THE INFLUENCE OF PRODUCT ATTRIBUTES, BRAND IMAGE, AND PUBLICATIONS ON PRODUCT QUALITY
OF LEATHER BAGS IN WELCOMING THE MEA IN INDONESIA
(RESEARCH ON LEATHER SMES IN TANGGULANGIN, SIDOARJO, EAST JAVA)

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ABSTRACT

In this modern era, it seems impossible that there are still people who are unfamiliar with advanced technology. Smooth production could be disrupted without the presence of tools / machines. So far the leather SMEs assume that to create products with different designs gives good results. In fact superior products through product attributes without involving a brand image as an identity will be difficult to publish. This, of course, affects the quality of the product. The research method uses descriptive, verificative through hypothesis testing, using SEM modeling. The sample was limited to 200 SMEs around Sidoarjo. The result shows that the bags are manufactured by leather SMEs through the quality of the product is less known by customers outside of East Java. The outlets do not have brands that can be distinguished from competitors or from other areas especially without publication. MEA's presence will have a positive impact on the quality of products rich in creativity, whereas the design of artificial leather bags from Sidoarjo are still superior compared to other imported products.

Keywords: leather bag, product attributes, brand image, publications, product quality

INTRODUCTION

The fashion world in Indonesia has never deserted by the glitter of the entertainment stage that inspires mode. Its development is very fast, dynamic. It has an identity of peculiarities and provides power. Modern elements present in a practical design and give the impression of luxury, though it does not need to refer to the development of world fashion trends. Indonesia is so rich in creativity, inspiring people to create crafts that poured in different forms, but it can provide high selling point.

A work does not make people complacent in success. Many people are curious about how the leather bag which worked very simply can be a trend setter and profit from the market a prime target. Sidoarjo communities have traditionally thought that by studying people's economy, many people can empower the local workforce. Product attributes are developed to create a more modern designs leather bags to be competitive in the market. A modern Leather Bag is created. It is the combination of leather sheets with other accessories and it has a style that is adapted to a wide range of colors.

Tanggulangin, precisely located in the Boro village, Porong District, Sidoarjo regency is an industrial area, especially of leather bags, jackets, purses, belts, and suitcases. Various designs, models, colors are sold here, with varied ranging of prices from hundreds thousands to even millions of rupiah depending on how many materials used, the tested quality of leather, design, or style, and accessories used. Many showrooms stay along this area hawking the products. Various models and sizes and different prices are offered. Customers come to Tanggulangin only for hunting the souvenirs which are considered to have advantages compared with other regions.

Lapindo disaster was said to be the worst national disasters over the years. The mud flowed in oil and gas drilling facility owned by PT. Lapindo Brantas in Porong district town which is the main access to enter the territory of the village Tanggulangin. The Highway of Sidoarjo - Gempol is cut off, Porong market and major highways that pass through the province are often inundated with mud. Activities of backfill roads and dikes to cope with overflow mud have paralyzed the economy in East Java.

In a short time, Tanggulangin became a quiet village. It had almost no visitors who normally bustle the streets village. Even if there is a passing vehicle, usually motorists were stuck in traffic on the highway Porong and were
seeking an alternative ways. Showrooms with exclusive design got very few visitors. No vehicle was parked. Sales in the center of craft bag and shoes immediately decreased dramatically.

At first, the craftsmen of leather products Tanggulangin Sidoarjo, who consist of several craftsmen of leather wallets, leather jackets, leather bags, leather shoes, leather belts and other leather products. Similarly, the tragedy of Lapindo mud that spread to all sectors, including the one of which is a leather craftsman. Beginning in 2000 a few craftsmen who joined and then followed several other craftsmen, trying to rise from this condition. The efforts done by artisans and merchants Tanggulangin bag to face of adversity since the disaster. Innovation and creativity are two keys to the success of the craftsmen and traders until the products can still be attracted and desired by the people of Indonesia and even people from other neighboring countries.

The development of a product or service involves the value and benefits defining are delivered and communicated by product attributes. Not enough to simply rely on product quality which is the benchmark for excellence of products offered. But completeness of Product attributes experiencing difficulty, namely the product features that continuously changes in accordance with the development of the current mode.

The creation of a design pattern and different picture is also not easy to do by leather bags SMEs in Tanggulangin Sidoarjo and surrounding areas, especially to be able to compete in the national market. Product Attributes that they had just stuck to the old pattern design in view of older models, although some new designs and colors are striking. But yet has one of the seeded product attributes are characteristic as a differentiator of the products.

Brand image is very important for the completeness of identity needed by the customer, in addition to keeping the brand popularity needs to adapt it to the tastes of the market which is constantly changing. Until now, the products of Tanggulangin do not have the brand yet and will help differentiate product that it generates with products from other regions. Besides brand image should be manifested through the uniqueness of the product as a differentiator and can interact between Indonesia with a wealth of cultural backgrounds. As a result, difficulties in promoting not inferior when compared with bags produced by other countries / regions, so that the value assigned to the customer is not maximal.

Publication is important to introduce the products of a company, as well as the identity of the producing company turns of the famous of Tanggulangin Lumpur Lapindo is found the leather industry with a variety of leather designs are varied. To introduce the product required the existence of continuous publication with the hope to arise the curiosity of the products published. Publication carried out by SMEs provide less lost interest in view of the style and pictures or words that are displayed. As a result, consumers are less aware that in the Boro village there are leather industry which became a byword and hunted by certain-customers.

Product quality is an important thing to be owned by each company because it plays an important role in order to provide excellence for the products. Customer satisfaction not only in view of one side only but of the whole product is displayed, to give the lead to customer loyalty to a product. Products of Tanggulangin, particularly bag, have not yet got fully quality products that can give satisfaction. Only some of the items that are reaching millions of rupiah which have excellent quality, but for a specific product design or shabby colors and look unattractive.

Another difficulty is to obtain the capital from banks so that the development potential of the region does not runas it should. Although they are loyal customers of Bank Syariah is located in Sidoarjo, the banks find it hard to help small businesses. They are hit by the rules established by the Banking policy which is still used until now. The disadvantage of the SMEs does not have a good and correct accounting system (bookkeeping, cash flow, profit and loss statements, journals etc.). Reality on the ground leather artisans have not been able to realize a partnership program with banks.

Various attempts have been made but they did not make the leather industry succesful a few years ago before the financial crisis hit and the Lapindo mudflow Porong village and surrounding areas. But until now the development of Leather Bag Tanggulangin has not got significant results. Customers have not seen repercussions as some years ago. Nevertheless the owner remains open their businesses in the hope of intervention Local Government to lift the leather SMEs to get guidance to face of MEA’s presence amid the tight competition.

Competition began with the implementation of MEAs in Indonesia, then all business sectors struggle with all the power is able to compete well within the ability of skills / human resources, raw materials, machinery or other supporting equipment, facilities and other infrastructure etc. It is expected all business sectors, particularly leather bag of Tanggulangin is also able to compete with the products / services of other competitors.
Some of the above problems are interesting for further research and need to examine and consider the efforts to increase product attributes and brand registration as a patent that has legal protection. To grow a strong brand image requires intensive publication to all parts of the country. It can even be developed in order to provide maximum product quality.

LITERATURE-REVIEW

Product-attributes

The growth of the leather industry is now beginning to occur, along with the increasing needs of the people of clothing, food and shelter. SMEs as businesses are required to be able to develop their business plans to address the competition. And they are challenged to achieve the goals and objectives in a relatively short period of time, the medium-term, and long-term. Creative and innovative ideas require SMEs to produce a superior product that has the identity and privileges, in order to compete and to win the competition in the market.

Limitations of purchasing power and a willingness to buy all the consumer needs can be realized. Consumers typically make a priority to seek out and buy a product that is considered the most suitable and may provide satisfaction. The increasing number of purchase of a product can enhance the competitiveness of the company against its competitors, thus companies that want to develop their business must create a superior product and different compared with its competitors. Product attributes is an effort to attract consumers into buying the products.

Kotler & Keller (2012) defines that the attributes product is the development of a product/service that involves defining the benefits that will be offered in form of products or services and then communicated through the quality, features, style and design. Similarly, proposed by Fandi Tjiptono (2000: 103) that the product attributes is elements of the product which is considered important by consumers and can be used as a basis to decide to purchase the products/services. Attributive product attributes includes branding, collateral, and packaging.

Kotler & Keller (2012, 347) says that dimensions of product attributes consist of (1) product quality (Persived Quality); the ability of a product to perform its functions include durability, reliability, accuracy, ease of operation and repair, as well as the attributes of other valuable, (2) feature, a product can be offered with different features, the company can create models by adding more features, (3) fashion / design (style); sensational style produce pleasing aesthetic to contribute to the usability of a product as well as its appearance.

Brand-Image

Brand image is a representation of the whole of the brand and is formed of information and past experience to the brand. Brand image is also associated with the belief that attitudes and preferences towards a brand. Consumers who have a positive image of a brand would be more likely to make a purchase. Argues that the definition of brand image is what is perceived by consumers about a brand where it concerns how a consumer describes what they feel about the brand when they think about it.

For that reason the construction of a positive brand image becomes an important thing, because without a strong and positive image it is very difficult for companies to attract new customers and retain existing customers, and at the same time ask them to pay a high price. This is reinforced by the opinions expressed by Kotler & Keller(2012: 32) that the brand image as a set of beliefs, ideas, and impressions of a person to a brand, because of the attitude and action of consumers towards a brand is determined by the brand image, because the brand image is a requirement of a strong brand.

A formed Brand image should have an advantage when compared to its competitors, as difference and brand advantages are faced with another brand. According to Kotler & Keller 2012), Dimensions of Brand image consists of; (1) image-makers (Corporate Image); a collection of associations of perceived consumer against companies making a particular product or service includes popularity, innovation and service. (2) the image of the user (User Image); a set of perceived consumer associations of the users who use the product or service such as age, social class, occupation. (3) productimage; a set of perceived consumer association on products or services, including the quality / quality, price, convenience, kind of products and benefits.

Publication

Publication is an activity of the company to communicate the right information to the public, the memory is expected to affect the decision making process. Because the publication plays an important role for the company with the primary goal is to inform people to the products or services to increase sales to generate profits. In
addition, the publication can take the form of activities to introduce the product and enhance the corporate image. Application is by means of holding the event - a specific event that are purely profit-oriented social events so that they can contact directly with the public.

The publication is a communication tool that is coordinated with the aim of providing the criteria in the decision making process as well as an evaluation tool. While Kotler & Keller (2012: 658) adds that the publication is also one of the tasks of the specific communication success levels to be achieved over a specific audience at a specific period of time. The main goal of the publication is to provide information to the public by providing criteria for decision and evaluation of products or services offered by the company and put the brand name in the minds of consumers.

Generally, the publication seeks to measure the effect of communication, namely the potential impact on awareness, knowledge, and preferences on sales. Planning and controlling good publications depends on the size of the publication that impact on the effectiveness of communication and the impact on sales where the measurement is more difficult than on the impact of communication because it is influenced by various factors such as product display, pricing, availability time for publications and the actions of competitors.

According to Kotler & Keller (2012), the dimensions of the publication include: (1) Provide information; provide accurate information about the group market (segmenting), the target market (targeting) and positioning the market (positioning), (2) Persuading; creates demand for whole categories of products, (3) Advise (reminding); contains attributes that affect consumers benefit, (4) Value added; providing value added to offer include innovation, quality improvement, and perceptions changing.

**Product Quality**

Product is defined as a collection of attributes that are tangible and intangible, including the packaging, color, price, quality and brand of services of the product itself and the reputation of its sales. Of course, every product manufactured by a company cannot be separated from that superior product quality, both in view of the physical and of its appearance.

Conceptual product is the subjective understanding of the top manufacturers that is something to offer as an attempt to achieve organizational goals through fulfilling the needs and activities of consumers, in accordance with the competence and capacity of the organization as well as consumers' purchasing power to buy all their needs better product in the form of goods or services that are provided in the market.

To achieve the desired product quality, we need a standardization of quality. This method is intended to ensure that the products meet the established standards so that consumers will not lose confidence in the product concerned. Marketers who do not pay attention to the quality of the offered products will bear no loyal consumers that their product sales will tend to decline. If marketers pay attention to quality, even reinforced by advertising and reasonable price then consumers will not think long to make purchases of such products.

According to Mullins et al (2008), the meaning of the quality of the product is "the ability of a product to perform its functions, it includes the product's overall durability, reliability, precision, ease of operation and repair, and other valued attributes". The ability of a product to demonstrate its functions, it includes the overall durability, reliability, accuracy, ease of operation and repair products and other product attributes are still-related-to-each-other.

Consumers continue to evaluate the performance of a product, it can be seen from the product's capabilities create quality products with all the specifications so that it can attract consumers to make purchases of these products. Based on the above discussion it can be said that the quality of a given product can influence the purchasing decisions of consumers to the products-offered.

The quality of products is formed by several dimensions including ease of use, durability, clarity of function, size diversity of products, Mullins et al (2008) including (1) Performance characteristics; regarding the functionality of the product. That is the extent to which a product can function as the main function of the product. (2) Features / completeness; regarding additional features. (3) Reliability; regarding the possibility of malfunction rate. (4) Conformance; see the product quality in terms of whether the shape, size, color, weight and others in accordance with the desired. (5) Durability; with regard to how long the product can continue to be used for a certain period. (6) Serviceability / maintenance; look at the quality of goods out of convenience for the operation of the product and the ease of repair. (7) Aesthetics; see the quality
of an item of appearance, style, taste, appeal, smell, taste, involves beauty, harmony or conformity to provide a special attraction.

Methodology

Research conducted using scientific approach of management, marketing management in particular, related to product attributes, brand image, publicity and product quality of leather bags in Boro village, Porong District, Sidoarjo Regency. Characteristics tested in this study are the attributes of a product, brand image and publicity which influence the quality of the product. This research was conducted by examining a number of SMEs in Boro village, Porong District, Sidoarjo Regency, East Java Province.

This study aims to obtain a picture or description of the product attributes, brand image, publications (Zinkmund: 2000). The nature of this research is descriptive. While verificative was to determine the relationship between variables through a hypothesis based on the data obtained in the field (Nana Sujana, 2004: 10). The method used in this study is SEM (Structural Equation Modeling), a tool to indirectly measure through the construction of indicators and analyze the indicator variables, latent variables and measurement error.

The sample size for SEM models studied as many as 200 SMEs, it the relationship between the number of variables and the minimal sample size in the structural equation. Some of the variables studied has 3 parameter search: Product attributes 3, brand image 3, Publications 4 and Product Quality 8, using a weighing figures on everything from the smallest number to largest number of from 1 to 5. To complete this study required complete information of leather bag SMEs based on the dimensions of each variable.

Discussion-Material

SMEs are scattered around the village Boro Sidoarjo district, consisting of several entrepreneurs in the small business size with diverse education background of the craftsmen from the primary level of 50%, 27% of secondary school education, the remaining 23% of high school education. Most of Them are married with 63% income are below 5 million rupiahs a month, while the remaining 37% of income are above 5 million. Marketing is still surrounding districts, and it has not touched the markets outside East Java Province.

The Result of Research

Validity and Reliability Test Results

Before the data results of the questionnaire were further analyzed, it is tested the validity and reliability of the measuring instrument research to prove whether the measuring instruments used have validity and reliability to measure what is supposed to be a measuring function, namely to test whether the questionnaire has measured carefully and precisely what wanted to be measured in this study. The validity Test using the product moment correlation (validity index) which point statement declared valid if the correlation coefficient point statement is \( \geq 0.30 \) (Kaplan-Saccuzzo, 2005: 141). Then the reliability test using alpha-cronbach and the result is declared reliable if the reliability coefficient is greater than 0.70 (Kaplan-Saccuzzo, 2005: 123).

Validity test results show that the questionnaire used is valid in measuring the variables of each so that it can be continued in the subsequent analysis. Then the value of the coefficient of reliability of the four variables are also greater than 0.70 so it can be concluded that the reliability of the questionnaire to measure the variables respectively.

Descriptive Analysis Results Respondents

According to Cooper & Schindler (2006; 467) for ordinal data or interval / ratio data has an asymmetric distribution, measures of central tendency can be done through the distribution of inter-quarter range. The first quarter is equal to the 25th percentage, the second quarter (median) is equal to the 50th percentage and the third quarter is equal to the 75th percentage. In the data questionnaire that uses a scale of 1 to 5, where the minimum
value = 1, the maximum value = 5, the first quarter (Q1) = 2, the second quarter (Q2) = 3 and the third quarter (Q3) = 4, then the average score respondents can be considered good if it is between Q3 and maximum value. It is categorized enough if the average score of the answers is between Q2 and Q3, then categorized less if the average score of the answer lies between Q1 and Q2 and then categorized bad if the average score of the answers is below Q1.

The product attributes of Leather SMEs in Tanggulangin, Sidoarjo, East Java, was measured using a 3 dimensions and operationalized into 6 (six) points of statement. Based on the results of the responses of 200 respondents obtained an average score of respondents to the variable product attributes of 3.21 is in the interval 3-4 and included in the adequate category. Likewise, the average score of respondents for each dimension products attributes is included in the category of quite well.

The brand image of Leather SMEs in Tanggulangin, Sidoarjo, East Java, was measured using a 3 dimensions and operationalized into 6 (six) points of statement. Based on the results of the responses of 200 respondents obtained an average score of respondents to the brand image variables of 3.02 is in the interval 3-4 and included in the category of quite positive. Likewise, the average score of respondents for each dimension brand image is included in the category of quite well.

The Publication of Leather SMEs in Tanggulangin, Sidoarjo, East Java, was measured using the 4-dimensions and operationalized into eight (eight) points of statement. Based on the results of the responses of 200 respondents obtained an average score of respondents to the publication variable of 2.93 is in the interval 2-3 and included in the category of less publicity. Likewise, the average score of respondents for each publication dimension is included in the poor category.

The product quality of Leather SMEs in Tanggulangin, Sidoarjo, East Java, was measured using eight dimensions and operationalized to 16 (sixteen) points of statement. Based on the results of the responses of 200 respondents obtained an average score of respondents to the variable quality of product by 3.55 is in the interval 3-4 and included in the category quite well. Likewise, the average score of respondents for each dimension of products quality is included in the category of quite well.

Hypothesis testing

Then, in accordance with the purpose of research: to examine the influence of product attributes (X1), brand image (X2) and publications (X3) on the product quality (Y), the researcher would do a quantitative analysis using structural equation modeling (SEM). In structural equation modeling there are two types of models which are formed, namely measurement model and structural model. The Measurement Model describes the proportion of variance of each manifest variables (indicators) that can be explained by latent variables. Through the measurement model will be known which indicators are more dominant in reflecting the latent variables. After each measurement model latent variables elaborated then it will be described structural model that will examine the influence of the independent latent variables (exogenous latent variable) to the latent variable dependent (endogenous latent variable).

The Results of Goodness of Fit Model Test

Test model fit (goodness of fit) is performed to determine whether the model obtained was right in describing the relationship between the variables being studied so that it can be categorized into a good model. The result of the test using $\chi^2$ (chi-square) (chi-square) to the model studied obtained a value of 284.64 with a p-value <0.001. According to Hair et al, (2006; 746) in structural equation modeling (SEM) the structural p-value of less than 0.05 is unwanted. The test results obtained p-value less than 0.05 indicates that a significant $\chi^2$ test. So when referring to the test results obtained $\chi^2$ then the model has not met the criteria of a good model in overalls.

Then the value of RMSEA (Root Mean Square Error of Approximation) of 0.078. The good value of RMSEA is still debated, but according to Hair et al, (2006; 748) when the value of RMSEA is below 0.08, models can still be received. Furthermore, seen from the value of GFI (Goodness of Fit Index) for studied models by 0.862 shows that a model obtained does not meet the criteria but according to Hair et al, (2006; 747) GFI value is greater than 0.90 so it indicates acceptable models. Root Mean Square Residual (RMR) on the studied model by 0.048, as well as the value of standardization (SRMR) of 0.048. According to Hair et al, (2006; 753) Standardized value Root Mean Square Residual (SRMR) of less than 0.08 which meets the criteria of a good model. The results show the absolute size of the goodness of fit obtained meets the criteria of the size of RMSEA (0.078 <0.08), and SRMR.
so it can be concluded that the estimation model can be accepted, meaning that the empirical models obtained is fit with the theoretical mode.

**Measurement Model**

Measurement model is a model that connects between the latent variables with manifest variables. In this study, there are four latent variables with manifest variable amounts of is as many as 18. The latent variable of product attributes consists of 3 variable manifests. While the latent variable of brand image consists of three variable manifests. Then the latent variable of publications consists of four variables manifest and the latent variable of the product quality consists of eight variable manifests.

Goodness of Fit test model concluded that the model can be accepted, meaning that the model obtained can be used to test the hypothesis of the research that has been set. Using the method of maximum likelihood estimation obtained full path diagram model of the influence of product attributes, brand image and publicity to the product quality as shown in Figure 1 below.

Through weighing factors contained in Figure 1 it can be seen in the latent variable of product attributes (X1), dimensions X1.2 (Features) is the strongest in reflecting the latent variable of product attributes, while dimensions X1.1 (quality) is the weakest in reflecting the latent-variable-of-product-attributes. On the latent variables of Brand image (X2), the dimensions of X2.2 (Image User) is the strongest in reflecting the brand image, followed by dimension X2.3 (Image Products). While dimension X2.1 (Image Maker) is the weakest in reflecting the brand image.

On latent variables of publication (X3), the dimensions of X3.3 (Reminding) is the strongest in the publication reflecting the latent variables, followed by dimension X3.2 (Persuading). While dimension X3.4 (Adding Value) is the weakest in reflecting the latent variable of publication. Recently Reviewed that the latent variable of product quality, dimensions Y7 (aesthetics) is the strongest in the latent variable reflecting the product quality, followed by dimension Y8 (Perceived Quality). While Y2 dimension (feature) is the weakest in reflecting the latent variable product quality.

Furthermore, to determine whether the indicators used to measure the attributes of the product and the product quality has had a high degree of conformity, then the calculation of the construct reliability and variance is performed. Here are the results of calculations construct reliability and variance extracted for each latent variable.
### Table 1 Construct Reliability (CR) dan Variance Extracted (VE)

<table>
<thead>
<tr>
<th>Latent Variables</th>
<th>CR</th>
<th>VE</th>
</tr>
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<tbody>
<tr>
<td>Product Attributes</td>
<td>0.861</td>
<td>0.674</td>
</tr>
<tr>
<td>Brand Image</td>
<td>0.812</td>
<td>0.592</td>
</tr>
<tr>
<td>Publication</td>
<td>0.868</td>
<td>0.623</td>
</tr>
<tr>
<td>Product Quality</td>
<td>0.924</td>
<td>0.605</td>
</tr>
</tbody>
</table>

In latent variable of product attributes, extracted variance value of 0.674 indicates that on average 67.4% of the information contained in each of the manifest variables can be represented through a latent variable of product attributes. Then the value of the latent variable construct reliability attributes of the product (0.812) is still greater than that recommended (0.70). Furthermore, the latent variables brand image, extracted variance value of 0.592 indicates that on average 59.2% of the information contained in each of the manifest variables can be represented through latent variables of brand image. Then construct reliability of value brand image latent variables (0.812) is still greater than that recommended (0.70).

In publication latent variables, variance extracted value of 0.623 indicates that on average 62.3% of the information contained in each of the manifest variables can be represented through publications latent variables. Then the value of the latent variable of publication construct reliability (0.868) is still greater than that recommended (0.70). Recently Reviewed that latent variable of the product quality, the value of extracted variance of 0.605 indicates that 60.5% of the information contained in each of the manifest variables can be represented through a latent variable of product quality. Then the construct reliability of latent variable quality of the product (0.924) is still greater than that recommended (0.70).

### Structural Model

Structural model is a model that links the latent variable exogenous with endogenous latent variables. Based on the results of data processing obtained structural equation will be tested as presented in the following table.

### Table 2

<table>
<thead>
<tr>
<th>Endogenous Constructs</th>
<th>Exogenous Constructs</th>
<th>R-square</th>
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</thead>
<tbody>
<tr>
<td><strong>Y</strong></td>
<td><strong>X1</strong> 0.333, 0.435</td>
<td>0.604</td>
</tr>
<tr>
<td></td>
<td><strong>X2</strong> 0.174</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>X3</strong></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(4.414)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(5.636)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(2.712)</td>
<td></td>
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</tbody>
</table>

Description: Figures in brackets are the t-test statistical value.

Through the R-square value can be determined that the product attributes, brand image and publicity simultaneously give 60.4% influence on the quality of leather products of SMEs in Tanggulangin, Sidoarjo, East Java. While the rest of 39.6% is the influence of other factors beyond product attributes, brand image and publicity. Among the three exogenous variables, brand image gives the greatest influence on the product quality, while the
publication is the weakest effect on product quality. Furthermore, to prove whether a product attributes, brand image and publicity affects the quality of the product, then the hypothesis test.

The influence of product attributes

\[ H_0 : \gamma_{1.1} = 0 \quad \text{Product attributes do not influence to the product quality in leather SMEs in Tanggul Angin, Sidoarjo, Jawa Timur.} \]

\[ H_a : \gamma_{1.1} \neq 0 \quad \text{Product attributes influence to the product quality in leather SMEs in Tanggul Angin, Sidoarjo, Jawa Timur.} \]

Based on data in Table 2 seen that \( t \)-statistic value of variable product attributes (4.414) is greater than \( t \)-critical (1.96). Because the \( t \)-statistic value is greater than \( t \)-critical, then the error rate is of 5% so it is decided to reject \( H_0 \) then \( H_a \) is received. So based on the test results it can be concluded that the product attributes affect the product quality on the leather SMEs in Tanggulangin, Sidoarjo, East Java. The results of this study provide empirical evidence that the better attributes of the products will improve the quality of the product on the leather SMEs in Tanggulangin, Sidoarjo, East Java.

The Influence Of Brand Image

\[ H_0 : \gamma_{1.2} = 0 \quad \text{Brand image does not affect the quality of the product on the skin SMEs in Tanggulangin, Sidoarjo, East Java.} \]

\[ H_a : \gamma_{1.2} \neq 0 \quad \text{Brand image affects the quality of the product on the skin SMEs in Tanggulangin, Sidoarjo, East Java.} \]

Based on data in Table 2 seen the value of the variable \( t \)-statistic of brand image (5.636) is greater than \( t \)-critical (1.96). Because the \( t \)-statistic value is greater than \( t \)-critical, then the error rate is 5% so it is decided to reject \( H_0 \) then \( H_a \) is received. So based on the test results it can be concluded that brand image influences on the of the product quality of leather in SMEs in Tanggulangin, Sidoarjo, East Java. The results of this study provide empirical evidence that the more positive the brand image will improve the product quality on the leather SMEs in Tanggulangin, Sidoarjo, East Java.

The influence of Publications

\[ H_0 : \gamma_{1.3} = 0 \quad \text{Publication does not influence the quality of the product on the skin SMEs in Tanggulangin, Sidoarjo, East Java.} \]

\[ H_a : \gamma_{1.3} \neq 0 \quad \text{Publication customer influences the quality of the product on the skin SMEs in Tanggulangin, Sidoarjo, East Java.} \]

Based on data in Table 3 seen the value of the variable \( t \)-statistic of publications (2.712) is greater than \( t \)-critical (1.96). Because the \( t \)-statistic value is greater than \( t \)-critical, then the error rate is 5% so it is decided to reject \( H_0 \) sathen \( H_a \) is received. So based on the test results it can be concluded that the publication influences the product quality of the leather of SMEs in Tanggulangin, Sidoarjo, East Java. The study provides empirical evidence that a growing number of publications will improve the product quality of the leather of SMEs in Tanggulangin, Sidoarjo, East Java.

Conclusions and Recommendations

Leather handbags produced by SMEs in Sidoarjo through the Product Quality is more superior than the production of bags produced by other regions or neighboring countries. Although the problem design or style of Product Attributes is still less attractive, products are technology Tanggulangin trademark. It goes the same with the perfection of features that complement the leather bag which is produced from the Boro village of Porong district, Sidoarjo regency.
The existence of brand of the product is required to distinguish the identity of the product, as well as the identity of the producing company, in order to give a brand image for customers. Until now the brand of Tanggulangin’s leather bags have not yet been patented. In fact they have not used specific brand as their identity. To give a brand image for the company is urgently needed to popularize the company's name and the name of their product itself.

The tragedy of Lapindo mud that struck the village of Boro bore the deep concern for the people. Tanggulangin’s leather bag requires extra publication. The tragedy had given it to the place. In addition to support marketing, publications are also needed for a better introduction to customers throughout Indonesia, as well as to the other neighboring countries.

**Recommendations**

For the improvement of Tanggulangin’s leather bags, it should create new innovation of both a design and style to be more modern but still maintains the superior product quality. More distinctive features that enhance the appearance of the Tanggulangin’s leather bag by adding more harmonious with the color or leather, and also adapted to the design and style that has been planned.

To have the legality of the leather bag brand, Tanggulangin’s brand products must be patented. For that reason, SMEs should have the brand of product, to improve the company's image. It can give a positive impression of the product produced from the famous Sidoarjo.

For the purposes of marketing, publications should be done to be more widely known, so the publication should be done as effectively and efficiently as possible. Or it can be done through the social media, because it can be used as a more profitable target market.
REFERENCES


