

CHAPTER I

INTRODUCTION

1.1 Background

Lejo Melayu Riau weaving is produced by creative hands-tanga done by weaving yarn interspersed with woven gold yarn or silver thread with a variety of motifs or patterns of certain weaves. Lejo Melayu Riau woven fabric has a uniqueness and rich in the value of beauty and aesthetics as a combination of cultural elements that symbolize the patterns, views and thoughts of malay society. Various motifs or patterns of woven fabric Lejo very closely related between humans and nature both animals and plants. This variety also reflects the way and view of human life.

Lejo Melayu weaving is a characteristic in Bengkalis sub-district. Nowadays almost all activities or events in Bengkalis even to Riau Province people use lejo Melayu woven fabric. this became one of the goals to expand the development of woven handicrafts Lejo Melayu region into a craft recognized by the world. So that this can be one of the sources of income later to raise the economy of the community especially in Riau Province and Bengkalis subdistrict. With this activity that involves people using Lejo Melayu woven fabric has become a stung attraction by the outside community to better know the uniqueness contained in lejo woven fabric. so that now can increase the demand for lejo Malayu's woven fabrics. Even now there is an export demand for Lejo Melayu woven fabric in one of the small industrial handicrafts of Lejo Malayu woven fabric located in Bengkalis subdistrict precisely in Sebauk village named "Putri Mas".

Lejo woven fabric small industry developed by Mrs. Devi Susanti (owner of lejo putri mas weaving business) produces various types of Lejo fabrics such as mama-papa woven fabrics, replacement suits, meter songket woven fabrics, bridal accessories and so on. All production using ATBM (looms not machines) the time

required by craftsmen to complete the woven fabric is highly dependent on the motif or pattern requested. Then it takes a range of approximately 4-7 days for a single piece of cloth.

In 2019, the production of Lejo Weaving products was consistent with the number of production as much as 250 strands per month and sold out every month. Even often experienced the increase of production due to the high purchasing power of consumers to woven fabric lejo putri mas (Azrani and Maulana, 2021)

According to the observations and interviews of the author with Mrs. Devi Susanti (owner of the small industry weaving Lejo putri mas), explained that there are already 2 (two) countries that have come to offer cooperation to them for the export of Lejo's woven fabrics. opportunities like this are what small industries expect. One of the requirements of small industries to develop is to try to achieve the goal of creating jobs for the surrounding community. In order for these goals to be achieved, small industries must strive to find opportunities to produce and deliver the goods and services that consumers want at a quality and reasonable price.

Exports are one part of international trade. In this case exports have the understanding of trade activities carried out to sell goods or services abroad, in an effort to gain profit. In this case, exports will be able to show superior products that become one of the country's sources of income. From the information obtained from Mrs. Devi Susanti (owner of Lejo Putri Mas weaving business) about the offer of cooperation in the export of woven fabrics from 2 (two) countries, the author chose the title to analyze the export potential of Lejo Melayu woven fabric located in this district of Bengkalis. whether the same potential will be obtained also in small industries in this Bengkalis area.

At this time, Lejo Melayu woven fabric has been widely recognized by the general public both from outside and from within the country. The uniqueness and variety of cultural art is very inherent. Therefore, the old heritage in the form of regional culture, needs to be developed and disseminated so that it can be bio-edible by all circles. So this can be one of the objects that is always remembered

by anyone. And always needed in any order. Therefore I decided to choose this lejo woven fabric object.



Figure 1.1 Putri Mas weaving business location
Source : Processed data, 2021

Various traditional crafts and local wisdom were revived in the era of regional autonomy. This aims to make each area have certain characteristics that can be distinguished from other regions and at the same time can increase the income of the region and the community. One of the policies of the Riau Provincial Government is to introduce Songket or Tenun Melayu Riau as souvenirs or souvenirs typical of Riau. This policy makes for a passionate re-weaving activity that was not previously so noticed.

According to Septiana (2020) to analyze the competitiveness or comparative advantage of Indonesian textile commodities in ASEAN countries using the Revealed Comparative Advantage (RCA) method. The value of RCA greater than one indicates that the commodities analyzed have a comparative advantage or strong competitiveness so that it can be maintained to continue exporting to its destination country and vice versa. From the results of the RCA

calculation there are several countries that have or are strong competitive, this RCA calculation starting from 2010-2018, the country is as follows:

Table.4.5 Results of Revealed Comparative Advantage Calculation

No	Country	Value
1	Malaysia	1,94
2	Singapore	0,90
3	Thailand	1,78
4	Vietnamese	2,57
5	Fhilipina	0,96
6	Cambodia	0,12
7	Laos	0,03
8	Myanmar	0,18
9	Berunai Darusalam	0,03

Source: Septiana(2020)

In the table above, you can see the final results of the RCA calculation in each country, Malaysia has an RCA value still above 1 so the country is still fairly strong for its competitiveness. Singapore also has an average RCA value of 1 so it can still be said to be strong for export competitiveness. Thailand has an RCA value of 1 despite a decline in 2018 but still has an average value of 1 so it has strong competitiveness. While Vietnam itself experienced a high enough value so that its RCA value above 1 is a fairly strong competitiveness. The Philippines, Laos, Cambodia, Myanmar and Brunei Darussalam have RCA values below 1 meaning that textile commodity exports in the country have low competitiveness below the world average. Technical exports in Indonesia have strong competitiveness in 4 countries namely Malaysia, Singapore, Thailand and Vietnam.

With the RCA data, it is a reflection of the textile industry in Indonesia, where there are factors triggering competitiveness itself. With this data can also help companies and industries to choose which countries have a large and strong potential for the technical products they have. So that it can have a great opportunity for profit.

From the background of the above thinking, the author is interested in raising the title about *"Analysis of Potential Export of Tenun Lejo in Bengkalis (Case Study of SME Putri Mas)"*

1.2 Formulation Of The Problem

Based on the problems that have been determined, then the problem discussed in this study can be formulated namely” How is the export potential of lejo woven fabric in the small industry of Tenun Putri Mas?”

1.3 Purpose of the Study

Based on the formulation of the problem, the purpose of this study is:

1. find out the export potential of lejo weaving in Bengkalis, especially in the small industry of Putri Mas, Sebauk Village.
2. To find out the obstacles to the export potential of lejo weaving in Bengkalis, especially in the small industry of Putri Mas, Sebauk Village.
3. To find out the solution for the export potential of lejo weaving in Bengkalis, especially in the small industry of Putri Mas, Sebauk Village.

1.4 Significance of the Study

This research is expected to provide benefits and uses to various parties, including:

1. For entrepreneurs
As an input to small industry craft entrepreneurs in Bengkalis in an effort to increase the income of small industries.
2. For the government, the relevant agencies
As input in formulating policies related to the empowerment and development of UMKM, especially small industries handicraft regions.
3. Can be an analytical material for those who want to do research related to the income of small indutri crafts.

1.5 Research Limitations

This research needs to be limited in variables to fit the planned objectives, making it easier to obtain the necessary data and information. then in this writing the author limits the problem studied that is only in the "*Analysis of Export Potential of Tenun Lejo in Bengkalis (Case Study of SME Putri Mas)*".

1.6 Writing System

In order for the writing of this thesis report to be systematic and neatly structured, a systematic report writing is required. The following is the systematics of thesis report writing:

CHAPTER 1 : INTRODUCTION

In CHAPTER 1 explains the background of the problem, the formulation of the problem, the study objectives, the benefits of the study, the scope of the study and the limitations of the problem as well as the systematic writing of reports.

CHAPTER 2 : LITERATURE REVIEW

In CHAPTER 2 describes the literature review and the basis of the previous theory that will be used in the completion of the study.

CHAPTER 3 : RESEARCH METHODOLOGY

IN CHAPTER 3 will explain the implementation plan, starting from the location, time and object of study, types and sources of data, data analysis methods, types of study, study schedule and budget.

CHAPTER 4 : RESULTS AND DISCUSSION

In this chapter 4 will explain the results and discussion of study.

CHAPTER 5 : CONCLUSIONS AND SUGGESTIONS

In this chapter 5 will explain the conclusions and suggestions of the study carried out.

REFERENCES

APPENDICES

WRITER BIOGRAPHY