

## **SALES OF LOCAL GOODS TO THE INTERNATIONAL MARKET**

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**Abstract:** One of the mainstay products of Tasikmalaya City is Kelom Geulis. Kelom Geulis is taken from the Dutch "Kelompen" which means wooden sandals. While "Geulis" comes from the Sundanese language which means beautiful. Kelom Geulis crafts or beautiful wooden sandals are widely produced in Tamansari Gobras Village, Tasikmalaya City. Kelom Geulis Tasikmalaya has been exported to Southeast Asia, Korea, Japan, Africa, Panama, the Middle East and parts of Europe. However, currently, the existence of a global market has an impact on reducing interest in domestic products, one of which is Kelom Geulis. Kelom Geulis, which is a characteristic of Tasikmalaya City, should be developed to become a superior product that can bring Tasikmalaya culture to the international level. The purpose of this study was to determine the impact of the global market on the level of sales of kelom geulis in Tasikmalaya city. The location of the study was conducted in Tasikmalaya City, the focus of the study was in the village of Tamansari Gobras Tasikmalaya. Primary data sources obtained from field observations and interviews with sources. While secondary data has sources from archives, personal documents and official documents. Data collection methods and techniques in the form of interviews , documentation and observations using research instruments in the form of interview guidelines and field notes. Data analysis in this study by reducing data, presenting data, analyzing and interpreting data.

**Keywords:** *Global Market, Sales, Kelom Geulis.*

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### **1. Introduction**

Entering the 21st century, economic society is moving towards the globalization of Wang and Chen (2004). Globalization is a process by which consumers, companies, governments, are no longer limited by state restrictions (Arnould, Price, and Zinkhan, 2004). Globalization is the most major change in the world economy, because it gives rise to global markets and global competitors, which replace local competitors (Philip, 1997). Narver and Slater (1990) state that market orientation (customer orientation) and market growth are factors that significantly contribute to the improvement of the company's profitability. Marketing performance is defined as a measure of the success rate of a marketing strategy executed in a business and is measured by sales volume and profit or profit (Menon et al. 1999). Marketing performance is most often used to measure the impact of a business strategy. Business strategy is always directed at generating market performance, including the development of sales volumes, and business profits. To increase sales volumes as well as profits, business or management must understand very well about the intensive orientation of the market.

The global market is a world-scale market that is open to all business actors. The global market has experienced rapid development recently due to several factors, including: The existence of several industrialized countries that are able to produce quality products at low prices, for example China and Taiwan. Budiarto and Tjiptono (1997) revealed that global marketing is marketing that accepts the existence of complex world market similarities (geocentric) through the integration of domestic marketing activities, overseas, as well as internationally that can generate synergies while maintaining the organization's strategic objectives and competitive advantage as a force over Global marketing efforts. Free trade in goods and services produced by a country that is a member of ASEAN and ASIA PACIFIC will be free to market and free to compete in each country (Yamit, 1998).

Today traditional products are beginning to be forgotten. Especially in the younger generation who are too spoiled by the sophistication of technology, so that the culture of its own birthplace is forgotten and does not develop. Modern concepts of outside culture became standard, mainstream, universal, while traditional non-outer states were labeled with local identities. Many countries are developing in their desire to be modern, more or less ignoring its traditions and embracing outside cultures. Many Indonesians who study outside, and embrace outside cultures are not considered inventors, they are just followers of outside cultures and are called loss of identity (Primadi, 2005).

Tasikmalaya is famous for its various handicraft productions including wicker, geulis umbrellas, embroidery, mats, wooden furniture and kelom geulis. One of the products that began to become extinct was the kelom geulis sandals. Nowadays the geulis kelom is starting to be left out. Kelom geulis experienced glory around the end of 1950 and the 1960-1980s. This handicraft center engaged in fashion is now less and less in demand by the local community. From the preliminary observations of one of the kelom entrepreneurs revealed that currently the turnover of kelom geulis is no longer as beautiful as its name, the interest is decreasing, including in Tasik City itself, the impact on entrepreneurs who produce kelom geulis is decreasing, even many kelom geulis entrepreneurs in the tamansari gobras area have closed their businesses, and only a few stores have survived that are currently still open and have rarely produced again unless there is an order.

In this study using several *State Of The Art* (previous research) as a reference for this research as for the state of the art used in the form of a journal to be used as a reference, namely: The results of the research according to Nurhaidah, M.Insya Musa, the influence of globalization turns out to cause many negative influences on the culture of the Indonesian nation, sometimes bringing positive and negative impacts, positive impacts that are bringing the Indonesian nation towards the progress of a nation, while negative impacts can bring bad influences in socio-cultural life. The results of Basuki's research (2014) local products as part of the nation's identity and supporters of the regional economic pace, must be protected from the influence of globalization by limiting the entry of foreign entrepreneurs which can lead to the out of business of local entrepreneurs which in turn can harm the region. The results of the research of Utomo and Shaleh (2017), The strategy carried out by researchers to enter the global market is an export strategy, not another strategy (franchise, joint venture, or direct investment), to increase the company's profits must be new markets abroad, and it is necessary to have direct analysis both internally and externally, so that biases are found weaknesses, opportunities, and challenges to determine next policy. The results of research by Purwaning and Juniwati (2018) in the long term the number of exports and the rupiah exchange rate have a significant effect on economic growth. The increase in imported goods will increase production goods imported from abroad so that domestic productivity decreases

which will reduce the domestic economy. In the short term, there are two significant variables, significant export variables at a significance level of 5% and imports of 10% significance, while insignificant exchange rates in the short term, increased exports will encourage an increase in domestic production. increased production will move the wheels of the domestic economy, so that economic growth increases.

Based on some of the results of these studies, the author will conduct a study of the Influence of the Global Market on the level of sales of local products with different objects. This research was conducted in the Kelom Geulis industry located in the village of Tamansari Gobras, Tasikmalaya City, it is hoped that this research will be one of the valuable inputs for the sustainability of kelom geulis production which is declining.

## **2. Research Methods**

The research method used is qualitative descriptive research. The location of the study was conducted in Kelom Geulis Industry, Tasikmalaya City, West Java Province. The change observed in this study is the influence of the global market on the Kelom Geulis Industry sector in Tasikmalaya City. The data collection methods used in this study were observation, interview, documentation and triangulation methods. The data analysis techniques used are data reduction, data display, drawing conclusions and verifying data.

## **3. Results and Discussion**

### **3.1. Result**

#### **3.1.1. Global Market in Tasikmalaya City**

The global market is a policy where the Government does not discriminate against imports and interfere with exports. Free market policy does not mean that the government abandons all import and export controls and taxes, but rather that it refrains from measures specifically designed to impede trade, such as tariff barriers, currency restrictions, and import quotas.

The global market is an attractive strategic choice for companies, but it is not the only strategic resource. In fact, for many companies, which are able to compete successfully even in the global market, it is important that they keep an eye on the domestic market. Thus, companies around the world are challenged to become more strategically competitive in their domestic markets. However, because the benchmark for competing strategically relates to global standards, companies that increase the ability for domestic competition simultaneously also increase their global competitiveness.

Based on the results of an interview with Mr. H as a voter of the Geulis kelom industry, it was stated that, "The global market has made traditional business businesses go out of business, so that in our association there are 15 kelom geulis industries that are still surviving, while other industries are not strong with the competition that occurs". Meanwhile, the results of an interview with Mrs. E, always the owner of the kelom geulis industry, obtained information that: So far the global market has become the main rival for the kelom geulis industry in Tasikmalaya City. The strategy of facing global market competition is that we always do product selection. There are three product categories in the local to global continuum: local products, international products, and global products. Local Products are products that in the context of certain companies International Products are products that are considered to have the potential to be expanded to a number of national markets. Global products are products designed to meet the needs of the global market.

In choosing products that will be marketed to the global market, you should choose the following products.

- a. Products that are able to compete in terms of quality.
- b. Increase product differentiation by adding advantages to a product, or build awareness of existing advantages and benefits. Emphasize the risks at low prices.
- c. Choose products that are The First, The Best, and
- d. Product Discovery. If a potential customer cannot afford to buy a product, the strategy shown is discovery. In other words, a company may need to develop a new product design entirely to satisfy needs and wants at a cost reachable to potential customers.

Another opinion was also expressed by Mr. Y, as a kelom geulis entrepreneur where to face the global market, the determination of an effective pricing strategy for the international market is a strategy that is influenced by competition and costs in making price-fixing decisions. Four steps that determine the base price:

- a. Establishes the price elasticity of demand.
- b. Make fixed and variable cost estimates of the manufacturing process with projected sales volumes. The cost of product adaptation must be taken into account
- c. Assign all costs associated with the marketing program.
- d. Choose the price that gives the highest contribution margin.

Of the four pricing determinations above, it can be used as a reference in pricing in global market competition. In addition, other strategies that can welcome competition in the field of price are:

- a. Use the dumping system, offer *everyday lowprice* or sell products lower than those usually introduced to the same product in the domestic market or in the country of origin. Show that Indonesia has a cost advantage in the eyes of competitors (costadvantage)
- b. Complex Price. Offer *bundled* prices, *two-partpricing* packages, discount quantities, promotional prices, or loyalty programs for some products, "buy two get one".
- c. Adjust regular product prices in response to changes in competitors' prices or other potential to enter the market.
- d. Developing Human Capital.

Refers to the knowledge and capabilities of the company's workforce. In other words, employees are seen as a source of capital. One of the means of developing human capital is training and development programs.

Ibu M chose to face the global market by developing Human Resources (HR). According to him, the development of Human Resources (HR) is an urgent matter. The quality of human resources is related to the products produced, if they are produced by qualified human resources, then the products produced are quality products Moving, Caring, and Inovating. Moving is a company's ability to adapt between consumer expectations of a product and the ability to meet them. The company's ability to meet consumer demand will prevail in the competition. In realizing all these consumer passions, in order to succeed well, moving must be accompanied by caring and inovating. What is meant by caring is caring for consumers. In this caring stage, the company tries to understand as well as possible what consumers need. To realize the wishes of consumers, innovations in the product field include completeness of products and also the latest technology. This innovation will certainly only succeed in the market if the caring process goes well. With this loyalty, business competition becomes not so heavy, it's just a matter of how we take care of the customers.

### **3.1.2. Development of the Kelom Geulis industry**

The development of the Kelom Geulis Industry in Tasikmalaya City, is fluctuating. For companies that are able to survive, little by little they are changing, while for companies that are unable to survive, they are now experiencing bankruptcy. For those who survive, the prestige of kelom geulis from Tasikmalaya City, West Java, has risen again. Known for creating handicraft goods, craft business actors are now bringing kelom geulis to beautify the world. One of them is Aldila Dipamela.

The results of the interview with Aldila Dipamela obtained the information that "I chose kelom geulis combined with knitting in early 2011. The straps were replaced with a variety of knitted patterns. That same day I contacted the brother who is a knitting expert and bought a lot of colorful yarn.

Kelom geulis is a sandal made of mahogany wood typical of Tasikmalaya. In its heyday, the 1960-1980s, kelom geulis was synonymous with the term mojang geulis (beautiful girl) from Priangan. In various old documentation, mojang dressed up wearing a kebaya, paper-clad, and geulis lom. Designs with many curves with a predominance of brightly colored floral motifs add to its beauty. However, with the development of the times, kelom geulis is no longer in demand because it is considered outdated. The production process begins. The knitted products with fireworks motifs to the fence in front of his house are combined with wooden kelom made by craftsmen in Gobras, Tasikmalaya City. Dila by the craftsman was given a waiver of being able to order dozens of pairs only. In fact, usually conventional bookers order hundreds of pairs of them once ordered. "I tried the model with my own feet," he said.

This product innovation labeled Ryla easily attracts consumers. Promoted via the internet, enthusiasts come from a number of regions. The price is Rp 100,000-Rp 125,000 per pair. The high interest of consumers made him even more excited. The variety of knitting patterns is augmented. In 2014, there were 150 models of knitted kelom produced with a variety of motifs. The knitted variety also adds to the production of kelom geulis. Its turnover skyrocketed from Rp 70 million per month in 2011 to Rp 912 million three years later. The marketing methods have also begun to diversify. Apart from the internet, Dila built an outlet in Tasikmalaya City. In fact, he led to the birth of more than 220 distributors. Her knitted kelom geulis extended to Rome, Italy, as well. "The market in Rome is very bright. There are no less than 20 pairs of sales every month. It may still be a little bit, but it will be big in time," assured Dila.

Dila is not alone. The kelom from Tasikmalaya had previously triumphed in the hands of Ana Suryana (51), a resident of Gobras, Tasikmalaya City. Ana's creativity can leave a dark image of kelom geulis. A variety of new creations are created. Now, his various creations have become a mecca and benchmark for other kelom geulis artisans. Some are plagiarized, but some are inspired. Claiming to be inspired by batik masks from Yogyakarta, he replaced brushes with cantings and candles to get exotic strokes. Several times he failed to paint and dye, but eventually gained the quality of batik on ideal wood. For the pattern, regional characteristics, such as the kujang from Tasikmalaya or the mega cloudy motif from Cirebon, are used to strengthen its traditional elements.

The results of the interview included a statement that "I also improvised with tasikmalaya embroidery to carved kelom with hand chisels," said Ana, who carries the Sagitria brand. Not only did he incorporate elements of tradition, he also experimented using spray paint (airbrush). The method that is often done on a motorcycle or car he pours on wood. As a result, the airbrush's sharper and brighter colors adorn its group. Ana also

expressed in the form of a kelom. He created a kelom with reverse rights that turned out to be a hard sell. He made a bag of kelom as well. "For the bag, I add faux leather and fabric in such a way that it is in the shape of a bag without removing the characteristic kelom geulis. There are many enthusiasts because I rarely have supplies," said Ana, who was once a victim of termination from her workplace at PT Dirgantara Indonesia about 10 years ago. Slowly, but surely, through her various creations, Ana's kelom geulis attracts domestic and foreign consumers. Workers were added from just one person in 2000, now employing 38 people. Production capacity increased from three kodi (60 pairs) per two weeks to 5,000 pairs per month at a price of Rp 130,000-Rp 230,000 per pair. His struggles paid off sweetly. Since 2002, the Japanese, Taiwanese, and Singaporean markets have been the most produced kelom geulis. An application from a company in Japan has even reached a value of Rp. 500 million. Buyers from Africa, the United States, the Netherlands, and the Philippines also love kelom geulis.

### **3.2. Discussion**

The global market is a policy where the Government does not discriminate against imports and interfere with exports. Free market policy does not mean that the government abandons all import and export controls and taxes, but rather that it refrains from measures specifically designed to impede trade, such as tariff barriers, currency restrictions, and import quotas. Market globalization and competition create a huge change. The right strategy must be applied to achieve success through utilizing the opportunities that exist in a fast-moving and increasingly competitive business environment.

Many companies in the world and in Indonesia have realized this and chose the right corporate strategy. However, not a few of them did not take into account the direct implications of the company's strategy on human resources. Countries that do not have strategic readiness and are able to compete in the face of the global market, will be eroded and marginalized. The strategy carried out is in the form of strategies in the factors of Price, Product, Human Resources, Marketing, Cooperation, and views on competition to grow energy in competition.

Global Competition is a stage of development of cultural phenomena that inevitably must be passed by the journey of civilization and the joints of human life. The important thing is, how to respond and prepare for the arrival of this phenomenon. Countries in Europe in responding to the global market are by growing and increasing small and medium-sized business groups. The policy of focusing more on small and medium enterprises (SMEs) has become a trend at that time, where the more and more evenly distributed the role of SMEs, the dynamics of the economy will more quickly improve the welfare of the wider community more evenly. Furthermore, this can be a view for other countries, that SMEs are more reliable because they are a symbol of a country's independence. However, no matter how large the scale of the business that is run at this time, it will always be faced with a problem that sometimes makes the business collapse and sprawl, namely competition. The more developed and developed the economy in a country, the more intense the competition will be.

MSMEs are businesses called gold businesses. This is evidenced by the monetary crisis, MSMEs are able to survive and develop. Indonesian companies are required to be able to compete professionally on a global scale in order to survive and even develop. Philip (1997) reminds that the globalization of markets and competition creates a huge change. The right strategy must be applied to achieve success through utilizing the opportunities that exist in a fast-moving and increasingly competitive business environment. Many companies in the

world and in Indonesia have realized this and chose the right corporate strategy. However, not a few of them did not take into account the direct implications of the company's strategy on human resources. Countries that do not have strategic readiness and are able to compete in the face of the global market, will be eroded and marginalized. The existence of the global market has a very significant influence on the kelom geulis industry. There are those that have a positive effect so that, they can survive and are able to develop their products to foreign countries, by defeating the existing global market. There is also a negative impact, where they no longer operate because they are unable to compete with the global market.

#### **4. Conclusion**

Based on the results of the research that has been achieved, it can be concluded that 1) The global market is an attractive strategic choice for companies, but is not the only strategic resource. In fact, for many companies, which are able to compete successfully even in the global market, it is important that they keep an eye on the domestic market. 2) The development of the kelom geulis industry in Tasikmalaya City has generally decreased, but for those who have survived, it has slightly experienced positive changes. 3) The global market has a positive and negative impact on kelom geulis industry players in Tasikmalaya City.

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