

Local Culture Is Able To Bring In Foreign Tourists

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ABSTRACT

Pacitan is a coastal area with a small area of rice fields, so many residents whose livelihoods are not farmers. The women spend more of their days and spare time with batik. The beauty of nature has inspired various decorations and motifs of Pacitan Batik, which are full of biological symbols. The typical Pacitan motifs are pace fruit or noni and sea coral. The classic batik made in Pacitan is now in danger of extinction because the batik artisans have entered an old age and regeneration has not yet matched the results. This research purposes to determine creativity effect and product innovation on customer satisfaction. With a sample of 90 respondents, multiple linear analysis was used in this study. The findings by the study yielded fifty-four point tou persen , which indicates that customer satisfaction is influenced by both creativity and new product development. The purpose of this study is to emphasize the significance of creativity and innovation skills in product development, particularly in the Pacitan, East Java Province, batik industry.



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INTRODUCTION

According to Ajaningrum (2018), the industry itself is affected by technology's role in industrial advancement. According to Aditi (2017), organizations seeking continuity in a competitive market must take creativity into account. Alge (2006) asserts that creativity is related to an organization's capacity for innovation also creation. 2014 Anderson 2010; According to (2004a), Businesses must choose between being innovative and remaining consistent.. Amabile, two thousand five) According to Beer and Frese (2003), aptitude for organization, self-assurance, also a desire to always improve determine organizational motivation to initiate creative action

According to Alexiev and Jansen (2010), product innovation, in addition to creativity, is one of the elements that play a significant role in establishing an organization's market strength. According to Chou JR (2004), innovation in products can make them stand out from competitors' offerings. If a product or service has benefits and values that set it apart from others, customers will be very interested in using it (Martins, 2002). Nowadays, businesses and organizations that offer products that are more creative and innovative and have more appealing features are preferred by customers. According to Valencia and Jimenez (2010), customers will have high expectations of the business if it can offer products that are both appealing and of high quality

The organization's performance, success, and long-term viability are now heavily influenced by creativity and innovation. However, in the context of SME organizations, creativity and innovation are complex phenomena that require leadership skills. Leader who have the ability to creativity and product innovation skills will be able to win over customers and compete with rivals. According to Ernawati and Kurniawati (2020), the company's results on adjusting products are what consumers use to make purchasing decisions. In the context of SMEs, especially batik located in Pacitan City, East Java Province, the role of creativity and The creation of goods, particularly batik, necessitates creativity. When considering the history of Pacitan batik, it is impossible to separate the influence of the Surakarta/Solo and Yogyakarta-based Mataraman batik style. Pacitan batik motifs contain numerous patterns, both geometric and non-geometric

The Pacitan Regency's physical and topographical conditions, which include mountain ranges, hills and the coast (sea) areas, hold a lot of potential for various economic sectors, particularly SMEs in the batik industry. If it is anticipated that Pacitan's economic growth will continue to be fairly robust

in the future, particularly with regard to the expansion of the creative industry, which gives small and medium-sized businesses the ability to support economic activities in a number of villages, sub-districts, and regencies within East Java Province, Small and medium-sized businesses (SMEs) play a crucial role in the economic expansion of local communities, and economic expansion and employment also play a significant role in how development gains are distributed. The passage of Republic Law No. 9 in 1995, which was followed by Indonesian Government Decree No. 9, demonstrated the significance of MSMEs' role in the growth of the national economy. 1998, No. 32, Development and Direction for Small Businesses (Adiansah and Ratyaningrum, 2017). This study is intended to fill the void, particularly in terms of assessing product innovation and creativity in the context of Pacitan City's Batik SMEs. Although many researchers study product innovation and creativity; 2017 by Adiansyah and Ratyaningrum (2018)), but few studies have been conducted on SMEs, particularly the batik industry.

RESEARCH METHODS

By employing multiple regression analysis methods, this study adopts a quantitative analysis approach. This study's sample consisted of 90 respondents who were Pacitan batik customers. Non-probability sampling and incidental sampling were used in this study was used as the method of sampling. Sekaran (2016) says that incidental sampling is a method of sampling that uses chance at the time to see if there is a match for a sample. This research used observation, interviews, and questionnaires or questionnaires as data sources and data methods. In the meantime, secondary data were gathered from business magazines, journals, and textbooks as well as local government publications. A Likert scale with five possible answers is used to measure creativity (X one), product innovation (X two), and customer satisfaction (Y). 1. Strongly Disagree with (5SD) Totally concur (SA)

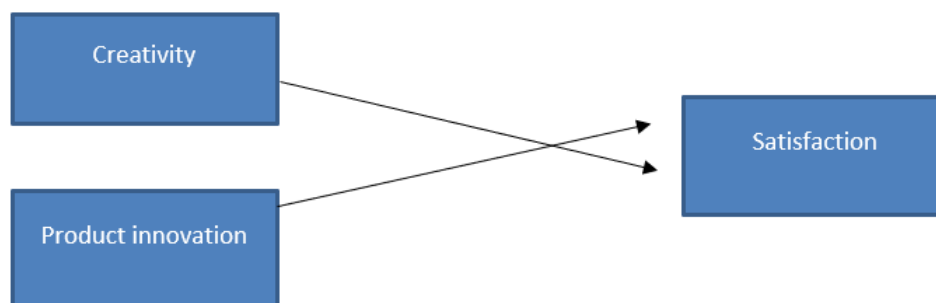


Figure. 1 Research framework

RESULTS AND DISCUSSION

According to the findings gleaned from the responses provided by the ninety people who were selected for this study, there is a significant correlation between customer satisfaction and creativity and product innovation. The hypothesis is accepted because this data has a positive and significant relationship with customer satisfaction. This finding lends credence to the theory that creativity and product innovation influence customer satisfaction (). The following table displays this study's validity and reliability tests:

Table 1 Validity Test

Variable	Item	r count	r critical	Notes
Creativity (X1)	X1	0,735	0,30	Valid
	X2	0,729	0,30	Valid
	X3	0,573	0,30	Valid
	X4	0,636	0,30	Valid
	X5	0,829	0,30	Valid
	X6	0,746	0,30	Valid
Product Innovation (X2)	X7	0,647	0,30	Valid
	X8	0,868	0,30	Valid
	X9	0,673	0,30	Valid
	X10	0,635	0,30	Valid

Variable	Item	r count	r critical	Notes
Customer Satisfaction (Y)	Y1	0,642	0,30	Valid
	Y2	0,576	0,30	Valid
	Y3	0,567	0,30	Valid

Source : Processed Data (2020)

The table above that the statement items on each variable X1 (Creativity), X2 (Product Innovation) and Y (Customer Satisfaction) are valid by looking at each item above the critical. The reliability test can be seen as follows :

Table 2 Reliability

Variable	Item	Cronbach's Alpha	Note
Creativity (X1)	X1	0,753	Reliable
	X2	0,742	Reliable
	X3	0,765	Reliable
	X4	0,734	Reliable
	X5	0,725	Reliable
	X6	0,750	Reliable
Product Innovation (X2)	X7	0,751	Reliable
	X8	0,763	Reliable
	X9	0,762	Reliable
	X10	0,755	Reliable
Customer Satisfaction (Y)	Y1	0,764	Reliable
	Y2	0,753	Reliable

Source: processed data (2020)

The assertion makes for each variable, x one (creativity), X two (product innovation), and Y (customer satisfaction), are shown to be reliable in Table 2. The test for multicollinearity is:

Table 3 Multicollinearity Test Coefficients^a

Model		Collinearity Statistics	
		Tolerance	VIF
1	Creativity (X1)	.693	1.443
	Product Innovation (X2)	.741	1.350

a. Dependent Variable : Customer Satisfaction (Y)

Source : Processed Data (2020)

The calculation results in table 3 above show that there are no problems in terms of multicollinearity between independent variables in the regression model, so there are no problems. The results of the multiple linear analysis are as follows :

Table 4 Multiple Regression Analysis Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations		
		B	Std. Error	Beta			Zero-order	Partial	Part
1	(Constant)	2.735	2.507		1.091	.278			
	Creativity (X1)	.299	.120	.179	2.499	.014	.487	.222	.154
	Product Innovation (X2)	.521	.120	.379	5.098	.000	.629	.422	.315

a. Dependent Variable : Customer Satisfaction (Y)

Source : SPSS Output Results (2020)

Table four shows that the acquisition value of constant (a) is two thousand seven hundred and thirty five, that the value of the regression coefficient on the creativity variable is zero point two hundred and ninety nine, and that the value of the regression equation for product innovation is 0.521. The regression equation reads as follows:

$Y = \text{two thousand three hundred and seventy four} + \text{zero point two hundred and ninety nine } X_1 + 0.521 X_2$ This indicates a positive value, indicating that the greater the organization's creativity and product innovation, particularly Pacitan Batik UKM, the greater the level of customer satisfaction with the product. The following is an illustration of the correlation analysis of eating:

**Table 5 Correlation Analysis
Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.735 ^a	.542	.530	3.79173

a. Predictors : (Constant), Innovation (X2), Creativity (X1)

Source : SPSS Output Results (2020)

The results obtained based on the calculation of table 5 show that the value of the multiple correlation coefficient (R) is 0.735. This means that the results is between 0.60 – 0.79. This shows that the relationship between creativity and product innovation on consumer satisfaction has a strong relationship. The hypothesis test is as follows :

**Table 6 Hypothetical Test
ANOVA^a**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2038.085	3	679.362	47.245	.000 ^b
	Residual	3763.347	120	14.377		
	Total		123			

a. Dependent Variable : Customer Satisfaction (Y)

b. Predictors : (Constant), Product Innovation (X2), Creativity (X1)

Source : SPSS Output Results (2020)

The regression model that was produced is 47.245, with a p-value of 0.000, as shown in the results that were obtained from the hypothesis test in table six above. As a result, the findings demonstrate that H1 is acceptable and influences satisfaction of customers. The following are the effects of X1's influence on Y:

Table 7 How creativity affects how satisfied customers are

Variable	T _{count}	Prob (sig)	H ₀	Note
Creativity (X1)	5,368	0,000	Rejected	Significant on $\alpha = 0,05$

SPSS Output Results (2020)

When compared to the values in the t-table in Table 7, the magnitude of the tcount values superior to that of the t-table at the 5% significance level (five thousand three hundred and sixty eight >ttable = 1.980). The H0 test is rejected by this because H0 at level = 0.05 is less than 0.000. 0.05. The following is the test to determine how the variable X2 (product innovation) affects the variable Y (customer satisfaction):

Table 8 Customer satisfaction as a result of product innovation

Variable	T _{count}	Prob (sig)	H ₀	Note
Product innovation (X2)	2,479	0,014	Rejected	Significant on $\alpha = 0,05$

SPSS Output Results (2020)

The size of the total count value in relation to the t table is shown in table 8. With a significance level of 0.05, the tcount value is greater than the ttable value (two thousand four hundred and seventy nine > ttable = 1.980). This indicates that H0 is rejected at = 0.05. Because 0.014 zero point zero five, these results indicate that the H0 test is invalid and that product innovation variables have a significant impact on customer satisfaction. The following are the outcomes of the coefficient of determination:

Table 9 Coefficient of Determination Results

Model Summary				
Model	R	R Square	Adjusted R box	Std. Error of the Estimate
1	.736 ^a	.542	.530	3.79173

a. Predictors: (Constant), Technology (X2), Link (X1)
 SPSS Output Results (2020)

The result of obtaining the coefficients of determination (R2) in table 9 is 0.542. These results indicate that simultaneously this value has an influence between the variables X1 (Creativity), and X2 (Product Innovation) on Y (Customer Satisfaction) of 54.2%. As for 45.8% influenced by other factors that are not included in the variables studied. Each of these effects can be calculated by multiplying the standardized coefficients by the zero-order correlation in the table below :

Table 10 Multiple Regression Analysis

Model	Coefficients^a			
	Standardized Coefficients		Correlations	
	Beta	Zero-order	Partial	Part
1 (Constant)				
Creativity (X1)	.379	.629	.422	.315
Product Innovation (X2)	.179	.488	.222	.154

a. Dependent Variable : Customer Satisfaction (Y)

Source : SPSS Output Results (2020)

As a result, the numbers in the table above are 0.379 0.629, or 0.238. This indicates that the batik SMEs industry in Pacitan City contributes 23.8 percent to explaining and influencing customer satisfaction. The effect of product innovation on customer satisfaction, on the other hand, was 0.087. As a result, this demonstrates that the city of Pacitan's batik products account for 8.7% of customer satisfaction. The following summarizes the results of hypothesis testing:

Table 11 Recapitulation

No	Hypothesis	Statistic	koef reg β_i	T_{hit}	Sig.	α	Test Decision	Great influence
1.	Product creativity affects customer satisfaction	H ₀ : $\beta_2 = 0$ H ₁ : $\beta_2 \neq 0$	0,520	5,098	0,000	0,05	H0 rejected X1 has a direct effect on Y	23,8%
2.	Product innovation affects customer satisfaction	H ₀ : $\beta_1 = 0$ H ₁ : $\beta_1 \neq 0$	0,120	2,499	0,014	0,05	H0 rejected X2 has a direct effect on Y	8,7%
	Total							54,2%

Source : SPSS Output Results (2020)

CONCLUSION

Based on the previous research explanation, this study's findings indicate that satisfaction among customers in East Pacitan City, is positively influenced by product innovation and creativity. This finding also emphasizes the necessity of developing products, particularly for small and medium-sized businesses (SME), so as to boost sales, particularly in light of the current competitive landscape. There are a number of options that can be implemented to ensure that the SME industry, particularly in Pacitan, continues to be productive and performs well. These options include product development training, technology learning, and coaching.

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