP system to optimize inventory management and efficient material use. Furthermore, collaboration with local indigofera farmer groups can ensure a sustainable supply and stabilize prices.

Fourth, the threat from cheaper printed and stamped batik can be addressed through education about the artistic value of hand-drawn batik. Batik Sekarmulyo can host short workshop tours, where tourists can try their hand at making miniature batik and take home the finished product. This activity adds value to the experience and fosters appreciation for Lasem hand-drawn batik.

Fifth, more responsive online customer service than competitors is anticipated by establishing an integrated online customer service center via WhatsApp Business, Instagram, and the official website. A maximum response time of one hour is targeted to increase customer satisfaction. Integrating an automated notification system and customer testimonials on social media will also strengthen public trust in the Batik Sekarmulyo brand.

Sixth, the low interest of the younger generation in traditional batik can be addressed through interactive digital campaigns. For example, a batik design competition for university students, where the winning designs are produced as a limited edition collection. Furthermore, collaborations with indie musicians and youth communities could promote batik as concert merchandise, transforming it into a lifestyle symbol, not just formal wear.

Seventh, reliance on offline sales and tourists can be addressed by expanding digital distribution channels. Sekarmulyo Batik products are marketed through marketplaces (Shopee, Tokopedia, Lazada) and international platforms (Etsy). To support promotion, a Lasem Batik Virtual Tour program can be created on YouTube or TikTok, where viewers are introduced to the batik-making process and guided directly to online shopping.

#### 4. Conclusion

Based on the analysis of key success factors and competitive advantages, Batik Sekarmulyo needs to strengthen synergy with government policies to optimally utilize support for cultural preservation programs and MSME development. Compliance with tax regulations, exports, and health protocols must be maintained to ensure smooth operations and a positive corporate reputation. Furthermore, the implementation of environmentally friendly production through the use of natural dyes and systematic waste management needs to be optimized to add product value while meeting sustainability standards increasingly sought by modern consumers. Innovative product development, particularly batik-based ready-to-wear fashion lines with modern designs, must continue to be pursued to maintain relevance and reach the youth and tourist market segments. Operational efficiency through streamlined production management and the use of simple technology is crucial for reducing costs and increasing productivity. Fast and responsive customer service, both

offline and digital, is key to maintaining loyalty and building brand reputation. Digital marketing strategies must be further optimized with creative content and effective distribution to expand market reach. Product diversification and brand strengthening through cultural communities will add value and strengthen market position. Finally, sound financial management and strategic investment are the foundation for sustainable growth. Batik Sekarmulyo needs to focus on developing a ready-to-wear fashion product line made from Lasem's signature hand-drawn batik, embracing an eco-friendly concept using natural dyes. To reach the millennial and tourist market segments, the company should launch an intensive digital marketing campaign on platforms like Instagram and TikTok, leveraging engaging visual content and collaborating with local influencers. Furthermore, investing in a digital production management system, such as a simple ERP, is crucial to improve operational efficiency and accelerate production processes without sacrificing quality. This technology development also supports integration with digital marketing and distribution, resulting in a more responsive and efficient supply chain. Facing stiff competition from Oemah Batik Lasem and Batik Tulis Beruang Lasem, Batik Sekarmulyo must prioritize its "Eco-Friendly Exclusive Batik" program, highlighting its premium quality and sustainable production processes. The company also needs to establish an integrated online customer service center with a responsive live chat feature to increase customer satisfaction and loyalty, as well as expand its consumer base. Active participation in local and national cultural events and art exhibitions will strengthen its reputation and open up opportunities for strategic partnerships. This strategy is designed to maintain product authenticity and quality while increasing competitiveness and sustainable business growth.

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