

Potential, Problems and Strategies of Creative Economy Development: Quadruplehelix Perspective Approach

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Abstract. This research on the creative economy aims to explain the development of the creative economy which focuses on discussing the potential, problems, and development of the creative economy in Indonesia. The shift in economic trends from the era of information technology to the creative economy is a challenge for the government to make policies, for this reason, clear research is needed to answer the study questions. The results of this study indicate that the policy direction for developing the creative economy is appropriate. Based on the potential and problems, continued strategy analysis with a Quadruplehelix perspective approach is expected to increase the contribution of the creative economy to economic resilience.

Keywords: potential, problems, development, creative economy.

1 Introduction

The creative economy is a new economic concept that pays more attention to information and creativity as well as human resources (HR). Products produced by the creative economy have special characteristics that are unique and different from the others. Products produced by the creative economy are also developed from existing products [1]. The Ministry of Tourism and Creative Economy of the Republic of Indonesia defines the creative economy as follows: first, creativity is an attempt to create something unique and new and provide a solution to a problem or do something different. Second, the creative economy is an attempt to create added value based on creativity. Third, creative economy enterprises are business entities, both legal and non-legal entities that transform and utilize creativity to produce goods and services and are recognized and have intellectual property rights, both registered and attached. [2]

Creative Economy is currently a big issue in the Indonesian Government [3]. The economic trend that is shifting from the information technology era to the creative economy is a challenge for the government to set policies [4] [5]. The Tourism and Creative Economy sectors are targeted to make an increasing contribution to the resilience of the Indonesian

economy. The export value of the creative economy will increase in 2024 to US\$19.26 billion from the expected target in 2020 of US\$16.9 billion. Meanwhile, the targeted added value for the creative economy is only Rp. 1.157 Trillion in 2020 increased to IDR. 1.641 Trillion in 2024 [2].

To support the increase in these contributions, it is also necessary to increase the quality and amount of investment. Total investment in tourism and the creative economy is targeted to increase from US\$ 2 billion in 2020 to US\$ 3 billion in 2024. The ratio of tourism and creative economy businesses that have access to finance to the total tourism and creative economy businesses is targeted to increase from 1.8% in 2020 to 4.6% in 2024. The Ministry of Tourism and the creative economy is targeting the registration of product/service intellectual property in the tourism and creative economy sector of 4,500 products/services in 2024, previously in 2020 there were 1,250 products/services, this proves that the Ministry of Tourism and the creative economy is trying to protect wealth. intellectuals in the field of tourism and the creative economy [2].

In formulating creative economic development policies, it must involve all existing aspects. Paying attention to the perspective of stakeholders so will make the formulation of government policies more relevant because it is studied from various aspects widely [6]. This is to support the study-based regulatory index related to tourism and the creative economy is targeted to increase from 25 in 2020 to 45 in 2024. Regarding data and information on the results of the study, the Ministry of Tourism and Creative Economy targets the number of creative economy study results utilized/produced to increase from 6 documents in 2020 to 13 documents in 2024 [2].

To improve the quality and quantity of creative economy human resources in 2020-2024, the Ministry of Tourism and Creative Economy targets to increase the number of creative economy workers from 17.25 million workers in 2020 to 19.9 million workers in 2024, and the number of graduates from economic vocational colleges creative is targeted to increase from 1500 graduates in 2020 to 2200 graduates in 2024 [2]. For this reason, the potential and problems of creative economic development must be explored more broadly. And pay attention to the perspective of stakeholders in strategy formulation as a balance or government policy analyst.

2 Research Methods

This research supports the Kemenparekraf road map. Where there is no detailed and independent research in the field of creative economic development. This research, apart from being a complement to the Kemenparekraf 2020-2024 Strategic Plan, specifically describes the potential, problems, and strategies for creative economic development.

This study uses a qualitative descriptive method. The method with a qualitative approach is a process of research and understanding based on a methodology that investigates social phenomena and human problems. In this approach the researchers uses complex images by examining words, describing the opinions of respondents, and conducting studies in natural situations [7]. Qualitative descriptive research emphasizes that the researchers is the key instrument to describe from the literature. The literature study uses a review study of books, literature, and reports that are related to the problem being sought for a solution in the data collection technique [8]. Henceforth, the perspective analysis uses the Quadruplehelix approach. The Quadruplehelix model is an innovation model that emphasizes the cooperation

between the four elements developed by Parven. However, it has not been widely applied in innovation research and innovation policy [9].

3. Result and Discussion

3.1 Creative Economy Development Potential

The strategic plan of the Ministry of Tourism and Creative Economy 2020-2024 [2] has a development framework in which there are several potentials:

- 1) Indonesia has a high cultural diversity, which includes culinary, regional clothing, crafts, music, and performing arts.

The development of Indonesia's creative economy has the power of a wealth of Indonesian local wisdom. Cultural resources are the wealth of Indonesian civilization that comes from the social interactions of the community, which are part of the personality and identity of a society, and can be used as raw materials in the process of creation and production of creative works. At least it is recorded that Indonesia has more than 199 dances from 724 regional languages from 1,340 ethnic groups. The utilization of cultural diversity characterized by high local excellence needs to prioritize creativity and innovation in national development and be globally competitive.

- 2) The diversity of natural resources as raw materials for crafts and culinary.

Natural wealth provides a huge opportunity for Indonesia as a supplier of energy and raw materials for innovative and creative products in the craft and culinary sub-sectors. Creative actors can be creative with existing natural resources and make creative products unique to each region.

- 3) A demographic bonus where the population of productive age (young age) is very dominant.

As previously explained, the demographic bonus will be a great tourism potential. The demographic bonus will also provide opportunities for the creative economy sector. Residents of productive age can be used to become creative people and are expected to support their development in a creative economy. The availability of creative resources from people of productive age is a major asset for the development of the creative economy, and when the number of creative people increases, public awareness of the creative industry can also increase and ultimately the demand for creative products will also increase. In this way, the government must increase the quantity and quality of creative people through creative education and increase the competence of creative workers.

- 4) The number of Indonesian middle class consumers of creative economy products is very large, becoming the basis of the domestic market.

The target market for creative economy products is the middle-class population with consumption patterns that tend to prioritize experience and based on desire. The consumption pattern of the middle class has a high willingness to pay for the desired product. This is predicted to increase demand for creative products and the growth of the creative economy. With the shift in consumption patterns and the increasing economic capacity of the community, there is an increase in the number of middle-class people in Indonesia from 60

million people in 2019 to 85 million people in 2020. This is a golden opportunity for creative actors in developing creative products. in the national market.

3.2 Creative Economy Development Problems

There are several problems in the development framework contained in the strategic plan of the Ministry of Tourism and Creative Economy 2020-2024 [2]:

1. There is still limited research on the creative economy

The development of creative economy policies then requires some development data and information as a basis. Research on the development of the creative economy is still very limited both from the aspect of national and international marketing as well as developments in creative product trends.

2. Knowledge and skills of creative economy actors need to be improved

The limited quality of creative actors hampers the development of the creative economy in Indonesia. This limited quality can be seen both in terms of expertise in the field and ability to run and manage a business.

3. Access of creative economy actors to sources of funding and financing has not been widespread

The development of such a large creative economic potential requires no small amount of capital support. As many as 92.37% of creative economy entrepreneurs in Indonesia still use their funds for business capital. The problems faced are related to the quantity and quality of financing institutions, alternative financing for the creative industries, and matchmaking of financing for the creative industries. The number of financial institutions referred to is financial institutions that can provide financing for creative actors with non-conventional approaches.

The creative economy sector has not attracted many investors to invest their capital. Until now, the sector is still considered not to have a strong attraction for investment. Business prospects in the creative economy sector are still low and are considered high risk, making it difficult to obtain bank financing.

4. The infrastructure, both physical and ICT needed by creative economy actors is still limited

The availability of infrastructure and technology is the main requirement to maximize the competitiveness of Indonesia's creative industries. However, the condition of infrastructure for the creative economy is still inadequate. This causes the creativity of creative actors to be difficult to develop and has an impact on slowing growth and decreasing the contribution of the creative economy to the nation. There is a severe lack of public facilities in Indonesia such as cinemas, research laboratories, research centers, business incubators, creative center infrastructure, markets as well as art galleries, international standard performance venues, creative cities, technoparks, and even the absence of an art filing system. Indonesian creative works as a source of inspiration for the creation of new works in the future, and the availability of high-speed internet access with even distribution to remote areas, e-commerce, and payment gateways.

5. Creative economy products are not widely known and consumed by both domestic and foreign consumers

Creative economy development is still facing difficulties in accessing the creative product market. This is due to the undeveloped distribution chain of Indonesian creative products to the world market [10]. Currently, domestic and international creative product market data have not been collected completely, accurately, and up to date.

6. Incentive schemes for intellectual property-based creative economy development have not yet been established

The role of innovation and intellectual property is very important for an intellectually based creative economy business. The need for a creative economy business capital/financing model that is by the characteristics of an intellectually based creative economy business. Internationally, intellectual property rights are recognized as assets that can be pledged as collateral for financing. The intellectual property financing system is expected to further support the growth of innovation-based businesses, especially creative startups [11].

7. Creative economy actors who have Intellectual Property Rights for their works are still limited

The main asset in the creative economy is intellectual property owned by creative economy actors. However, not all creative economy actors realize the importance of protecting their creative products through intellectual property. As a result, creative economy actors often do not realize when their intellectual property rights are infringed. As many as 88.95% of creative actors do not have intellectual property rights [12] [13].

The film, animation, and video sub-sector has intellectual property rights of 21.08%, has the highest percentage compared to other sub-sectors, namely culinary as much as 19.75%; television and radio 16.59%; issuance 15.86%; fashion is 14.14%; product design 11.56%; visual communication design 7.25%; music 6.88%; crafts 6.69%; interior design 5.45%; and architecture 3.64%.

3.3 Perspective Quadruplehelix Approach Strategy Map

The Government of the Republic of Indonesia has 8 strategic objectives which are mapped into 4 (four) Balanced Score Card (BSC) perspectives implemented by the Ministry of Tourism and Creative Economy, taking into account potentials and problems. The first perspective is stakeholders, the second perspective is customers, the third perspective is internal processes, and the fourth perspective is learning & growth [2].

Kemenparekraf has one strategic goal when viewed from a stakeholder perspective, namely increasing the contribution of the creative economy to economic resilience. From the customer perspective, Kemenparekraf has 3 (three) strategic targets, namely: (1) Increasing the added value of the national creative economy; (2) The growth of investment and access to financing as well as the increasing capability of the national creative economy sector industry; and (3) the protection of intellectual property in the creative economy sector.

From an internal process perspective, Kemenparekraf has 3 (three) targets of strategic, namely: (1) Implementation of creative economy regulations based on study-based; (2) Open and provides of information and data from the study on the results of the study based on the creative economy needed; and (3) Increasing the quality and quantity of creative economy human resources. From the perspective of learning and growth, Kemenparekraf has 1 (one) strategic target, namely the realization of bureaucratic reform of the Ministry of Tourism and Creative Economy towards a professional bureaucracy. Of the 8 strategic objectives in the

analysis with a Quadruplehelix perspective approach. The results of the analysis are shown in Figure 1.:



Figure 1. Strategy Map Quadruplehelix Approach Perspective

Based on Figure 1 above, of the 8 targets of a strategy mapped to 4 (four) BSC perspectives. From each perspective, the strategic objectives will be formulated to be achieved:

- 1) The first is the perspective of stakeholders which shows the outcome/impact that the government wants to achieve. The outcomes to be achieved are represented by the government's strategic objectives through the Ministry of Tourism and Creative Economy. From a stakeholder perspective, Kemenparekraf has 1 (one) strategic target with the following strategies:
 - a. Increase the value of the foreign exchange
 - b. Increase GDP contribution
 - c. Increase export value
- 2) The second is the perspective of customers that shows the output of the Government. With the resulting output, it is hoped that the government's outcome through the Ministry of Tourism and Creative Economy can be realized. From this perspective, the Ministry of Tourism and Creative Economy has 3 (three) strategic targets with the following strategies:
 - a. Increase the added value of the creative economy
 - b. Increase the ratio of standardized and certified creative economy businesses
 - c. Increase the amount of creative economy investment
 - d. Increasing the ratio of businesses in the creative economy sector that has access to financing

- e. Increase the number of products/services in the creative economy sector that are registered intellectual property
- 3) The third, the internal process, is a perspective that shows the process by the government to produce output from the customers perspective. The government through the Kemenparekraf has 3 (three) strategic targets with the following strategies:
 - a. Increasing the regulatory index based on studies related to the creative economy
 - b. Increase the number of creative economy study results that are utilized/produced
 - c. Increase the number of workers in the creative economy
 - d. Up of the number graduates of vocational colleges in the field of the creative industry and economy
- 4) The fourth, learn and grow, is a perspective that shows the government's strategic assets that are used to run processes from an internal process perspective. In this perspective, the government through the Ministry of Tourism and Creative Economy has 1 (one) strategic target with the following strategies:
Increasing the index of government administration and in particular the administration of government in the creative economy [14].

4. Conclusion

The process of developing the creative economy or creative industry to support and maximize the contribution of the creative economy to economic resilience must be carefully studied, starting from planning which includes mapping the potential and problems as well as formulating strategies through strategic targets. This study shows that the Strategic Plan which is the strategic corridor of the Government through the Kemenparekraf in implementing programs, activities, components, and sub-components in achieving outputs and outcomes has an impact on national development.

The government has a creative economy sector development plan for the next 5 (five) years, which must be implemented and its implementation monitored, including the implementation of strategies and performance achievements from the first year to the fifth year which is considered appropriate. The most important thing in strategic management is not just good planning, but the most important thing is consistency in implementation following the plans that have been prepared previously. This implementation is of course accompanied by monitoring, and periodic performance.

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