

## Abstract

Batik industry has become one of the leading industries in the economy of Indonesia. Batik is an Indonesian cultural heritage that has been recognized worldwide and has been recorded as an Intangible Cultural Heritage of Humanity by INESCO in 2009. Batik Keris is one of Indonesian most famous Batik brand that has captured the largest market share in Indonesia. The company has been living for almost a century old with over thousands of employees and over hundreds of retail branches nation-wide, it has become one of the few most well-known local fashion brands in Indonesia. The main objective of this study is to examine the company's external and internal marketing environment, on how they exploit market opportunities, formulate an effective marketing strategy and to identify the marketing methods used to survive and gain competitive advantage. This paper will be using the traditional marketing process from the evaluation of STP (Segmentation, Targeting and Positioning) model to analyze their marketing plan; it will also further continue to utilize the 5Ps (Product, Price, Place, Promotion and Planet) of marketing mix to explore their marketing programs and lastly provide control and evaluation from the outcome. The paper employed a structured questionnaire survey involving 150 respondents mostly coming from the capital city of Indonesia, Jakarta. The response are evaluated through basic arithmetic function filter using Microsoft excel spreadsheet to provide quantitative data for objective evaluation and qualitative data for comprehensive explanation. The study finding shows that Batik Keris is using marketing development strategy as their main marketing strategy to govern their internal core resource which gave them the competitive advantage in the Batik market. Their development marketing mix strategy predominantly incorporated the brand with digital promotional activities, interactive customer engagement programs and expanding to unrelated product diversification to increase market power, and a relatively low risk investment to increase returns. The framework will serve as a blue print to educate other Indonesian Batik business owners with the understanding to formulate an effective marketing strategy and analyzing internal core resource to survive and sustain competitive advantage in the market.

**Keywords:** Marketing Environment; Marketing Strategy; Indonesian Batik Industry