The Effect Of Market Orientation And Entrepreneurship Orientation On Marketing Performance Of Msme Production Of Batik Tegalan In Tegal City

Adhim Rakhman Nugraha[1] Gunistiyo[2], Ahmad Hanfan[3] Sari Wiyanti[4]

[1234]Faculty of Economics and Business, Pancasakti University, Tegal

ABSTRACT

The purposes of this study are 1) To analyze the effect of market orientation on the marketing performance of MSMEs in Tegalan Batik Production in Tegal City, 2) To analyze the effect of entrepreneurial orientation on the marketing performance of MSMEs in Tegalan Batik Production in Tegal City, 3) To analyze the effect of market orientation and entrepreneurial orientation. together on the marketing performance of MSMEs in Tegalan Batik Production in Tegal City.The method used in this research is a descriptive research method with a quantitative approach.The data collection technique used in this research is the questionnaire method. While the data analysis method used was Spearman rank correlation analysis, correlation coefficient significance analysis, multiple correlation analysis, multiple correlation coefficient significance test and coefficient of determination.The results of this study prove that there is a strong influence of market orientation on marketing performance as evidenced from the calculation of the Spearman rank correlation using SPSS, the correlation value is 0.623 with sig = 0.000 <0.05. There is a strong influence of entrepreneurial orientation on marketing performance as evidenced by the calculation of Spearman rank correlation using SPSS, the correlation value is 0.758 with sig = 0.000 <0.05. There is a very strong influence of market orientation and entrepreneurial orientation together on marketing performance as evidenced by the multiple correlation calculation using SPSS, the correlation value is 0.839 with sig = 0.000 <0.05.

Keywords: Market Orientation, Entrepreneurship Orientation, Marketing Performance.

INTRODUCTION

Batik is the process of making motifs on fabric by using wax as a barrier in the coloring process. The term batik Tegal is the name for the work of batik handicrafts made and growing up in the Tegal community. Broadly speaking, Tegal batik is a coastal batik namely batik produced in the coastal area of North Java which is a port city a stopover place for foreign traders so that there is an acculturation process that affects the development of a local culture that inspires a distinctive feature in its decorative variety of nature naturalistic. What distinguishes batik from Tegal Regency from other regions is from motive firmness. The Tegal batik motif is more assertive because it embodies the character of the coastal people.

Besides being a famous cultural heritage, batik is also an economic leverage democracy. Moreover, many regions are starting to develop the Batik industry with distinctive motifs especially in the city of Tegal. With so many areas developing the Batik industry with typical regional motifs will further increase the number of Batik companies. The increasing number of Batik companies will result in intense competition happening in this industry. The intense competition that occurs will affect the market share of a company company. Tegalan Batik is growing and famous not only by the people of Tegal but also by people who come from outside the Tegal area, even to foreign countries. Based on the researchers' initial observations, it was found that many hand-drawn batik craftsmen in the city of Tegal out of business due to high raw material prices, especially in the batik industry. Raw material The batik is mori cloth, wax or wax, and dye.

Mori cloth has increased from the price Rp. 19,000 to Rp. 35,000 per piece or by 85 percent, candles or nights experience an increase from the price of Rp. 15,000 to Rp. 30,000 per kg or by 100 percent and dyes experienced an increase from the price of Rp. 3000 to Rp. 5000 per package or by 67 percent. This matter make the batik industry get heavy pressure. Rising raw material prices causes production costs to rise which in turn makes profits which are indicators of the marketing performance of the batik industry has decreased. Limited human resources are also a serious obstacle for many Tegalan batik business, especially in the aspects of entrepreneurship. Tegalan Batik Entrepreneurs are still lacking in developing aspects of entrepreneurship, for example not paying too much attention to how how to handle customers well, less able to develop self-confidence to develop batik motifs, and are less daring to take risks in adding Startup Capital. In addition, the limitations faced by Batik Tegalan SMEs are limitations in obtain market opportunities and enlarge market opportunities. This limitation hinders business Tegal batik to be able to compete in the domestic and international markets. In general, the Tegalan batik industry is a home industry which is closely related to the soul entrepreneurship owned by local residents. This condition is directly real has a large enough potential to help overcome the needs of people's lives. Entrepreneurial-oriented Tegalan batik

business will place the ability of human resources humans as targets that must be achieved, by directing various owned to be used as a resource and company goals to be achieved solely by creating innovation and creativity so as to produce better marketing performance good.

Hypothesis

So the hypothesis in this study are:

1. There is a significant influence of market orientation on the marketing performance of SMEs Tegalan Batik Production in Tegal City.

2. There is a significant influence of entrepreneurial orientation on marketing performance MSME Production of Batik Tegalan in the City of Tegal.

3. There is a significant influence of market orientation and entrepreneurial orientation together on the marketing performance of MSMEs in Tegalan Batik Production in Tegal City.

Research Methods

Population And Sample

Population is a generalization area consisting of objects/subjects that have qualities and characteristics certain characteristics applied by researchers to be studied and then drawn conclusions. (Sugiyono, 2010: 61). The population in this study is MSMEs in Tegalan Batik Production in the City Tegal which has 56 entrepreneurs (UMKM). The sample is part of the number and characteristics possessed by the population (Sugiyono, 2010:61). To determine the company as a representative sample population in this study required appropriate sampling techniques. For In determining the sample to be used in the study, there are various sampling techniques used. Sampling techniques can basically be grouped into two, namely:

Probability Sampling and Nonprobability Sampling. Probability Sampling includes samples random, proportionate stratified random, disproportionate stratified random, dan area random. Non probability sampling includes systematic sampling, quota sampling, accidental sampling, purposive sampling, saturated sampling, and snowball sampling (Sugiyono, 2010:62).

The sampling technique in this study was carried out with a sampling technique saturated or total sampling. Total sampling is a sampling technique where the number of the sample is the same as the population (Sugiyono, 2010:62). The reason for taking the total sampling is because according to Sugiyono (2010:62) the total population is less than 100, the entire population is used as a all research samples.

Data Analysis and Hypothesis Testing

Data analysis is a process of processing data that has been collected before, so that the data collected is useful, it must be processed and analyzed first so that it can be used as a decision -making policy. Analysis of the data used in this research are:

***1.Spearman Rank* Correlation Analysis**

Spearman rank correlation is used to find a relationship or to test the significance of the associative hypothesis (Sugiyono, 2014: 282). According to Suharsimi (2010: 313) correlation coefficient is a statistical tool that can be used to compare the results of the measurement of two different variables in order to determine the level of relationship between these variables. The formula used is as follows (Suharsimi, 2010: 321):

$$r_{xy=1-\frac{6\in D^2}{n(n^2-1)}}$$

Information :

r xy = sperm correlation coefficient

N = number of subjects

D = differences. Often used is also the abbreviation B stands for different. D is different level of each subject.

2.Analysis of the Significance of the Correlation Coefficient

The steps taken in conducting the Correlation Significance analysis among others:

a.Hypothesis Formulation

The statistical hypothesis to be tested can be formulated:

Ho: ÿ = 0, there is no significant effect between market orientation on marketing performance.

H1: ÿÿ 0,there is a significant effect between market orientation on marketing performance.

Ho: ÿ = 0, no significant effect between orientations entrepreneurship on marketing performance.

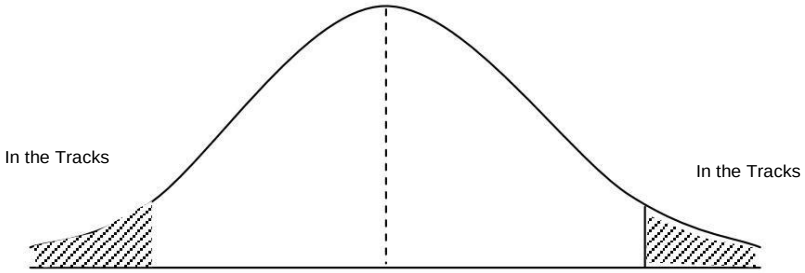
H2 : ÿÿ 0, there is a significant influence between entrepreneurial orientation on marketing performance.

b.Significant Level

To test the significance of the correlation coefficient obtained, the . test will be used t two parties using a significant level of 95% (or = 5%).

c.Hypothesis Testing Criteria

The criteria for accepting or rejecting Ho are Ho is accepted if -ttable tcount ttable Ho is rejected if tcount ttable or tcount <- ttable Criteria for Acceptance / Rejection of Research Hypotheses To be Accepted



-t count t count

d. Calculating Value tcount

As for testing the significance by using the following formula (Riduwan, 2013: 229):

$$t = \frac{r\sqrt{n-2}}{\sqrt{1-r^2}}$$

Information :

t: magnitude tcount

r: correlation value

n: number of samples

e. Conclusion: Ho accepted or rejected

3.Multiple Correlation Analysis

To find out how big the relationship between the independent variables together the same on the dependent variable used multiple correlation analysis. Correlation formula is :

$$R_{y.x1.x2} = \sqrt{\frac{r_{yx1}{}^2 + r_{yx2}{}^2 - 2r_{xy1}r_{xy2}r_{x1x2}}{1 - r_{x1x2}{}^2}}$$

Information :

Ry.x1x2 = korelasi ganda

Ry.x1 = Correlation between Y and X1

Ry.x2.x1 = Correlation between Y and X2

Multiple Correlation Coefficient Significance Test

To test the significance of the correlation coefficient obtained, the . test will be used F. The steps are:.

a. Hypothesis Formulation

H0 : = 0, there is no significant effect between market orientation and orientation entrepreneurship together on marketing performance.

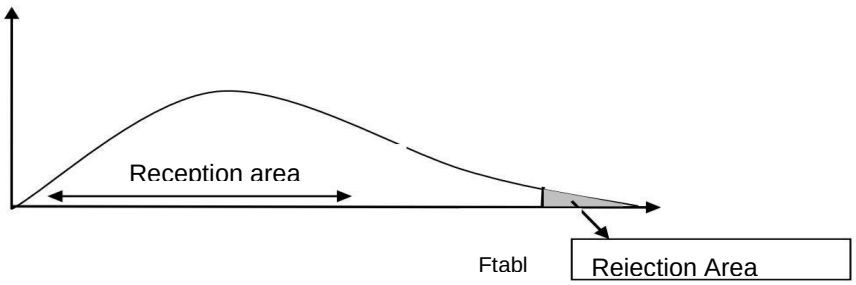
H1 : 0, there is a significant effect between market orientation and orientation entrepreneurship together on marketing performance.

b. Significance Level

To test the significance of the correlation coefficient obtained, the F . test will be used using a significance level of 95% (or = 5%).

c. Hypothesis Testing Criteria

The criteria for accepting or rejecting H0 are: Ho is accepted if Fcount < Ftable Ho is rejected when Fhitung> Ftabel



d. Calculating the Value of Fcount As for testing the significance by using the following formula:

$$F = \frac{r^2/_k}{(1-R^2)/_{(n-k-1)}}$$

Information :

F : The magnitude of Fcount

R2: Multiple correlation coefficient

k:Number of independent variables

n :Number of samples

e. Conclusion: Ho accepted or rejected

Coefficient of Determination

The coefficient of determination is used to express the size of the contribution (Direct contribution) variable X to variable Y. The coefficient of determination is as follows:

KD =r^2 x 100%

KD : The magnitude of the coefficient of determination

r :Correlation coefficient

RESULTS OF DATA ANALYSIS AND TESTING HYPOTHESES

Spearman Rank Correlation Analysis

Spearman rank correlation is used to find the relationship or to test the significance associative hypothesis. The correlation coefficient is a statistical tool that can be used to compare the measurement results of two different variables in order to determine the level of the relationship between these variables. The following are the results of the *Spearman rank* correlation from this study:

a. *Spearman Rank* Correlation of Market Orientation to Marketing Performance

Table 1

***Spearman Rank* Correlation of Market Orientation to Marketing Performance**

Correlations

				Orientation	
			Orientation market	entrepreneurship as	Performance Marketing
Spearma	Market	Correlation Coef	1,000	,486* *	,623* *

n's rho	orientation	ficient			
		Sig.(2 tailed)	.	,000	,000
		N	56	56	56
	Entrepreneurial orientation	Correlation Coefficient	,486* *	1,000	,758* *
		Sig. (2-tailed)	,000	.	,000
		N	56	56	56
	Marketing Performance	Correlation Coefficient	,623* *	,758* *	1,000
		Sig. (2-tailed)	,000	,000	.
		N	56	56	56

The effect of market orientation on marketing performance is positive, meaning that if increasing market orientation will improve marketing performance. On the other hand, if market orientation decreases it will reduce marketing performance. In general English, the word, *"significant" has* an important meaning.

Medium in the statistical sense the word has the meaning of "true" is not based on accidental. Research results can be true but not important. Significance or probability (ÿ) provide an overview of how the results of the research have the opportunity to correct. Based on the results of the calculation of the market orientation *Spearman rank* correlation test, on marketing performance obtained a significance value of 0.000. Because value significance of 0.000 <0.05, meaning that there is a significant influence of market orientation on the marketing performance of MSMEs in Tegalan Batik

Production in Tegal City.

b.Spearman Rank Correlation of Entrepreneurship Orientation to Marketing Performance

Table 2

***Spearman Rank* Correlation of Entrepreneurship Orientation to Marketing Performance**

		Correlations			
				Orientation	
			Orientation market	entrepreneurship as	Performance Marketing
Spearman's rho	Market orientation	Correlation Coefficient	1,000	,486* *	,623* *
		Sig. (2-tailed)	.	,000	,000
		N	56	56	56
	Entrepreneurial orientation	Correlation Coefficient	,486* *	1,000	,758* *
		Sig. (2-tailed)	,000	.	,000
		N	56	56	56
	Marketing Performance	Correlation Coefficient	,623* *	,758* *	1,000
		Sig. (2-tailed)	,000	,000	.
		N	56	56	56

**. Correlation is	significant at the 0.01 level (2-tailed).				

Based on the calculation results of the Spearman *rank* correlation variable entrepreneurial orientation on marketing performance obtained a correlation value of 0.758. It means influence entrepreneurial orientation towards marketing performance is quite strong because of the correlation value it lies in the coefficient interval 0.600 – 0.799.

The influence of entrepreneurial orientation on marketing performance is positive, meaning that if the entrepreneurial orientation increases it will improve marketing performance. Conversely, if the entrepreneurial orientation decreases, it will reduce performance marketing. In general English, the word, *"significant" has* an important meaning. Medium in the statistical sense the word has the meaning of "true" is not based on accidental. Research results can be true but not important. Significance or probability (ÿ) provide an overview of how the results of the research have the opportunity to correct. Based on the results of the calculation of the significance test of the *Spearman rank* correlation orientation entrepreneurship on marketing performance obtained a significance value of 0.000. Because a significance value of 0.000 <0.05, meaning that there is a significant influence on orientation entrepreneurship on the marketing performance of MSMEs in Tegalan Batik Production in Tegal City.

***4.1** Multiple Correlation Analysis*

Multiple correlation analysis aims to determine whether or not the influence of several independent variable to the dependent variable. The following is a calculation of multiple correlation in this research:

$$R_{yx1x2} = \sqrt{\frac{r_{yx1^2} + r_{yx2^2} - 2r_{yx1}\, r_{yx2}\, r_{x1x2}}{1 - r_{x1x2^2}}}$$

Where

$r_{yx1} = 0{,}623$

$r_{yx2} = 0{,}758$

$r_{x1x2} = 0{,}486$

So :

$$R_{y.x1.x2} = \sqrt{\frac{0{,}623^2 + 0{,}758^2 - 2\ X\ 0{,}623\ X\ 0{,}758\ X\ 0{,}486}{1 - 0{,}486^2}}$$

$$R_{y.x1.x2} = \sqrt{\frac{0{,}388 + 0{,}575 - 0{,}459}{1 - 0{,}236}}$$

$$R_{y.x1.x2} = \sqrt{\frac{0{,}963 - 0{,}459}{0{,}764}}$$

$$R_{y.x1.x2} = \sqrt{\frac{0{,}504}{0{,}764}}$$

$$R_{y.x1.x2} = \sqrt{0{,}659}$$

$$R_{y.x1.x2} = 0{,}812$$

From the results of multiple correlation calculations obtained a correlation value (R) of 0.812. That matter can be interpreted as the influence of market orientation and entrepreneurial orientation together on marketing performance is classified as very strong because the correlation value lies in in the coefficient interval 0.800 – 1.000. The influence of market orientation and entrepreneurial orientation together on marketing performance is positive, meaning that if market orientation and entrepreneurial orientation collectively increase then marketing performance will increase. On the contrary when market orientation and entrepreneurial orientation together decline, performance marketing will decline.

Multiple Correlation Coefficient Significance Test

a. To test the significance of the correlation coefficient obtained, the F test will be used. The steps are : Hypothesis Formulation

H0 : ÿ = 0, there is no significant effect between market orientation and orientation entrepreneurship together on marketing performance.

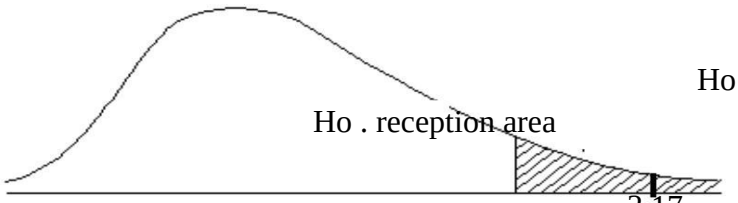
H1 : ÿ ÿ 0 there is a significant effect between market orientation and orientation entrepreneurship together on marketing performance

b.Significance Level

To test the significance of the correlation coefficient obtained, the F . test will be used using a significance level of 95% (or = 5%).

c.Hypothesis Testing Criteria

The criteria for accepting or rejecting H0 are: If F count F table, then Ho is rejected, meaning that it is significant. If F count F table Ho is accepted, it means that it is not significant.



d. Calculating the Value of Fcount As for testing the significance by using the following formula:

$$F = \frac{R^2/k}{(1-R^2)/(n-k-1)}$$

Information :

F : The amount of Fcount

R^2 : Multiple correlation coefficient

k : Number of independent variables

n : Number of samples

Where :

R = 0,812

n = 56

k = 2 (number of independent variables)

So :

e. Conclusion: Ho accepted or rejected

$$F = \frac{R^2 / k}{(1 - R^2)/ (n - k - 1)}$$

$$F = \frac{0,659 / 2}{(1 - 0,659)/ (56 - 2 - 1)}$$

$$F = \frac{0,659 / 2}{0,341/ 53}$$

$$F = \frac{0,330}{0,006}$$

$$F = 51,313$$

From the results of the calculation of the significance of the multiple correlation coefficient above, the value of Fcount amounted to 51.313. This value is then compared with Ftable with the numerator dk = (k) and dk denominator = (nk-1), so dk numerator = 2 and dk denominator = 53 with status 5% error, then the Ftable value of 3.17 turns out the Fcount value is greater than Ftable (51.313 > 3.17). Because Fcount > Ftable , it means that there is a significant effect between market orientation and entrepreneurial orientation together towards performance marketing.

Coefficient of Determination

The coefficient of determination is used to express the size of the contribution (Direct contribution) variable X to variable Y. The calculation of the coefficient determination is as follows:

KD = R2 x 100%
KD = 0,8122 x 100%
KD = 65,9%

The magnitude of the coefficient of determination in this study is (R2) = 65.9%. This matter shows that 65.9% of the marketing performance of MSMEs in Tegalan Batik Production in the City Tegal can be explained by variables (market orientation and entrepreneurial orientation respectively). together), while the rest (100% - 65.9% = 34.1%) by other factors that do not can be explained.

CONCLUSIONS AND SUGGESTIONS

Conclusion

Based on the results of the research that has been done, it can be taken several conclusions as follows:

1. There is a strong influence of market orientation on the marketing performance of MSME Production Tegalan Batik in Tegal City. This is evidenced by the calculation of rank correlation spearman using SPSS obtained a correlation value of 0.623 with a value of sig = 0.000 <0.05.
2. There is a strong influence of entrepreneurial orientation on the marketing performance of SMEs Tegalan Batik Production in Tegal City. This is evidenced from the calculation of correlation Spearman rank using SPSS obtained a correlation value of 0.758 with nilai sig = 0,000 <0.05.
3. There is a very strong influence of market orientation and entrepreneurial orientation together on the marketing performance of MSMEs in Tegalan Batik

Production in Tegal City. This is evidenced from the calculation of multiple correlation using SPSS obtained a correlation value of 0.812 with an Fcount value of 51.313 > from Ftable 3,17.

Suggestion

Based on the conclusions of this study, it can be given some suggestions regarding with this research, namely:

1. MSMEs in Tegalan Batik Production in Tegal City need to innovate, be brave take risks, and act proactively in the face of existing competition. Innovation This can be done by creating motifs that attract consumers' interest and using high quality raw materials. Thus, MSME Production Tegalan Batik In Tegal City will be able to produce unique and expected products can improve marketing performance.
2. MSMEs in Tegalan Batik Production in Tegal City should do more promotions intensively through social media or digital media so that it can be known by the wider community.
3. The Department of Cooperatives and SMEs should be more aggressive in promoting Tegalan batik,by holding exhibitions and conducting entrepreneurship training as well as introduction of e-commerce to MSMEs in Tegalan Batik Production in Tegal City.

REFERENCES

Alma, Buchari. 2016. Entrepreneurship for students and the general public. Bandung: Alphabeta.

Ferdinand, AT, 2011, *Marketing Management: A Strategic Approach.* Diponegoro University Publishing Agency

Frances, Heflin. 2014. *Entrepreneurship and Business Innovation.* Yogyakarta: Darussalam

Kotler, Philip and Gary Armstrong. 2007. *Fundamentals of Marketing. Volume* 1. Jakarta : PT. Gramedia Group Index.

Kotler, Philip and Kevin Lane Keller. 2009. *Marketing Management. Volume 1 Edition 12.* Jakarta: Index.

Masyrafina. 2017. *The Contribution of MSMEs to Economic Growth is Predicted to ~~Decrease~~.* On line. ~~http://www.republika.co.id~~/berita/ekonomi/makro/17

Mulyani, Ida Tri. 2015. Efforts to Improve Marketing Performance Through Market Orientation And Entrepreneurship Orientation With Innovation As Intervening Variable (Empirical Study on Micro, Small and Medium Enterprises in Semarang

City

Nitisusastro, Mulyadi. 2012. *Entrepreneurship and Small Business Management.* Bandung: Alphabeta

Motherland, Yunita Dwi. 2016. The Effect of Market Orientation on Marketing Performance on Fruit Chips SMEs in Batu City

Pramesti, Ni Made Vera. 2016. *The Role of Market Orientation in Mediating the Influence of Entrepreneurial Orientation*

Towards the Performance of SMEs in the Endek Handicraft Industry

Riduwan. 2013. *Basic Statistics.* Bandung: Alphabeta.

Sarjita. 2017. The Influence of Market Orientation and Product Innovation on Marketing Performance at Sentra Small Industry for Making Bakpia in Bantul Regency.

Siregar, Syofian. 2016. *Parametric Statistics for Quantitative Research.* Jakarta: Earth Literacy

Sugiyono. 2014. *Statistics For Research.* Bandung : Alphabeta.

Suharsimi, Arikunto. 2010. *Research Procedures A Practical Approach.* Jakarta: Creative creations

Suherman, Eman. 2010. *Business Entrepreneur.* Bandung: Alphabet.

Sumiati. 2015. The Influence of Entrepreneurial Orientation Strategy and Market Orientation on the Performance of MSME Companies in the City of Surabaya

Swastha, Basu DH and Irawan. 2008. *Modern Marketing Management.* Yogyakarta: Liberty Offset.

Tjiptono, Fandy and Gregory Chandra. 2012. *Strategic Marketing.* Yogyakarta: Andi.

Wibowo. 2015. *Performance Management.* Jakarta: Rajawali Press.