The Impact of Government Policy Marketing Mix on The Income of Silk Entrepreneurs

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A R T I C L E   I N F O

A B S T R A C T

The approach used in this research is correlative research which explains the influence of the marketing mix, culture and government policy on income, which in its implementation uses data collection techniques such as documentation, observation, questionnaires and interviews. The population in this study were all natural silk entrepreneurs totaling 200 people from three regions, namely: Soppeng, Wajo and Enrekang. The results of this research show that (1) the marketing mix has a positive and significant effect on the income of silk entrepreneurs (2) Supply Chain has a positive and significant effect on the income of silk entrepreneurs (3) Government policy has a positive and significant effect on the income of silk entrepreneurs (4) The income of silk entrepreneurs positive and significant effect on marketing performance (5) Marketing Mix has a positive and significant impact and no significant effect on marketing performance (6) Supply Chain has a positive and significant effect on marketing performance (7) Government policy has a positive and significant effect on marketing performance (8) Marketing mix has a positive and significant effect on marketing performance through the income of silk entrepreneurs (9) Supply Chain has a positive and significant effect on marketing performance through the income of silk entrepreneurs (10) Government policy has a positive and significant influence on marketing performance through the income of silk entrepreneurs

A B S T R A K

Pendekatan yang digunakan dalam penelitian ini adalah penelitian korelatif yang menjelaskan pengaruh bauran pemesaran, budaya dan kebijakan pemerintah terhadap pendapatan yang dalam pelaksanaanya menggunakan teknik pengumpulan data seperti dokumentasi, observasi, kuesioner dan wawancara (interview). Populasi dalam penelitian ini adalah seluruh pengusaha sutera alam yang berjumlah 200 orang dari tiga daerah yaitu: Soppeng, Wajo dan Enrekang. Hasil penelitian ini menunjukkan bahwa (1) bauran pemasaran berpengaruh positif dan signifikan terhadap pendapatan pengusaha sutra (2) Supply Chain berpengaruh positif dan signifikan terhadap pendapatan pengusaha sutra (3) Kebijakan pemerintah berpengaruh positif dan signifikan terhadap pendapatan pengusaha sutra (4) Pendapatan pengusaha sutra berpengaruh positif dan signifikan terhadap kinerja pemasaran (5) Marketing Mix memiliki dampak positif dan signifikan dan tidak berpengaruh signifikan terhadap kinerja pemasaran (6) Supply Chain berpengaruh positif dan signifikan terhadap kinerja pemasaran (7) Kebijakan pemerintah berpengaruh positif dan signifikan terhadap kinerja pemasaran (8) Bauran pemasaran berpengaruh positif dan signifikan terhadap kinerja pemasaran melalui pendapatan pengusaha sutra (9) Supply Chain berpengaruh positif dan signifikan terhadap kinerja pemasaran melalui pendapatan pengusaha sutra (10) Kebijakan pemerintah memiliki positif dan Pengaruh signifikan terhadap kinerja pemasaran melalui pendapatan pengusaha sutra

INTRODUCTION

Globalization and economic integration of this century are decisive factors from the point of view of international business in all regions of the world. Technological developments, followed by a better work specialization system, are conditions that allow for an increase in the production of goods and services needed to meet the needs of consumers. Because the provision of goods and services needed can not only be fulfilled by the domestic market, trade between countries also occurs very quickly. This makes every company strive to develop and maintain

the company's position and market opportunities to be better and what it might achieve. Thus, every company must develop its marketing activities so that the goals or objectives to be desired can be achieved properly.

Changes in global competition patterns require an analysis of all forces that affect the company on an ongoing basis. Business and marketing strategies also need to change to seize opportunities and avoid threats. Buyer dominance, rapid technological change, intense global competition, deregulation and social change pose new challenges and opportunities in conducting business. In this situation, analysis of various marketing theories is a necessity in order to achieve high marketing performance. Augusty (2000) said that marketing theories are marketing management activities in managerial activities directed at planning, analyzing, implementing and controlling all elements of strategy commonly known as the marketing mix to produce business performance such as increasing sales volume and facilitating to develop knowledge that is the basis of competitive advantage.

Indonesia is a tropical forest country that has great potential for the development of sericulture agro-industry. The development of sericulture as one of the Non-Timber Forest Products is a social forestry activity that aims to improve the community's economy, expand employment, empower the community, and improve community welfare through silkworm cultivation. The cultivation of silkworms is very closely related and cannot be separated from the cultivation of mulberry as silkworm feed. Apart from being a feed for silkworms, mulberry plants have also functioned as soil protectors from erosion and land degradation (Sadapotto, et al, 2010)

Silk cloth is one of the characteristics of local cultural products of the Bugis ethnicity. This can be seen through the icon of Wajo Regency, which is the area of the Bugis ethnic community, namely "Sutera City". Silk products are the result of silk thread processing. To get silk thread, it requires a silkworm cultivation process. Sadapotto (2012) argues that silkworm cultivation was once one of the main livelihoods of the people of Wajo Regency and until now it still exists even though it has begun to decrease, some areas still maintain the livelihood system.

Based on this information, South Sulawesi is one of the sericulture producers in Indonesia. South Sulawesi sericulture is a potential non-timber forestry resource and a mainstay regional commodity. Soppeng Regency is one of the locations for sericulture development in South Sulawesi with other potentials in agriculture, mining, plantations, services, and tourism.

Besides being known as the Bat City, Soppeng is also known as one of the mulberry cultivation centers as caterpillar feed (Dishut and ISPEI, 2011). Livestock farms in South Sulawesi, especially in Soppeng Regency, still have excellent market opportunities and prospects for development. Because of Soppeng's potential and assets that can support the sericulture business. Some of these potentials include biophysical and agro-climatic suitability, socio-cultural suitability and local customs, domestic and foreign marketing potential, the possibility of developing silk technology development, as well as government support and commitment to continue to develop aquaculture. Sericulture farmers have various ways of raising silkworms that are influenced by factors such as the knowledge they gain from generation to generation or based on habitual factors. These things can affect the costs and income that silk farmers will get (Kadir, et al, 2008)

According to Zeithaml, et al (2014) Marketing mix is the elements of corporate organization that can be controlled by companies in communicating with guests and to satisfy guests. Meanwhile, according to Kotler & Armstrong (2014), Marketing mix is good marketing

tool is a set of products, pricing, promotion, distribution, combined to produce the desired response of the target market.

Supply Chain is a chain of procurement of goods and services to end consumers in order to ensure material availability and minimize costs, which was revealed by Tahwin, et al (2016). The supply chain is the determining link of the life cycle of a product. The sustainability of a business or product is determined from the supply chain. More specifically, the roles of supply chain performance include: 1) producing better performance than competitors; 2) more responsive in meeting consumer needs and demands in general or specifically; 3) can reach a certain delivery quantity on a certain date the goods are shipped; and 4) can collaborate well with its suppliers (Mufaqih, et al, 2017).

Policy is a set of actions / activities proposed by a person, group or government in a particular environment where there are obstacles (difficulties) and possibilities (opportunities) in which the policy is proposed to be useful in overcoming it to achieve the intended goal (Friedrich, 1963). Zainal (2012) mentions policy as "whatever governments choose to do or not to do. This definition was created by linking several other definitions from David Easton, Lasswell and Kaplan. Easton (in Zainal, 2012) refers to government policy as "the power of allocating values to society as a whole". This has connotations about government authority that covers the entirety of public life. There is no other organization whose authority can cover the whole society except the government. Meanwhile, Lasswell and Kaplan (in Zainal, 2012) who see policy as a means to an end, mention policy as "a projected program with respect to goals, values, and practices.

According to Sukirno (2011) in microeconomic theory that income is a gain derived from the costs of production factors or productive services. This understanding shows that income is all gains, both derived from the cost of factors of production and the total output produced for all production in an economy in a certain period of time. Income refers to the flow of wages, interest payments, stock profits, and other matters of value added over a period of time. The sum of all income is national income (Samuelson & William, 2003).

Marketing performance is a measure of achievement obtained from the overall marketing activity process of an organization (Yudith, 2005). The marketing performance as mentioned by Augusty (2000) states that marketing performance is a factor that is often used to measure the impact of the strategy implemented by the company. Furthermore, Ferdinand also stated that good marketing performance is expressed in three main quantities of value, namely sales value, sales growth, and market portion. According to Mutasowifin (2002) Performance is a general term used for part or all of the actions or activities of an organization in a period, along with reference to a number of standards such as past or projected costs, a basis for efficiency, accountability or accountability of management and the like. According to Mulyadi (2001) Performance is the success of personnel, teams, or organizational units in realizing predetermined strategic goals with expected behavior.

Improving performance and increasing company competitiveness can be done through the development of organizational culture that is focused on understanding market needs, wants and market demands, namely market-oriented-culture. The same conclusion is also given by Aaker, et al (2001), that market orientation contributes significantly to improving a number of company competencies that can encourage high performance in the field of cost and success in providing new services. The achievement of good performance is a contribution to the dynamization of strategy and several success factors, including: commitment, carrying capacity, strong team management, the ability to develop and maintain business continuity; using the

right strategic approach; able to identify and focus on market oriented); Have vision, leadership ability and good relationships with customers or clients.

By doing the right marketing mix will increase consumer satisfaction, the basis for measuring consumer satisfaction in a home industry business can be seen from several factors in the marketing mix which include product, price, promotion and place. Marketing mix can be said to be a four-piece action by marketers to offer products to target consumers in a more effective way.

Research conducted by Sumanti, et al (2013) found that the marketing mix of products, prices, promotions and distribution has a significant effect on the income level of brick entrepreneurs. Research conducted by Amanah (2010) entitled The Effect of Marketing Mix on the Performance of Small and Medium Enterprises, the results of his research found that the success of a business is strongly influenced by the marketing mix. Because the marketing mix is a strategy that can create excellence for the business itself. Therefore, business actors really need to always evaluate the marketing mix applied, to get optimal performance, especially seeing the very fierce business competition today. Research conducted by Sitohang (2018) found that government development policies through training assistance, marketing assistance and business unit structure stones have a positive and significant effect on business performance.

Persuteraan alam is a series of agro-industrial activities starting from mulberry planting, breeding and raising silkworms (Bombyx mori. L), yarn demand, fabric weaving, to silk cloth marketing. This business is included in the home industry business which is relatively easy to do, simple technology, labor-intensive, fast to produce and high economic value. Nature silk activities are also one of the efforts to rehabilitate land and conserve land, and are one of the activities that can increase the carrying capacity and productivity of land, especially on lands that have not been optimally utilized.

As a tropical forested country, Indonesia has great potential for the development of this natural silk agro-industry, although in reality it has not been maximally managed into an integrated mass industry from upstream to downstream. In fact, as said by Susatijo (2008), this natural silk activity has a fairly strategic role, among others because: 1) it can involve labor, including farmers; 2) open business opportunities; 3) provide opportunities to develop the people's economy; 4) increase farmers' income; 5) increase foreign exchange; and 6) open opportunities in the field of services.

South Sulawesi has been known as one of the natural silk centers in Indonesia, although in the last five years it has experienced a significant decline in production (Antara News, 21/12/2010). Based on the Decree of the Minister of Forestry No. 664/Kpts-II/2002 dated March 7, 2002, regarding the working area of the Nature Silk Center covering Sulawesi and its surroundings, natural silk production centers in South Sulawesi include Wajo, Soppeng, Enrekang, Tana Toraja, East Luwu, Sidrap, Barru, Gowa and Bulukumba regencies.

However, facts in the field show that silk thread production has decreased due to the low production of silkworm seeds (the result of crossing local seeds and Japanese seeds) prepared by the government through the public company Perhutani. This condition resulted in a lack of public interest in caterpillar conservation and because of the unclear income obtained by silk farmers.

Listening to the problem of natural silk in South Sulawesi must look at the series of links in natural silk from the upstream business segment to the downstream business segment. Each stage has its own problems and technical obstacles. Human resources and technology influence each other and at each stage of the chain involves community groups such as farmers, craftsmen,

entrepreneurs. Cumulatively different results appear in the quality of cocoon production, yarn and even to the quality of silk fabric which is the final result of a series of links in the natural silk production process.

Natural silk in South Sulawesi began around the 1950s. At that time soldiers from Java Island brought silkworm seeds to be developed, especially in rural areas. The maintenance of silkworms then developed rapidly because in addition to suitable agro-climatic conditions there was also a supportive culture in terms of traditional clothing that used silk. Silk thread production reached its peak in 1971 with a production of 140 tons of silk thread. Then after that production decreased due to various factors. One of the causes is the explosion of pebrine disease which causes the death of silkworms in rearing. The government then banned the use of local seeds and encouraged the use of imported bivoltine seeds. The government then entered into a collaboration with Japan (JICA) which then provided grant assistance in the form of technical assistance placed in five districts in South Sulawesi namely Enrekang, Soppeng, Wajo, Sidrap and Gowa

Of the five districts that stand out in developing natural silk is Soppeng district, precisely in Donri-donri District. The area was once listed as the largest silk thread producing area in Indonesia in the 1960s and reached its peak in the 1980s to 1990s with production reaching 140 tons of silk thread per year by around 400 farmer groups at that time. This made Soppeng visited by President Suharto twice in 1972 to inaugurate the Persuteraan Alam Station which is now the Ta'juncu Natural Silk Center managed by Perum Perhutani.

The development of national natural silk is important because it has a fairly long backward linkage and forward linkage, absorbs many educated and less educated personnel, produces high added value with a long value chain from upstream to downstream, increases regional income and foreign exchange and involves various related agencies, business actors and the wider community (Joint Regulation of the Minister of Forestry, Minister of Industry and Minister of Cooperatives and SMEs, 2006).

RESEARCH METHOD

The approach used in this study is correlative research that explains the influence of the marketing mix, culture and government policies on income in its implementation using data collection techniques such as documentation, observation, questionnaires and interviews. The type of data used in this study is primary data obtained from the field or research location, through interviews and questionnaires given directly to respondents. Secondary data are obtained from the internet, journals, library books and documentation that provide information on research variables. The population in this study is all natural silk entrepreneurs totaling 200 people from three regions, namely: Soppeng, Wajo and Enrekang.

Some general guidelines that can be used by researchers to determine the size of their research sample are: 1) Sample sizes greater than 30 and less than 500 are sufficient for most studies, 2) In multivariate studies, the sample size is determined as much as 25 times the independent variable, 3) In Chi-Square testing SEM models that are sensitive to the number of samples, a good number of samples ranging from 100-200 samples is needed (Augusty, 2000). Therefore, based on the sampling guidelines mentioned above, in this study all members of the population were selected to be sampled, namely a total of 200 natural silk entrepreneurs in Soppeng, Wajo and Enrekang regencies. Data analysis uses descriptive analysis and Imprencial analysis. Descriptive analysis is an analysis that directs or explains how respondents respond to the indicator variables proposed in the questionnaire. The responses or answers of the

respondents are analyzed / described in an explanation by referring to supporting theories and studies of research results as reinforcement. Imprencial analysis is one of the models of Imprensial analysis SEM (Analysis of Structural Equation Modeling), namely: Analysis of data and interpretation for research aimed at answering questions in order to reveal certain social phenomena. Data analysis is the process of simplifying data into a form that is easier to read and implement. The method chosen to analyze the data must be in accordance with the research pattern and the variables to be studied. To analyze the data, The Structural Equation Modeling (SEM) from the AMOS 4.0 statistical software package is used in modeling and hypothesis assessment.

RESULTS AND DISCUSSION

Based on cases or observations that have a z-score ≥ 3.0 will be categorized as *outliers,* and for large samples of over 80 observations, the evaluation guideline is that the threshold value of the z-score is in the range of 3 to 4 (Hair *et aL,* 1995 in Ferdinand, 2006). Because this study can be categorized as a study with a large sample of 180 respondents which means far above 80 observations, ouiiiers occur if, Z-score > 4.0; By table *descriptive statistics* (as attached to the evaluation above *outliers)* that all values that have been standardized are in the form *z-score* has an average equal to zero with a standard deviation of one, as theorized (Ferdinad, 2006). Based on computational results as in appendix 6 (*descriptive statistics),* It is known that the data used in this study were free from *univariate outliers,* Because no variable has *z-score* > 4.0. It is seen that the minimum limit *z-score* = -4,99574 (X2.**4**) and maximun *z-score* = 2,38039 (X13) or all z-score values < 4,0. ***Multivariate Outliers***

The results of the data evaluation are not available *outliers* at the level of *univariate,* But when the data can be combined it will be *outliers.* Determine whether a case (a respondent's various answers) raises *outlier multivariate,* i.e. by calculating the limit value based on the value *Chi-square* at free degrees equal to the number of variables at a significance level of 0.001. Case *multivariate outliers* occurs, if the value *Stretching distance* greater than the calculated Chi-square value (Ferdinand, 2006). Based on the calculation results using AMOS as in annex 7, values are obtained *Chi-square* = 117.720 with free degrees = 123 and *probability* = 0,617. When compared with values *mahalanobis distance-squared* Minimum 30,182 and maximum value of 93,843. It is seen that the value *Stretching distance* smaller than the value *Chi-square* So it can be concluded that there is no indication of occurrence *multivariate outliers.* Although the analysis found the presence of *mulitivariate outliers* However, it was not omitted from the analysis because the data depicted the real situation and there was no specific reason for the respondent profile to cause it to be excluded. **Evaluation** *Multicoolinerty dan Singualarity*

Based on how to determine the value in the model, the first model test is grouped into exogenous variables (*exogenous variables*) Exogenous variables are variables whose values are determined outside the model, while endogenous variables are variables whose values are determined by equations or from the relationship model formed. Included in the group of exogenous variables are the mix of marketing, supply chain and government policies while those classified as endogenous variables are entrepreneur income and marketing performance. A model is good when the development of a hypothetical model is theoretically supported by empirical data. The complete results of *the Structural Equation Modeling* (SEM) analysis at the initial stage can be seen in Figure 1.
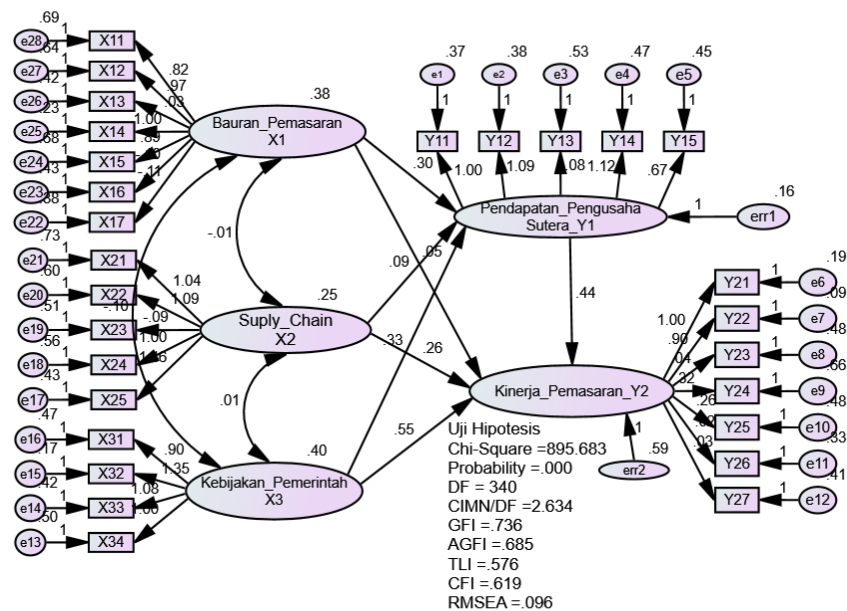
Fig. 1. Structural Equation Model Customer Loyalty Model, Modification 1

From the evaluation of the model, it shows that from the eight criteria of goodness of fit indices, it can be seen that the Chi-square value is still too large and the overall criteria are not in accordance with the specified cut-off value, so it is necessary to modify the model by correlating between error indicators in accordance with the instructions of the modification indices. The results of the analysis after the final model obtained are as follows:
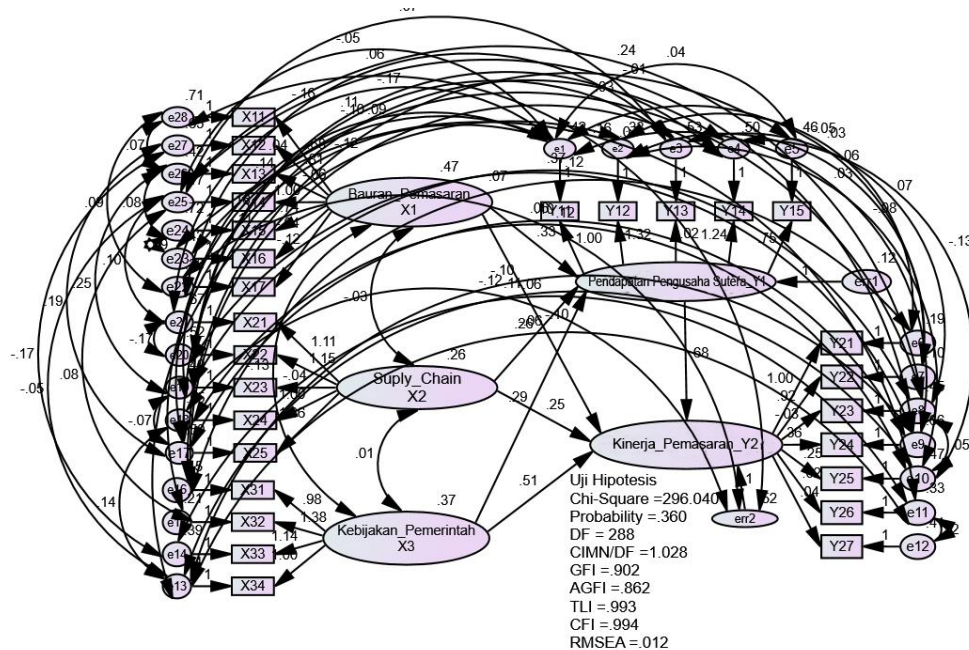

Fig. 2. Sructural Equation Model Marketing Performance Model, Modification 2

The results of the model test presented above are then evaluated based on the *goodness of fit indices* in the following table with the presentation of all model criteria and critical values that have data conformity.

Table 1. Evaluation Criteria Goodness of Fit Indices Overall Models

Goodness of fit index	Cut-off value	Hasil model awal	Ket.	Hasil model akhir	Ket
X^2- Chi-Square	Diharapkan kecil	895.683>(0.05:340 =383.999)	Marginal	296.040<0.05:288 =328.580	Baik
Probability	≥ 0.05	0.000	Marginal	0.360	Baik
CMIN/DF	≤2.00	2.634	Marginal	1.028	Baik
GFI	≥ 0.90	0.736	Marginal	0.902	Baik
AGFI	≥ 0.90	0.685	Marginal	0.862	Marginal
TLI	≥ 0.90	0.576	Marginal	0.993	Baik
CFI	≥ 0.90	0.619	Marginal	0.994	Baik
RMSEA	≤ 0.08	0.096	Marginal	0.012	Baik

According to the results of the model evaluation at the initial stage, it can be seen from the 8 criteria *goodness of fit indice*, the presence of sufficient models *fit* or marginal between the data and the model. This is evident from the 8 index values, the marginal ones are chi-square, probability, CMIN/DF, GFI, AGFI, TLI, and CFI. But RMSEA has complied with the standard so it is necessary to modify the model according to the instructions from *modification indices*. *Modification indices* is a calculation to make changes to numbers where the number below indicates the minimum value of chi-square which will decrease if the corresponding variables are connected. After modification of the model, then the final stage obtained has shown that the whole criteria *goodness of fit indices* have met the criteria or have met the criteria *cut-off value*, so that the model can be said to have conformed to the criteria *goodness of fit indices* for further analysis.

Table 2. Total Influence, Direct Influence and Influence Indirect Between variables

No	Variabel			P-Value	Direct Effect	Indirect Effect	Total Effect	Keterangan
	Eksogen	Intervening	Endogen					
H-1	Bauran Pemasaran (X1)	Pendapatan Pengusaha (Y1)	-	0.000	0.520	-	0.520	Positif dan Signifikan
H-2	Supply Chain (X2)	Pendapatan Pengusaha (Y1)	-	0.004	0.308	-	0.308	Positif dan Signifikan
H-3	Kebijakan Pemerintah (X3)	Pendapatan Pengusaha (Y1)	-	0.000	0.405	-	0.405	Positif dan Signifikan
H-4	Pendapatan Masyarakat (Y1)	-	Kinerja Pemasaran (Y2)	0.023	0.330	-	0.330	Positif dan Signifikan
H-5	Bauran Pemasaran (X1)	-	Kinerja Pemasaran (Y2)	0.504	0.079	-	0.079	Positif dan Tidak Signifikan
H-6	Supply Chain (X2)	-	Kinerja Pemasaran (Y2)	0.175	0.141	-	0.141	Positif dan Signifikan
H-7	Kebijakan Pemerintah (X3)	-	Kinerja Pemasaran (Y2)	0.000	0.345	-	0.345	Positif dan Signifikan

Pengaruh Tidak Langsung Antar variabel

	Variabel			P-Value	Direct Effect	Indirect Effect	Total Effect	Keterangan
	Eksogen	Intervening	Endogen					
H-8	Bauran Pemasaran (X1)	Pendapatan Pengusaha (Y1)	Kinerja Pemasaran (Y2)	0.002	0.520	3.030	3.550	Positif dan Signifikan
H-9	Supply Chain (X2)	Pendapatan Pengusaha (Y1)	Kinerja Pemasaran (Y2)	0.002	0.308	3.154	3.462	Positif dan Signifikan
H-10	Kebijakan Pemerintah (X3)	Pendapatan Pengusaha (Y1)	Kinerja Pemasaran (Y2)	0.006	0.405	2.750	3.155	Positif dan Signifikan

Of the overall 9 hypothesized direct path models, there is one insignificant direct path. The interpretation of table 10 can be explained as follows:

1. **The marketing mix has a positive and significant influence on the income of silk entrepreneurs** with p-value = 0.000 < 0.05 with a coefficient value of 0.520, this coefficient shows that the influence of a good marketing mix will make the income of entrepreneurs better. (Hypothesis 1 accepted)

2. *Supply Chain* **has a positive and significant influence on the income of silk entrepreneurs** with p-value = 0.005 < 0.05 with a coefficient value of 0.308, this coefficient shows that the influence of a good supply chain will make the income of entrepreneurs better as well. (Hypothesis 2 accepted)

3. **Government policy has a positive and insignificant influence on the income of silk entrepreneurs** with p-value = 0.397 > 0.05 with a coefficient value of 0.405, this coefficient shows that the existence of good government policies, does not directly improve marketing performance. (Hypothesis 3 accepted)

4. **The income of silk entrepreneurs has a positive and significant influence on marketing performance** with p-value = 0.000 < 0.05 with a coefficient value of 0.330, this coefficient

shows that the influence of good promotion will make customer satisfaction better as well. (Hypothesis 4 accepted)

5. Marketing Mix has a positive and insignificant influence on marketing performance with p-value = 0.504 > 0.05 with a coefficient value of 0.079, this coefficient shows that there is an influence of marketing mix that is not good marketing performance. (Hypothesis 5 accepted)

6. *Supply Chain* **has a positive and significant influence on marketing performance** with p-value = 0.175 > 0.05 with a coefficient value of 141, this coefficient shows that the influence of a good supply chain will make marketing performance better as well. (Hypothesis 6 accepted)

7. **Government policy has a positive and significant influence on marketing performance** with p-value = 0.001 < 0.05 with a coefficient value of 0.345, this coefficient shows that the influence of good government policy will make the performance of the market better as well. (Hypothesis 7 accepted)

8. **The marketing mix has a positive and significant influence on marketing performance through the income of silk entrepreneurs** with p-value = 0.002 < 0.05 with a sense value of 3.550, this coefficient shows that the existence of a good place, increases customer loyalty. (Hypothesis 8 accepted)

9. *Supply chain* **has a positive and significant influence on marketing performance through the income of silk entrepreneurs** with p-value = 0.002 < 0.05 with an indirect value of 3.462, this coefficient shows that the influence of a good supply chain will make marketing kineja better as well. (Hypothesis 9 accepted)

10. **Government policy has a positive and significant influence on marketing performance through the income of silk entrepreneurs** with p-value = 0.006 < 0.05 with an indirect value of 2.750, this coefficient shows that the influence of a good supply chain will make marketing kineja better as well. (Hypothesis 10 accepted)

CONCLUSIONS

The results of the study found that the Marketing Mix, *Supply Chain,* Government Policy has a positive and significant influence on Silk Entrepreneurs' Income this coefficient shows that there is an influence of marketing mix, *supply chain,* Good government policies will make entrepreneurs' income better. The income of silk entrepreneurs has a positive and significant influence on marketing performance. Marketing Mix has a positive and insignificant influence on marketing performance, this coefficient shows that there is a variable influence of the marketing mix that is less good than marketing performance. *Supply Chain* and Government Policy has a positive and significant influence on marketing performance, this coefficient shows that there is an influence *supply chain* And good government policies will make marketing performance better as well. Marketing Mix, *Supply Chain,* Government policies have a positive and significant influence on marketing performance through the income of silk entrepreneurs. Based on the conclusions of the study, the advice given from this study is the results of findings that show that the marketing mix, both from things *product, price, place, promotion, people, physical evidence* and *Process* In natural silk entrepreneurs in South Sulawesi, it still needs to be improved because with the implementation of a good, effective and efficient marketing mix, it is expected to improve the marketing performance of natural silk entrepreneurs in South Sulawesi. So it is hoped that silk entrepreneurs in South Sulawesi can make a meaningful contribution to their region, with an increase in natural silk marketing performance in South Sulawesi. The need to

make a grand design on natural silk management, from upstream to downstream, in order to create integrated cooperation, between the Ministry of Forestry, PSKL Center, South Sulawesi Provincial Government, Local Government and business actors in order to create a mainseat and shared spirit in rebuilding the glory of silk in South Sulawesi. The government starting from the provincial center and even in the districts made regulations requiring the use of silk not only in government offices, private and even in hotels and other public facilities, so that it reflects the silk icon. Developing natural silk in the field of tourism and education in the form of silk village development, so as to attract the younger generation to learn and potential for both domestic and foreign tourists.

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