

Creative Industry Development Model Starter In Efforts To Improve Competitiveness

Wiwik Sudarwati, Meri Prasetyawati, Anwar Ilmar Ramadhan

Abstract— In order to support the presidential instruction No. 6 of 2009 on the development of the creative economy in 2009-2015, the city government to make culture and technology as a basis for the development of creative economy. Jakarta, especially in districts kemayoran creative industries are not developed, could be called as a beginner. In an effort to support the president's instructions and help the city government to achieve its goals it is Necessary for the development of creative industries beginners so that the creative industry has a competitive edge. A method to be used in achieving the objectives of this research is to use the SWOT analysis and the strategy canvas. Where the steps in this SWOT analysis is to provide questionnaires to the Creative Industries Beginners. The contents of this questionnaire include Strengths, weaknesses, opportunities and threats faced by the manager of the IKP over the years. Then the Data Obtained from the questionnaires was processed in the Matrix of Internal and External. Based matrix and SWOT matrix is made known to the quadrant position in order to obtain creative industries development strategy beginners. These strategies in the 9 blocks describe the strategy canvas. Created 4 step frameworks that are to Eliminate, increase of, Decrease and create to create new innovations. The results Obtained from this study is the strategy of diversification combined with a strategy canvas and blue ocean strategy in order to obtain results that IKP need to add new partners and optimize the old partners, need to create a new product innovations include service courses of make souvenirs, improve customer relationships, and reach by making the website.

Index Terms— Creative Industries Starter, Development, SWOT, Strategy Canvas, Blue Ocean Strategy

I. INTRODUCTION

In order to support the presidential instruction No. 6 of 2009 on the development of the creative economy in 2009-2015, the city government to make culture and technology as a basis for the development of creative economy [1]. In Jakarta, especially at district of kemayoran creative industries are not developed, could be called as a beginner. This beginner Creative industries existence there under the guidance of the PKK District and there are not nurtured by PKK Kemayoran sub-district in particular districts [2]. Creative industries beginners who are under the guidance of the District kemayoran PKK no wide - range of products and the success rate [3, 4, 5]. There are several creative industries novice who has been running well, among others in the village garden empty no craft ondel - ondel and batik patterned ondel - ondel, in the village noble hope there is the craft of making souvenirs

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of beads, in village wells no stone craft of making asesoris veil, dikelurahan long utan no craft of making ornaments out of recycled old newspapers etc. Although the industry has been going well but is still considered a beginner because the manufacture of products still tend to be based on orders, marketing is still traditional, namely from mouth to mouth, and managerial still not optimal because it usually only controlled by one person is the owner and do not have bookkeeping in good order [6,7]. Whereas the creative industries if developed this starter has a huge potential for economic improvement of the surrounding community. Seeing this condition it is necessary for the development of creative industries in this area, so that the creative industries have competitiveness in local and international markets. Based on the above background, the purpose of this study include [8,9]:

Strategy Canvas

Nine Building Blocks

1. Customer Segments
Describe different groups of people or organizations that want to reach or be served by the company.
2. Value propositions
Describe a combination of products and services that create value for specific customer segments.
This block trying to solve customer problems and satisfying customer needs through a proportion of the value.
3. Channels
Illustrates how a company communicates with its customers and reach out to those segments to provide value proposition. The value proposition to customers through communications, distribution, and sales channels.
4. Customer Relationships
Describe the different types of relationships that are built the company together with specific customer segments. Customer relationships are established and maintained along each customer segment.
5. Revenue Streams
Revenue streams generated from the proportion of successful value offered to customers.
6. Key Resources
Describe the assets - the most important assets necessary for a functioning business model.
7. Key Activities
Describe things - important things that must be done by the company that its business model can work.
8. Key Partnerships
Describe the network of suppliers and partners to make the business model work. Outsource some activities and some resources from outside the company.
9. Cost Structure
Describe all costs incurred to operate the business model.

Blue Ocean Strategy

Blue Ocean Strategy challenging business people to get out from the competition and create market space uncontested and unexplored. Blue Ocean Strategy has a strategic logic that became a key point, which is referred to as value innovation. Innovation value has more significance than just innovation. This concept talks about how to create differentiation and low cost at the same time. The basic principles of Blue Ocean Strategy are:

- a. Reconstructing market boundaries
- b. Focus on the big picture, not the numbers
- c. Go beyond existing demand
- d. Conduct a series of strategic appropriately
- e. Addressing key constraints in the organization
- f. Integrate execution into strategy

Traits of Blue Ocean Strategy

In creating BOS, BOS there are three main characteristics that must be held, which is the focus, movement away (divergence), and the main motto.

- Focus, the strategic profile the company should be able to clearly show where to focus efforts.
- Divergence or moving away, which is away from the other players. This can be done as a result of the search and view the alternatives and not to compare themselves with competitors. The goal is clear, that is out of the "game" and create "toy" new.
- Motto compelling, is also one of the main attractions for consumers. However, a good motto must not only be able to deliver the message in a clear; and interesting but also advertise honestly offer. Because if not, the company will lose the confidence and interest of consumers.

II. RESEARCH METHOD

The method used in this research is SWOT analysis combines the strategy canvas. SWOT analysis as an evaluation for the creative industry that exists today, SWOT analysis is used to analyze the strengths and weaknesses of an organization and identify potential opportunities and threats. Then the results of SWOT combined with 9 blocks canvas that is a key partner strategies, key activities, key resources, value proposition, customer relationships, channel, customer segment, cost structure and revenue streams. 9 blocks canvas that strategy again combined with education and assistance that is required by the creative industries. Innovation is obtained from the model of development of creative industries use blue ocean strategy. The data required include: data about the condition of the creative industries beginner current, questionnaire data about the strengths, weaknesses, opportunities and threats. The data is obtained through observation, interviews and questionnaires.

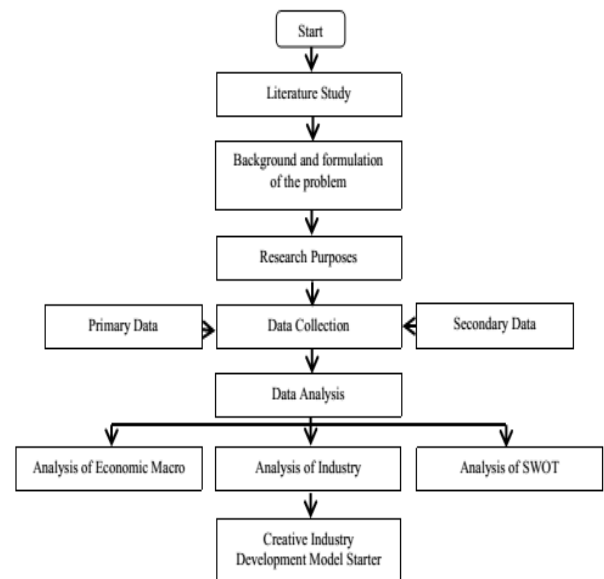


Figure 1. Flowchart of Research Method

III. RESULTS AND DISSCUSSION

Results of this study include the management of creative industries in the form of patterns novice at this time. Where is the management of today's creative industry novice when viewed from.

- a. Management. Industry kreatif beginner run and controlled by the owner. Not to have an organizational structure so that there is no division of labor in the execution of the work. Work was carried out with odd jobs but still above the control of the owner. There is already a bookkeeping but not well documented. is a major part article
- b. Labor is owned housewife does not work that was around the place of business.
- c. Marketing, still traditional ie word of mouth, the exhibition and bazaar held the city government or the mayor.
- d. Customers, limited local market bazaar among the visitors, neighbors and orang2 who happened to know the business.
- e. The production process is done manually, yet have high technology. So it takes a skilled workforce skills.
- f. Sources of raw materials acquired in the market, buying in bulk.
- g. Cooperation has been done inter alia in cooperation with the PKK district. Kemayoran and the Jakarta administration. This cooperation in the form of business training for the beginner as well as the creative industry exhibitions and fairs.



Figure 2. Graph canvas creative industries beginner

Based on canvas graphic image above shows the position of the craft industry beginners to competitors that are in the red ocean area in which to be able to win the competition of creative industries beginners should get out of the red ocean areas by improving competitiveness and perform a variety of innovations. After learning patterns of managing the creative industries that exist today then carried out a SWOT analysis preparation. SWOT analysis is used to analyze the strengths and weaknesses of an organization and identify opportunities and threats. The process of drafting the SWOT analysis there are three phases:

(1) Data collection phase

At this stage the data is divided into two: the external data and internal data. Internal and external data obtained by questionnaires distributed to the creative industries in the region beginner kemayoran districts. After the distribution of questionnaires first step is to determine weights, rating and score. The second step is a summing weights strengths and weaknesses weight. The third step is to determine the rating. Rating is our analysis of the likelihood that will happen in the short term.

Table 1. Matrix Internal Factors

No	STRENGTH	Quality	Relatively	Rating	Score
1	Proposition of our products aligned with customer needs	4	0.057	1.5	0.086
2	Our customers are very satisfied	4	0.057	3	0.171
3	Our diversified revenue streams	3	0.043	2.5	0.107
4	Our income stream is sustainable	3	0.043	2	0.086
5	We set the price according to the value of products	3	0.043	2.5	0.107
6	Pricing mechanism includes a willingness to pay	3	0.043	3	0.129
7	Our cost-efficient operations	3	0.043	3	0.129
8	Products can be manufactured according to capacity	3	0.043	3	0.129
9	Our focus and work with partner if necessary	3	0.043	3	0.129
10	We enjoy a good working relationship with major partners	3	0.043	3	0.129
		32			1.200
WEAKNESS					
1	we gain little	3	0.043	2.5	0.107
2	income cannot be predicted	3	0.043	1.5	0.064
3	Our customers are not fixed and change	3	0.043	1	0.043
4	we have high costs before collecting revenue	3	0.043	1.5	0.064
5	Easily imitated products	3	0.043	2.5	0.107
6	Product needs cannot be predicted	3	0.043	2.5	0.107
7	Operational activities easily imitated	2	0.029	2	0.057
8	High levels of customer switching	4	0.057	2.5	0.143
9	customer base has not been well segmented	2	0.029	1.5	0.043
10	Our services are not efficient	3	0.043	2	0.086
11	Our services are not effective	3	0.043	1.5	0.064
12	Weak outreach among customers	4	0.057	1.5	0.086
13	Customers cannot see our services with ease	3	0.043	1.5	0.064
14	weak customer relationships	4	0.057	2	0.114
15	Our brand is weak	4	0.057	1.5	0.086
		38	1.128571		1.021
	TOTAL	70			2.221

The total value of the scores for internal factors indicate the value of 2.221 or more value close to 1 means more internal weakness than strength.

Table 2. Matrix External Factors

No	OPPORTUNITIES	Quality	Relatively	Rating	Score
1	Can we generate recurring revenue by changing product?	4	0.051	2	0.101
2	Can we raise the price?	2	0.025	1.5	0.038
3	Can we reduce costs?	3	0.038	1	0.038
4	Can we get the resources are cheaper to achieve the same results?	3	0.038	2.5	0.095
5	Is Information Technology support increased efficiency?	4	0.051	1	0.051
6	Can a stronger collaboration with partners helps us to focus on the core business?	2	0.025	2	0.051
7	Can service partners help us reach customers better?	2	0.025	1	0.025
8	Can we serve new customer segments?	3	0.038	1.5	0.057
9	Can we serve customers better through better segmentation?	3	0.038	1	0.038
10	can improve the efficiency or effectiveness of the channel?	3	0.038	2	0.076
11	Can we find channels other new partners?	4	0.051	2	0.101
12	Can we increase the margin by serving customers directly?	3	0.038	2	0.076
13	Can we align services and customer segments better?	3	0.038	1	0.038
14	Is there potential for improving the follow-up customers?	3	0.038	3	0.114
		42			0.900
THREAT					
1	Are substitutes available?	4	0.051	3.5	0.17744
2	If a competitor threatens to offer a price or a better value?	3	0.038	2	0.076046
3	Are we threatened by a competitor margin? By technology?	3.2	0.041	3	0.121673
4	Is there a charge that threatens to unpredictable?	2	0.025	2	0.050697
5	Can we face a disruption in the supply of certain resources?	3	0.038	2.5	0.095057
6	Whether the quality of our resources is also threatened?	3	0.038	1	0.038023
7	Whether the quality of our activities also in danger?	3	0.038	2	0.076046
8	Whether competitors threaten our market share?	3.5	0.044	3	0.13308
9	Can we soon saturate market?	3.1	0.039	2.5	0.098226
10	Is there a possibility of customers to cross?	3.1	0.039	2.5	0.098226
11	Whether competitors threaten our ministry?	3	0.038	2	0.076046
12	Is there a danger of deteriorating relations of our customers?	3	0.038	2	0.076046
		36.9	0.468		1.116603
	TOTAL	78.9			2.016477

The total value of the scores for the external factor is 2.016 means still more threats than opportunities.

(2) Phase analysis

In this analysis phase will be carried out analysis of a more complete and accurate by using SWOT matrix. This matrix is made by utilizing all of the information that has been obtained in the internal and external factors. Strengths and weaknesses are taken for variables that are the strengths and weaknesses of the industry's greatest creative the beginner. As for the opportunities and threats are taken or chosen variables that constitute the greatest opportunities and threats of the creative industries beginners. All variables are selected to be included into the SWOT matrix and then analyzed the possibility of its strategy based on the strategy SO, ST, WO, and WT.

Table 3. Matrix of SWOT

	IFAS	S(Strengths)	W(Weaknesses)
EFAS		1. There Cooperation Partners 2. Operational efficient 3. Price cheaper 4. The diversified products 5. typical regional products and has value	1. produk easily imitated 2. The capital itself 3. There has been no brand 4. jangkauan weak services 5. Traditional marketing 6. The customer relationship is weak 7. The customer is not segmented
Opportunities (O)	SO	1. Optimizing the role of cooperation partners in the effort to improve the quality of products and knowledge of business operations (O2, S1, S2) 2. Add a channel and reach by adding partners (O3, O5 S5, S1, S4)	WO 1. Online marketing (W4, W5, W6, O4, O1, O3) 2. get funding from outside (government) (W2, O2) 3. IPR (W1, W3, O3)
Treats(T)	ST	Translate from: English 1. Increase market share (T1, T5, T2, S5, S3, S4) 2. New product innovations (T2, T4, T3, S4, S3, S5)	WT 1. Create brand (T 1, W 3) 2. Make the container / institutions for the creative industry novice (W2, T1)

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Based on the above SWOT matrix obtained 9 strategy. From ninth on the creative industries strategy beginners can apply all the existing strategy or the application on a priority basis. To further determine the position of the creative industries today beginner then made SWOT count based on the quadrant. For positioning the quadrant, used the difference in value of each internal and external indicators that have been calculated above. SWOT calculation results indicate an external indicator difference is negative, ie a score of chances - scoring threat ($0.9 - 1.12 = -1.03$) this means that less good opportunity for the creative industry novice to develop their business. Internal indicator has a positive difference is balanced strength - weakness scores (1.20 to $1.02 = 0.18$), meaning the power that is still more than the weaknesses. SWOT analysis of the results that have been made known that the creative industries beginner entry in quadrant 2, meaning that even though the company faced various threats, the company still has the strength in terms of internal.

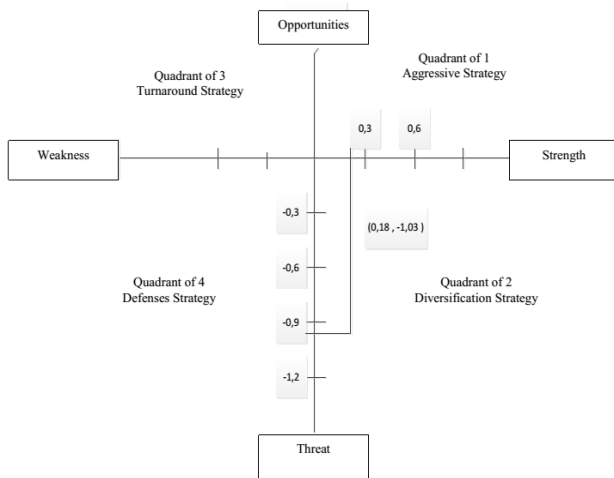


Figure 3. Quadrant of Analysis SWOT

Based on the chart above beginner creative industries included in quadrant 2. Despite facing various threats creative industries still have strength in terms of internal. The strategy should be applied is to use force to deal with threats by means of product diversification strategy/market. The diversification strategy in accordance with the strategy of ST namely increase marketshare and product innovation.

A. Prototyping Design Model Canvas

Prototyping is an invaluable tool for developing new innovative business models. Prototype is a prototype made of canvas strategy model based strategy SWOT obtained by the Strategy ST. In the prototype there were 9 blocks canvas strategy is key partners, key activity, value proposition, key resources, channels, customer segments, cost structure, revenue stream, customer relationship. ST or diversification strategy poured into 9 blocks canvas that strategy, so that we get a model of creative industries development strategy beginners who have competitiveness. Model canvas creative industries strategy beginners as follows see Figure 4.

Relationship	Key Activities	Value Proposition	Customer Relation	Customer Segment
PKK DKI Jakarta Government	Development and production of souvenirs	souvenir products of Betawi	yet there is only limited to buying and selling	not segmented
	Key Resources		Channel	
	owner's equity production place Owner's house		word of mouth marketing, exhibitions and fairs	
Cost Structure			Revenue Stream	
minimal production costs			diversified product prices according to the value of products	

Figure 4. Model of Canvas Strategy

Explanation Figure 4:

B. Key Partnership

Adding new partners among other trading businesses where creative industries can work together in terms of sales souvenir. This craft industry can entrust their products to partners and partner stores sell products of the creative industry. so that production can be carried out continuously and mass production.

C. Key activity

Activities undertaken are the design and manufacture of various kinds souvenir for specific events eg weddings, circumcisions, birthday etc. In addition it is the activity of the product delivery to the customer.

D. Key resources

The resources required are quite a lot of manpower and have the skills to make this sauveir product. Labor can harness the housewife who does not work around the place of business so that the housewives have their own income. Housewives were trained beforehand so that the skills of making souvenir. The training can be done by business owners or can also work together with the city government. In addition to labor resources is also raw material resources. Souvenir main raw material can be obtained on the market - for example market Jatinegara market. Delivery is also required if no reservations are made online.

E. Value proposition

The resulting product is a unique souvenir and describe typical of the region. And also new product innovations in addition to innovative product design is a service souvenir making courses. The entire product design souvenir will be recorded and sold in the shop - bookstore.

F. Customer Relationship

Relationship with customers conducted and supervised by partners as a shopkeeper. While the industry keajinan relationships with partners (partner store owner) as a customer. Customer relationship was also done personally when customers book directly on line. In the web side there are suggestions and criticisms for beginners creative industries, customers can relations personally by writing all criticisms and suggestions through applications in the web.

G. Channel

Customer network craft industry is partner stores that number could be more than one partner stores. The more the partner stores, the more products that must be produced, the more extensive business network. It also uses an online store so that the network is not only the region but also to international.

H. Customer Segment

This business model focuses on the mass market does not distinguish between segments - different customer segments. The focus is a group of customers with the needs and most of his problems are the same.

I. Cost Structure

Used for the production costs will become smaller if a large amount of production. Cost structure consists of the cost of materials, labor, overhead and additional postage.

J. Revenue Stream

This income stream derived from intermediary services performed on behalf of the two parties. As well as the margins obtained from sales.

The framework 4 steps/ERRC (Eliminate-Reduce-Raise-Create)

After learning strategies modeled canvas SWOT and then subsequently made blue Ocean strategy is to create a true industry - completely new. This strategy creates a new market space that does not have competition through value innovation. To obtain the value of innovation it is necessary to compare the indicators of success canvas and guidelines diversification strategy so that it will be known which indicators should be eliminated, enhanced, reduced and were created. 4 step framework that is to eliminate, increase, decrease and create. It included in the framework are as follows:

Table 4. Framework 4 steps

Eliminates	Upgrading
Labor is not fixed As a sideline business	Network at home and abroad, Product quality managerial ability Cooperation
Reduces	Creating
Long processing time	Care course product manufacturing Commodities beginner craft industry product innovations brand

After knowing the changes that must be made against the seven elements of the value, then the next stage is describe Canvas new strategy for the craft industry novice. Canvas strategies below illustrate that the strategy canvas trying to get out of the competition with the motion away.

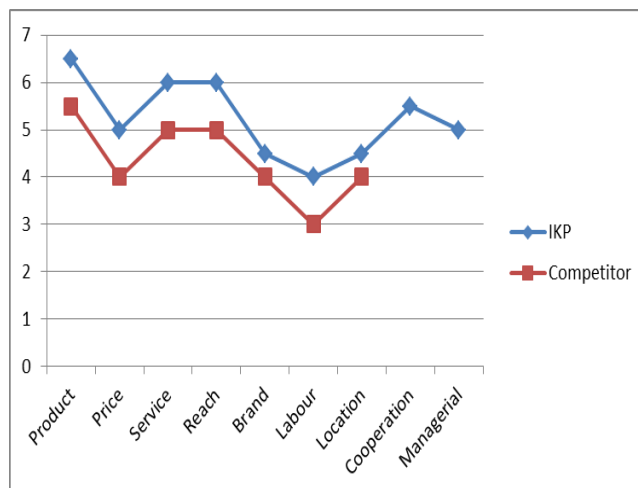


Figure 5. Graph of Canvas IKP

Relationship	Key Activities	Value Proposition	Customer Relation	Customer Segment
PKK DKI Jakarta Government	Design and Production of Souvenirs	Unique and distinctive souvenir products specifically for weddings, circumcision, or any other event.	Personality	Mass Market
Trading Business Company TIKI or JNE	Workers skilled raw materials available Delivery		Channel Store Partner selling large quantities Marketing with online	
Cost Structure material costs, labor costs, postage		Revenue Stream commission fees, sales margins		

Figure 6. Model of Canvas Strategy and Blue Ocean Strategy

Explanation from Figure 6:

A. Key Partnership

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handling of the working process of each - each worker is responsible for the products produced each.

- Management of the Partnership. The creative industry partners and government is merely PKK.

2. Strengths, weaknesses, opportunities and threats in the creative industries are a beginner

Strength: The existence of partnerships, products produced creative, Operations effective, cheaper price compared to competitors

Weaknesses: weak customer relationships, capital itself, yet there are brands, traditional marketing

Opportunity: new distribution channels, IT support efficiency, government support

Threats: Competition is getting stronger, product substitution, resource Disorders

3. Model development of creative industries beginners is product innovation, marketing with online and expands cooperation partners.

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IV. CONCLUSIONS

Based on the results and the discussion above, it can be concluded as follows:

1. The plan for the management of the creative industries beginner current is Traditional management pattern wherein:
 - Management of the market is still personalized from the mouth to mouth, exhibitions and fairs.
 - Management of the overall organization and management are centered on owners who carry out all operations, labor is only limited production.
 - Management of labor. Labor was limited to producing only and is invoked when there is work and vice versa, if no job was not called.
 - Management of the work process. There has been no process flow that is specifically written so that the