

# CHAPTER I

## INTRODUCTION

### 1.1 Background of the Study

Batik is one of the most outstanding creative industries in Indonesia, since the age of Majapahit Kingdom. According to Indrojarwo (2008), Batik is renowned by UNESCO as the “Intangible World Heritage” and the development of Batik includes the aspect of art and technology which originally came from the kingdom, the influence of Batik did spread widely to citizen outside the region. The concept of Batik is influenced by environment, era, and process. Batik designs categorized as literal or dull design and symbolical design, which literal directly figured from the environmental objects, such as plants, flowers, animal, human body and other objects but the symbolical design is inspired from norms and values that embraced community at the time, so the design containing full philosophy of life. Even though batik production is normally same materials and process, but every region has their own unique designs such as Jogja batik, Solo batik, Pekalongan batik, and many more, but all of the designs are called Batik in general. Based on the definition of batik by Doelah (1980), batik is textile product made with dye techniques hurdles in its implementation of the design by using barrier materials and displays various batik wax-range typical ornamental and decorative ethnic culture of Indonesia. So, batik is always developing the design so it could follow the transformation of culture and environment. From the previous study by Arsianti (2011), with the development of batik industry, printing technology in creating Batik is more popular because easier and faster production, so the popularity of Batik itself is spread quicker than before thanks to this technology but the positive impact of printing batik is it has faster penetration to the market rather than traditional production of batik. Arsianti (2011) further explains that Indonesian people usually wear batik for formal occasion such as weddings or meetings, but nowadays the use of batik is changing to uniforms both school or working uniform, and even for more less formal events.

Some assumptions batik comes from Sumerians then developed Javanese after carried by Indian merchants, therefore other batik from Malaysia, Thailand, India, Sri Lanka, and Iran. But as the history with verification from UNESCO, stated that the true batik comes from Indonesia, the originality of batik comes from visual beauty and spiritual regards of Indonesian people, so to treasure the achievements, the government assigned on 2 October as National Batik Day to engage all of Indonesian citizen to wear batik on that day.

The influence of batik throughout all the region of Indonesia affects Surabaya directly. Surabaya as the second largest city in Indonesia positively responds the development of batik in its fashion industry. This development is supported from small enterprises to big enterprises which its action is following the recommendation from the government to wear Batik for certain day, and from local stores to international stores which sells variety of Batik products along in increasing Batik recognition. One of the popular Batik events in Surabaya was in 2 October 2011, an amazing event dedicated for batik, declared in Surabaya located in *Grha Wismilak*, known as “Surabaya Heritage in Batik 2011”. That event was attended by many people from batik collectors, batik creators, and batik experts, member of many communities, artists, officials, consuls, generals, and students both foreign and local. Some of the event was auctioning ancient Batik products for Batik collectors, tutorial to make Batik with hand. This is a proof that Surabaya is taking batik to the next level both international interest and national culture ([www.grhawismilak.wordpress.com](http://www.grhawismilak.wordpress.com), 2011, retrieved on 25 August 2012).

From the information above, it is known that batik is a popular domestic product that is related to consumer ethnocentrism, which according to Shrimp and Sharma (1987) as a belief for consumers for domestic products rather than foreign product, this study effort in finding the result of the theory to be applied in batik products for Surabaya citizens. The researcher began to do the preliminary study

to ten people including students, professionals, and adults in Surabaya to know what factors that creates the purchase intention batik.

However, the results of the preliminary study revealed that, people refer to the negative outcome of consumer ethnocentrism, product attitudes, and purchase intention, this is differ from research by Jianlin, Ning, and Qi (2010) about consumer ethnocentrism towards domestic products in China, the study results in positive relation that consumer ethnocentrism creates buying intention while mediated by product attitudes in the process. It is proofed by the statements of ten people such as consumers never intend to buy batik as regular purchase, because batik is lame; consumers is not a batik lover, so consumers will not buy or wear batik; in general, consumers think batik is not cool; consumer think batik is supposed to be wear by Indonesian holic people; consumer will buy batik if it is a requirements from their workplace or university; consumer think if social environment did not wear batik, it could be a shame in wearing one; consumer prefer foreign products because the doubt of the quality; and some consumers doesn't like batik because the design is complicated, and prefer more simple design of clothes.

Furthermore, purchasing intention could be occurred with several factors, and one of them is the product attitudes, which according to Brunso et al. (2004) depends on the personal values of the customer toward the products. One of the factors that form product attitudes is consumer ethnocentrism; consumer ethnocentrism could negatively affects the product attitudes thus depleting the buying intention as stated by Netemeyer et al.(1991) and Sharma et al.(1995). Batik as mentioned above is the domestic product derived from the culture of Indonesian people, and it is suitable with consumer ethnocentrism context. If it is in concordance with the previous theory, if the consumer ethnocentrism of batik is positive then product attitude of Indonesian people towards Batik will also be positive and enforcing the intention to buy the product and the researcher intends

to find if the theory could be applied in for citizens of Surabaya as second largest city of Indonesia and how consumer ethnocentrism and product attitudes toward batik.

The study intends to benefit all people who preserve Batik product, the outcome of this research could show what factors that affect the variables of consumer ethnocentrism and product attitude that should be improved or what is important for the development of Batik industry. Furthermore, as a proud cultural product of Indonesia, it's also beneficial for Indonesian people to ensure the cultural heritage of Batik still exists and popular from analyzing the results of this research in its country of origin.

Based on the earlier explanations, there is an empirical and theoretical gap which the theory is positive and the empirical is negative, so the researcher intends to find through this study whether the result will be generally positive or negative.

## **1.2 Research Problem**

According to the background of study above, the research problem are:

1. Is there a positive impact of Surabaya's consumer ethnocentrism on the product attitude of Batik?
2. Is there a positive impact of product attitude to the purchase intentions on Batik in Surabaya?
3. Is there an effect of product attitude in mediating Surabaya's consumer ethnocentrism and purchase intentions of Batik?

### **1.3 Research Objectives**

The objectives of this research are:

1. To analyze if there is a positive impact of Surabaya's consumer ethnocentrism on the product attitude of Batik.
2. To analyze if there is a positive impact of product attitude on the purchase intentions of Batik in Surabaya.
3. To analyze if there is an effect of product attitude in mediating Surabaya's consumer ethnocentrism and purchase intentions of Batik.

### **1.4 Research Contributions**

#### **1.4.1. For the Researcher**

The researcher can prove the theory that used in research and the application of the theory that learned in class. The researcher can get the benefit of information of how important the consumer ethnocentrism towards product attitude and purchase intentions.

#### **1.4.2. For the University**

The university can get the benefit of the application of methods and theories that had been delivered to the students. The university also benefit from additional resources for further possible studies.

#### **1.4.3. For the Batik Entrepreneurs**

Batik entrepreneurs will get the benefit of knowing the response of society towards their product and their growth. Information about consumer ethnocentrism and product attitude that provided from the results can help the entrepreneurs in increasing the purchase intention towards Batik, and Batik entrepreneurs can use the results of this research for business strategy by enhancing the variables that affect the most of people's purchase intention.

## **1.5 Research Limitation**

This research is only focuses on three variables which are: consumer ethnocentrism, product attitudes, and purchase intentions. The object of the research is focusing in research of batik product, which local product mostly familiar and popular in fashion industry, and the scope area of interest is limited within certain people that live in Surabaya that already know batik. There are also limitations of theories concerning three variables because of limited researches.

## **1.6 Research Outline**

### **CHAPTER I: INTRODUCTION**

The content of the chapter one is consists of background of the study, which to identifying the research problem including the previous study of variables and the object. It also contains the research objectives, research contribution, and research limitation.

### **CHAPTER II: REVIEW OF RELATED LITERATURE**

Chapter two consists of previous researches of the variables, theoretical framework, hypotheses, and operational framework.

### **CHAPTER III: RESEARCH METHODOLOGY**

Chapter three contains the research design, research variables, data collection method, method analysis, and research timeline.

### **CHAPTER IV: RESULTS AND DISCUSSION**

Chapter four contains general descriptions of Batik, general descriptions of respondents, data analysis, classic assumption test, simple regression linear, t-test, path analysis, and discussion.

### **CHAPTER V: SUMMARY, CONCLUSIONS, AND RECOMMENDATION**

Chapter five contains summary, conclusions, and recommendation.