

Key-Factor Strategy of Creative Industry in Distribution Channel: A SWOT Analysis Method



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ABSTRACT

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This study aims to: (1) map the creative industries' strengths, weaknesses, opportunities, and threats in Yogyakarta - Indonesia. The data was collected directly from the source, i.e., primary and secondary data. SWOT analysis is used to analyze the data. The results show (a) the strength factors include: availability of human resources, cheaper living cost, Yogyakarta as a center of culture, tourism, and education; (b) the weakness factors include: low product innovation and creativity, 85.9% of the creative industry do not have a business license, and the creative industry database is not transparent; (c) opportunity factors include: the existence of a creative community, the existence of e-fulfillment (convenience services from JNE), and friendly logistics (digital marketing, warehousing, order fulfillment, technology development, shipping management, and delivery); (d) threat factors include: the existence of an ASEAN free market, namely the Asean Economic Community and product patents (trademarks). The Yogyakarta creative industry should carry out the strategies including (a) the development of the creative industry market; (b) creative industry market penetration; (c) creative industry product development; (d) integration into the future; (e) backward integration; (f) horizontal integration, and (g) diversification related to creative industry products.

1. INTRODUCTION

Law no. 24 of 2019 states that a creative economy adds value to intellectual property based on cultural heritage, science, and technology. The creative economy ecosystem is a linkage system that supports the creative economy value chain, namely the creation, production, distribution, consumption, and conservation to provide added value to the products to gain highly competitive [1], easily accessible and legally protected.

The link between creativity and economics is the subject of the creative economy. Creativity and economics are not new concepts, but the nature and scope of their relationship and how they might be integrated to create value and money are [2]. Some industries in new economies are creative industries, where creativity is an essential raw resource and the most valued financial product. Software, publishing, design, music, video, and electronic gaming are examples of such industries. In the G-7 countries, creative sectors now account for more than half of consumer expenditure [3].

The creative industries are economic processes that involve producing and distributing creative ideas and ideas, as well as goods and services that require the intellectual skills to build them. The creative economy combines two words, each with its meaning. The creative industries were originally a new economic trend that emerged in the early 21st century. This economic trend is known to prioritize intellectual value in generating money, increasing employment opportunities, and bringing prosperity to the community.

Toffler [4] shows that there are three waves in economic civilization. First is agriculture. The second is the industrial economy, and the third is the information economy. Toffler [4] later predicted that there would be a fourth wave, the creative industries. Creativity is essential in the concept of creative industries because the creative industries are at the core of the creative industries driven by creative people and innovators. Simply put, a creative economy is a form that advances the concept of economics but adds creativity. But this creativity includes production activities, raw material handling, and innovation. So, in essence, the creative industries are closely tied to creativity, ideas, and talent combined with today's digitalization.

In general, the creative industries are all processes of individual or group creativity, creative ideas, ideas after which can produce works and products. The creative industries are a combination of the words industry and creative. In the Big Indonesian Dictionary, the industry is the activity of processing or processing goods using facilities and equipment. Still, creativity is an adjective that reflects the creativity and creativity of an individual or group. The creativity created by individuals or groups is aimed at later contributing to economic growth and creating new jobs for those in need. Therefore, the creative economy is one of the pillars of a country's economy and is an important area that needs to be developed over time and built together.

The creative economy is an industry born of personal creativity and the potential to create wealth and employment through intellectual property. According to Howkins [5], the

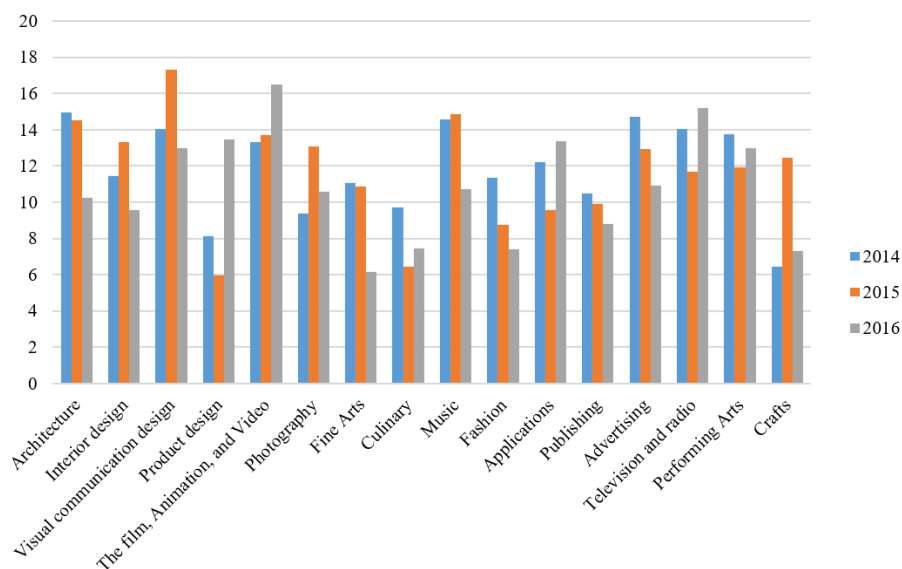
creative industries are an industry that stands out in terms of creativity in the manufacture or creation of various creative designs related to the goods and services produced. The creative economy is an industry that uses individual skills, creativity, and talent to create wealth and employment. The industry focuses on increasing personal creativity and creativity. The creative industries are industries that rely on skills, talents, and creativity that have the potential to enhance happiness [6].

Figure 1 below shows that in 2014-2016, the television and radio subsector had the highest average growth of 10.10 percent. The visual communication design subsector also has a relatively high average growth of 9.44 percent. The art-performing arts occupy the third-highest average growth of 7.70 percent. Prakoso [7] states that based on data from the central statistics agency (BPS) in 2018, the creative economic subsector has a significant contribution to the national economy by contributing 7.44 percent of gross domestic product (GDP), 14.28 percent of the workforce, and 13.77 percent of the export. Also, around 8.2 million creative efforts in Indonesia dominates by culinary business, fashion, and kriya. These three sub-sectors have the most outstanding contribution to creative economic GDP. In addition, there are four sub-sectors with the fastest growth: TV and radio; film, animation, and video; performing arts; and visual communication design.

According to Rudy Salahuddin, Deputy for Coordination of Creative Economy, Entrepreneurship, and Competitiveness of Cooperatives and Small and Medium Enterprises Project in the Office of Trade and Industry of Kulon Progo (2019), Yogyakarta creative economy GDP grew by 16.12% above

Bali (12.57%) and West Java (11.81%) even national creative economic GDP (12.00%). Yogyakarta has a DIY Regional Regulation Number 9 of 2017 concerning the empowerment and protection of creative industries, cooperatives, and small businesses. Yogyakarta currently owns the International Airport (YIA) Kulon Progo, allowing even the largest Boeing or cargo aircraft to land in Kulon Progo. This is also becoming an advantage for the creative industry to continue developing industrial products to export abroad. Yogyakarta develops the creative industry and ancient through 4K, namely Kraton (through cultural policy), campus (through education and development of innovation), trips (through government empowerment and policy), and villages (through the community).

The special region of Yogyakarta has a very supportive ecosystem to become a creative industry center, including large educational institutions, the growth of start-up companies, engagement with large-scale industries, and other infrastructure support. This potential is mentioned by Bank Indonesia research which states that the main reasons for creative industry companies to grow in Yogyakarta are good infrastructure and city conditions, efficient operational costs, and the availability of large enough human resources both in quantity and quality. Nevertheless, the existence of the creative digital industry in Yogyakarta is still not free from challenges. These challenges include efforts to link and match between the education system and the needs of the digital industry, the digital literacy gap of the community, the gap in access to technology, and the limited collaborative network between the parties involved.



Source: Central Bureau of Statistics - Indonesia [8]

Figure 1. The growth rate of creative economic GDP

In 2013, Indonesia's creative economy showed tremendous development compared to prior years, but sadly, throughout the next three years (2014-2016), Indonesia's creative sector showed a persistent decline [9]. According to Wawan Russian, Director of Research and Development of the Indonesian Creative Economic Agency, the creative economy ecosystem still has many obstacles in the form of consistency and continuity to find existence. A creative economic ecosystem can provide welfare for stakeholders. "The sub-sector does have a different perspective, from the capitalization and

growth value of locality and Indonesia's ability to provide prosperity," he said. Therefore, to identify the above problems, this research aims to 1) map-related strengths, weaknesses, opportunities, and threats; 2) establish IFAS and EFAS strategies; 3) establish a strategic position on four quadrants; 4) establish a creative industry strategy in Yogyakarta. According to Endang Sri Mulyani, Manager of Metals and Electronics Industries at Disperindagkop and UKM DIY, the number of business players in the creative industries surged from 33,882 in 2012 to 34,977 and 36,456 business units

between 2013 and 2014. It states (<http://www.krjogja.com>). Endang Sri Mulyani said the surge is only seen in certain creative industries such as handicrafts, fashion, and design. Local governments have not fully developed other sub-sectors of the creative industries with great potential. One of the main issues of DIY state government related to creative industries programs is the stagnation of development of some local creative industries. According to Rifki Listianto (<http://www.sorotjogja.com>), the absorption of funds provided by the DIY state government is not optimal for the region's micro-creative economy. In addition, Rifki Listianto added that the creative industries sector most touched by the municipality is the fashion industry (<http://jogja.tribunnews.com>). Therefore, efforts must be made to empower potential creativity communities, both individuals and groups, that can cover the sub-sectors of the creative industries. The fashion industry is the second tier that dominates the creative industries sector of Kulon Progo. This industry accounts for 22.19% of the creative industry of Kulon Progo. The third is the creative economy of information technology at a rate of 12.18%. The magnitude of this value is because the industry is dominated by businesses such as legume sales, mobile phone counters, computer rentals, internet cafes, and computer services. (3.13%), photography (0.84%), architecture (0.72%), video (0.72%), publication (0.72%), music (0.6%), research and development (0.6%), performing arts (0.6%), television and radio (0.6%), interactive games (0.36%), advertising (0.24%), visual arts (0.24%), animation (0%), movies (0%). From these ratings, we can see that the gap between dominant companies and minority companies is huge. The community didn't dare to develop other productive businesses that could add more value. The emergence of new ideas and innovations facilitates communities, from responding to needs to facilitating work and creating jobs for people in need. From the above explanation, we can also delve into how the creative industries affect people's lives and the nation. Learning about the creative industries can also help you start your business by relying on innovation and creativity. As explained above, Grameds can get complete information through books covering the creative industries to prioritize the value of creativity and start a business or company. Therefore, according to experts, a complete description of the creative industries begins with its general understanding, characteristics, types, and benefits in people's lives. Then, you can learn it by reading the references available from the various books on the website www.gramedia.com. Of course, there are also various topics and topics related to the creative industries.

2. LITERATURE REVIEW

2.1 Creative industry

The concept of creative industry, first of all, "put creativity and culture at the center of British national life in an unconventional way, by bringing together arts, media, software and other sectors with more integrated, not fragmental, approaches to cultural policy" [2]. The Creative Industry (CI) is the element of the economy as a social reality. In the lack of a transparent production and service structure that this sector has, the study covers various aspects of CI without a standard methodology for measuring the effects of CI on economics and investigating inputs for CI development

[10]. The creative industry is an important sector for economic growth and development in terms of increasing employment or expanding economic activity and playing a role in facilitating economic evolution by contributing to behavioral, social, and institutional evolutions [11].

The creative industry is established in singular innovativeness, abilities, and gifts and can produce riches and occupation creation through the age and misuse of protected innovation [12]. Within the Creative Industries, 16 different fields are comprising: advertising and marketing, architecture, crafts, visual arts, fashion and textiles, design, performing arts, music, photography, film, and video, computer games, radio and TV, writing, and publishing, heritage, software / electronic publishing, and cultural education [13].

At first, the Framework for Cultural Statistics (FCS) proposed by UNESCO was embraced by different public organizations due to certain social real factors in their nations. The FCS characterizes ten distinct classes: (1) cultural heritage; (2) printed materials and literature; (3 & 4) music and performing arts; (5) visual arts; (6 & 7) audio-visual media (6 cinemas and photography; 7 radio and television); (8) socio-cultural activities; (9) sports and games; (10) environment and nature. The framework also proposes a cross-category matrix: creation/production, transmission, consumption, registration/protection, and participation [14].

The Ministry of Tourism and Creative Economy – Indonesia has determined 17 sub-sectors of the creative industry, including game development, architecture, design interior, music, art, product design, fashion, culinary, films, animations, and videos, photography, visual communication design, television and radio, craft, advertising, performing arts, publishing, and application.

(1) Game development

Kemendikbud [15] encourages local game developers to work because Indonesia is one of the countries with a game market share whose increase tends to be significant.

(2) Architecture

The architecture utilizes information, science, innovation, and artistry, informing the fabricated climate and space as a component of human culture and civilization to converge with the whole space climate.

(3) Interior design

Interior design is an activity that solves problems of interior function and quality; provides interior space-related services to improve personal satisfaction; and meets the wellbeing, security, and solace parts of the general population.

(4) Music

Music is a wide range of business and innovative exercises identified with instruction, creation/organization, recording, advancement, dispersion, deal, and execution of melodic craftsmanships.

(5) Fine Arts

Fine art is the making of works and sharing information, which indicates scholarly and imaginative aptitude, which supports the improvement of culture and modern advancement with a financial incentive for the supportability of its ecosystem.

(6) Product Design

Product design is one of the elements in advancing the industry so that the public can accept these products of these products because the products they get are of good quality, affordable prices, attractive designs, get guarantees, and others. The Industrial Design Society of America (IDSA) defines product design as a professional service that creates and

develops concepts and specifications that optimize the product's function, value, and appearance and benefits both the user and the factory.

(7) Fashion

Fashion is a lifestyle in appearance that reflects self or group identity.

(8) Culinary

Culinary is the activity of preparing, processing, presenting food and beverage products that incorporate elements of creativity, aesthetics, traditions, and local wisdom; as the most crucial element in enhancing the taste and value of these products, to attract purchasing power and provide experiences for consumers.

(9) The film, Animation, and Video

Film: "Artwork of moving images that contains various ideas or ideas in the form of audio-visual, and in the process of making use of cinematographic principles."

Animation: "Display frame by frame in chronological order to create the illusion of continuous motion so that the display looks alive or has life."

Video: "A creative activity, in the form of exploration and innovation in how to capture (capture) or create a moving image, which shows through presentation media, which can provide an alternative, competitive moving image works that provide added cultural, social and economic value."

(10) Photography

Photography is an industry that encourages individual creativity in producing images of a photo object using photographic devices, including light recording media, file storage media, and media that displays information to create welfare and job opportunities.

(11) Visual Communication Design (DKV)

Visual communication design is the art of conveying messages (arts of communication) using visual language conveyed through the media in designs that aim to inform, influence, and change the target audience's behavior by the objectives. While the visual language used is in the form of graphics, signs, symbols, illustration pictures/photos, typography/letters, and others.

(12) Television and Radio

The creative activities include packaging ideas and information in the form of quality entertainment to the audience in sound and image formats that are broadcast to the public in virtual form on a regular and continuous basis.

Radio: Creative activity, which includes packaging ideas and information in quality entertainment to the audience in a proper format broadcast to the public in a virtual form regularly and continuously.

(13) Crafts

Crafts are part of applied art, a meeting point between art and design. It comes from a legacy of tradition or contemporary ideas whose results can be in the form of works of art, functional products, decorative and decorative objects, and can be grouped based on the materials and exploration of the technical tools used and thematic products.

(14) Advertising

Advertising is correspondence through the media about items and brands to the intended interest group to give reactions indicated by the initiator's objectives.

(15) Performing Arts

Performing arts is a branch of art that involves designers, technical workers, and performers, who process, create and convey an idea to the audience (audiences); whether in the form of oral, music, visuals, body expressions and movements,

or dance; that happens directly (life) in the same time and space, here and now (hic et Nunc).

(16) Publishing

Publishing is an effort or activity to manage information and imagination. Publishing aims to create creative content that has certain uniqueness, expressed in writing, images, and audio or a combination thereof, produced for public consumption through printed media, electronic media, or online media for a higher economic, social or artistic cultural value.

(17) Applications

The expanding infiltration of devices used by people, in general, cannot be isolated from the job of the applications that are implanted in it. Individuals are now familiar with utilizing advanced applications like guides or routes, web-based media, news, business, music, interpreters, games, and others. These different applications make it simpler for clients to complete their everyday exercises. So do not be astonished if the due application and sub-area are enormous.

2.2 Creative economy as a driver of Indonesia's competitiveness

The term creative economy was first introduced by Howkins [5] that the creative economy as "value creation as a result of ideas." In short, the economic activities in society produce ideas in most cases, not just everyday and repetitive ones. For society, the generation of ideas is a prerequisite for progress. The Ministry of Tourism, Creative Economy of the Republic of Indonesia in 2014 defines the creative economy as the creation of value based on the ideas generated from the creativity of human resources (creative people) and the knowledge, including cultural and technical knowledge. Heritage. Therefore, the creative industries focus on sustainable development efforts through creativity [16]. Indonesia has begun introducing creative industries into society since the reign of Susilo Bambang Yudhoyono, the sixth president of the Republic of Indonesia. Since then, the contributions of the creative industries have begun to contribute to the country's forex trading and widespread employment. Following the program's success, the Government of Joko Widodo will continue its long-term plan to 2025 for the development of Indonesia's creative industries. In national development, the creative economy plays a central role in achieving the five significant challenges of long-term national development from 2005 to 2025, as set out in Law No. 17 of 2007, Ethics, culture, and etiquette; (2) Realization of a competitive country to realize a more affluent and prosperous society; (3) Realization of fair and equitable development; (4) Realization of beautiful and sustainable Indonesia; (5) Recognize Indonesia's growing role in international affairs. Accelerating the development of the creative industries by 2025 aims to make the creative industries an engine for building a competitive Indonesia and livable society. The main tasks are described in 17 strategic goals: 1. Optimize the development and conservation of competitive, dynamic, and sustainable local resources to achieve two goals: competitive, dynamic, and creative talent creation and sustainable ways. Both goals are achieved through four strategic goals: a) Increase the quantity and quality of education that supports the creation and distribution of creative people fairly and sustainably. b) Increase the quantity and quality of creative people (creative people). c) Creating high-quality, diverse, and competitive raw materials from renewable natural resources.

d) Availability of accurate and reliable information about cultural resources that can be easily and quickly accessed. 2. Competitive, growing, diverse and high quality to achieve a competitive, growing and diverse, and high-quality creative industry through achieving one key goal, three strategic goals. Creative industry development. a) An increasing number of competitive and dynamic local creative entrepreneurs. b) Improve your local creative business's competitiveness, growth, and quality. c) Increase the diversity and quality of local creative work. 3. Develop an environment that allows creativity to be incorporated into the country's development by involving all stakeholders and achieving four key goals. First, creating institutions and business environments that support the development of creative industries through effective, accessible, competitive methods and the achievement of 10 strategic goals: a). Increased availability of relevant, accessible, and competitive local creative industries; b). Increasing penetration and diversification of creative labor markets at home and abroad; c). Increased availability of adequate and competitive infrastructure; d). Increased availability of appropriate, accessible, and competitive technology; e). Creating regulations that support creating an environment suitable for the development of the creative industries; f). Increase the active participation of stakeholders in the development of creative industries in high quality and sustainable way; g). Realization of creativity as a development paradigm and in people's lives; h). Strengthen Indonesia's position, contribution, independence, and leadership in international forums; i). Increasing appreciation for people, jobs, entrepreneurs, and creative companies at home and abroad; j). Increasing public appreciation for natural resources and local culture.

The term "creative industries" first appeared in the 1990s and has been used to describe any industry based on the creativity created by intellectual property [17]. Higgs and Cunningham [18] state that a wide range of creative industries makes up the critical elements of economic growth, employment, and international trade in today's global era. The creative industries are an ecosystem of interdependencies between creative value chains—development environment (maintenance environment), Market, and archive [15]. The creative industries are involved not only in creating economic value added but also in creating social, cultural, and ecological value added. Therefore, as shown in the figure below, it is necessary to develop an economic development model that can enhance the competitiveness of the Indonesian people and improve their quality of life.

2.3 SWOT analysis

SWOT analysis benefits vital arranging and acute administration in associations. It may use adequately to assemble hierarchical techniques and cutthroat procedures. Following a Systems Approach, associations collaborate with their current circumstance and comprise different sub-frameworks. In this sense, the association exists in two circles, one inside itself and the other outside. It is essential to investigate this climate for critical administration practice. Analyzing an association and its current circumstance is SWOT analysis [19]. SWOT analysis is a basic however fantastic asset for estimating the abilities and deficiencies of an association's assets, its market openings, and outside dangers to its future" [20].

SWOT analysis is an interaction that connects four

territories into two measurements. It has four parts: 'Qualities', 'shortcomings', 'openings', 'dangers'. Qualities and shortcomings are inner variables, hierarchical traits, openings, and dangers are outer components. Ecological properties [19] develop in a four-quadrant framework which permits a synopsis coordinated by four area headings. The accompanying table is a SWOT analysis, with the four components in a 2x2 grid. Authoritative Strength: Strength is a trademark that increases the value of something and makes it exceptional from others. Strength implies that something is more beneficial when contrasted with something else. Strength alludes to a positive, good, and inventive trademark in this sense.

Authoritative Weaknesses: Weakness alludes to not having the structure and capability important for something. Shortcoming implies that something is more disadvantageous when contrasted with something else. In this respect, the shortcoming is a negative and ominous trademark. Ecological Opportunity: Opportunity implies the circumstance or condition appropriate for latency. Opportunity is the benefit and main thrust for an action to happen. Thus, it has a positive and significant trademark. Ecological Threat: A danger is a circumstance or condition that imperils the realization of a movement. It refers to an unpleasant state. Therefore, there are negative traits that must be avoided. The SWOT matrix can describe how opportunities and threats from the company's external environment are anticipated with its strengths and weaknesses. The SWOT matrix will make it easier to formulate various strategies. Alternative strategies should exploit strengths and weaknesses, exploit business opportunities, and overcome threats. So from the SWOT matrix, four alternative strategy groups will be obtained: the SO strategy, the ST strategy, the WO strategy, and the WT strategy.

According to Rangkuti [21], the explanation for each strategy in the SWOT matrix is as follows:

(1) SO (Strength-Opportunity) Strategy. This system depends on the organization's mentality utilizing every one of its qualities to seize and make the most of whatever number of chances as could be expected under the circumstances of the ST (Strength-Threat) procedure. This methodology depends on the organization's strength to expect existing dangers.

(2) The WO (Weakness-Opportunity) Strategy. This procedure is executed depending on existing freedoms by limiting existing shortcomings.

(3) WT (Weakness-Threat) Strategy. This technique depends on protective exercises, limiting the organization's shortcomings and simultaneously staying away from dangers.

2.4 Review related studies

This study is supported by the research that has been conducted before. Some experts have already explained this topic. All the studies conducted by experts are explained. The first research was conducted by Ma'ruf [22] entitled Sharia Finance Literacy and Determinants on Creative Economy. This study aimed to determine the rate of sharia finance literacy and the factors that influence Creative Economy actors in the Yogyakarta Special Region. This research was a quantitative study that was analyzed using descriptive statistics. Gender, age, education level, and business length were employed as independent variables, with sharia financial literacy rate as the dependent variable. According to the findings of this study, the creative economy players in

Yogyakarta Special Region are characterized as sufficiently literate, with many of them falling into the less literate category.

Another research comes from Fleischmann et al. [23] entitled *Developing a Regional Economy through Creative Industries: Innovation Capacity in a Regional Australian City*. This study looked at whether the same innovative approaches are applied in Townsville, Australia, and if they can help boost the local economy. The survey and interviews show that there is much confusion about the details of innovation approaches, especially when it comes to engaging with end-users of services. In interviews with business owners, it was clear that they wanted to work with regional creative industries. However, they were concerned about the cost of such services compared to those supplied in significant cities. The findings suggest that creative sectors have much potential to build a regional economy, in this example, Townsville in northern Australia, but only if they promote themselves better to the rest of the business community.

Another initial research was conducted by Rosyadi et al. [24], with the title *Barriers of Public Policy Faced by SMEs of Creative Economy in Indonesia*. This research used a case study to gather the data. The data were analyzed using thematic analysis in the qualitative method. This study demonstrates that the mindset and organizational behavior of local policymakers, who tend to be normative, routine-minded, and inflexible, limit the development of SMEs in the creative economy. The findings suggest that local governments should collaborate with SMEs' actors and activists to develop a strategy for the development of a creative economy.

Another research comes from Fahmi et al. [25] with their title *Creative Economy Policy in Developing Countries: The Case of Indonesia*. This study analyzes how the creative economy concept is interpreted and applied in the context of Indonesia as a developing country. This study also provides insight into how a creative economy is evolving in this city as a discourse and as a feasible framework for development initiatives. This research also shows that a developing country like Indonesia can accept the vision of a creative economy by restructuring local institutions to allow successful experimentation with this new approach.

The following initial research was conducted by Suhendra [9] entitled *Strategic Review on Indonesia Development Plan For Creative Economy*. In this study, definitive research was conducted using a mix of methods. The findings revealed that, except for the industrial portfolio strategy of creative economy sectors, the Indonesia master plan for creative economy growth was mainly practicable and effective in addressing all of the critical strategic challenges on creative economy development in Indonesia. The Indonesian government should

prioritize and invest in selected digital creative industry sectors, including movies, music, and applications while remaining committed to the primary cultural creative industry sectors. There are three of them: culinary, fashion, and crafts.

3. RESEARCH METHODS

This research covers the entire creative industries in Yogyakarta, and the topics of this study include strategies, strengths, weaknesses, opportunities, and threats. This research method uses the research method, that is, the method of collecting data directly from the source. In this study, researchers used primary and secondary data. Primary data is data collected directly without mediation. For example, interviews, observations, etc. In this study, researchers used closed and open surveys. A closed survey is a list of questions for which researchers have provided alternative answers. Respondents only need to put a checkmark (✓) in the displayed column, so this method is often considered adequate. An open-form questionnaire is a free-form questionnaire, but it is a type of question that respondents can freely answer and express their personal opinions. Therefore, open-form questionnaires are often used to obtain data in the form of opinions. While secondary data is being used: data from documents, websites, Central Statistics Office (BPS).

The target audience for this study is Yogyakarta's entire creative industry: game development, architecture, interior design, music, art, product design, fashion, cooking, movies, animation, video, photography, and visual communication design. In addition, Television and radio, crafts, advertising, performing arts, publishing, and applications. The analysis tool for this study uses SWOT analysis as shown in Table 1. This research uses SWOT tools to represent strengths, weaknesses, opportunities, and threats. SWOT analysis organizes critical strengths, weaknesses, opportunities, and threats into an organized list, usually displayed in a simple grid bar. SWOT analysis is a strategic planning method that helps an individual or organization identify the strengths, weaknesses, opportunities, and threats associated with the business competition or project planning. The advantages of SWOT analysis are: It can be the root cause of the company's survival. This analysis makes various recommendations for further emphasizing the strengths, reducing the weaknesses, leveraging existing opportunities, and predicting potential threats. The weakness is that researchers need to remember that analytical tools are only one phase of the business planning process. More detailed specialized research and analysis are required for complex issues to decide.

Table 1. SWOT analysis matrix

Internal Factors		Strength (S)	Weakness (W)
External Factors		List of all strengths held	List of all the weaknesses it has
Opportunity (O)		S-O strategy	W-O strategy
List all opportunities that can be identified	Strategies that use strength to take advantage of	opportunities	Strategies that minimize weaknesses to take advantage of opportunities
Threat (T)		S-T strategy	W-T strategy
List of all identified threats	Strategies that use force to overcome threats		Strategies that minimize weaknesses and avoid threats

4. RESULTS AND DISCUSSION

The creative industry is projected to become a source of new economic growth because Yogyakarta has the capital and an

ecosystem that can support it to become a center for developing the creative economy. Yogyakarta has the potential that continues to be developed to become the center of the creative industry in Indonesia. Abundant human

resources (HR), educated human resources, many educational facilities, especially universities, and various creative communities in the Special Region of Yogyakarta (DIY) are considered the driving force for the creative industry to continue to develop in Yogyakarta. These advantages must be promoted so that they can encourage DIY. It would be miserable if, in the end, these human resources only studied in Yogyakarta but ended up working in other areas. If the creative industry in Yogyakarta can develop rapidly, it will be something to be proud of and a model for other regions. DIY is vital in the creative economy of the fashion, culinary, and handicraft sectors.

The supporting factors for the Yogyakarta creative industry are as follows:

(1) Yogyakarta is the center of culture, tourism, education, and the creative economy.

(2) High quality of human resources (Human Development Index No. 2 in Indonesia after Jakarta); has formed a digital community (<http://jogjadigitalvalley.com>).

(3) Government support through the Jogja Creative House (<http://www.rumahkreatifjogja.id>), while the potential for the Yogyakarta creative industry includes investment potential, development of the film sector, Animation, Art and graphic design, Fashion, and Crafts and culinary.

The researchers used secondary data from BPS, the Yogyakarta Licensing and Investment Service (DPPM) website, which was used to map the conditions of the Yogyakarta creative industry, including Strength (S), Weakness (W), Opportunity (O), and Threat (T). The researcher determines the O-S strategy, O-W strategy, T-S strategy, and T-W strategy.

The researcher uses SWOT analysis to explain the research results to explain the conditions of the creative industry in Yogyakarta. SWOT analysis is an essential arranging strategy used to assess the qualities, shortcomings, openings, and dangers of a task or undertaking or assess product offerings or contenders themselves. The business goals or distinguishing proof of the items to be dissected to play out the examination is resolved. Qualities and shortcomings are gathered into inside factors, while openings and dangers are recognized as outside factors [21].

The calculation methods to obtain the values in these columns are:

(1) The researcher determines the significance level of each indicator (1-3);

(2) The researcher determines the strategic factor weights

by comparing the significance level of each factor with the number of significant levels to have a total weight of 1 or 100%;

(3) Each strategic factor, strength, and weakness will then be given a rating of 1-5, where a rating of 1-2 is for weakness, and 4-5 is for strength. If the researcher is in doubt about the rating, choose number 3 (three);

(4) The score is the result of multiplying the weight of each strategic factor with the rating of each strategic factor;

(5) Determine the value of Internal Factor Strategy (IFAS) and External Factor Strategy (EFAS), which is the difference between the total strength score and the total weakness score for the IFAS score, while EFAS is the difference between the opportunity score and the threat score;

(6) The last stage is making a SWOT chart to determine the strategy to be carried out. The determination of the graph is from the IFAS and EFAS values. If the IFAS and EFAS values are positive, they will be in quadrant I if the IFAS value is positive. However, the EFAS value is negative, and it will be in Quadrant II. If the IFAS and EFAS values are negative, they will be in quadrant III. If the IFAS values are negative and EFAS is positive, they will be in quadrant IV. For more details, see Tables 2 and 3.

Based on Table 2, the researcher has determined the strengths and weaknesses and strategic factors. The results obtained are that the researcher has assigned a weight of 1-3 according to the significance level. The strength score is 2.28, and the score for weakness is 1.00. After the researcher determined the IFAS, it was obtained from the difference in the number of strength and weakness scores, namely 1.28.

Based on Table 3, researchers have determined the opportunity and threat factors and their strategic factors. The results obtained from opportunities and threats have been given a weight of 1-3 according to their significance level. The opportunity score is 2.45, and the score for threat is 1.00. After the researcher determined the IFAS obtained from the difference between the opportunity and threat scores, it was 1.45. The IFAS and EFAS acquisition results will be illustrated in a SWOT analysis graph. For more details, see Figure 3.

Figure 2 explains the results of SWOT Analysis:

(1) Quadrant 1. A genuinely ideal circumstance. The inventive business has openings and qualities to make the most of existing freedoms. The methodology that should be applied in this condition is to help an aggressive development strategy (Growth-Oriented Strategy).

Table 2. Internal calculation of strategic factors (IFAS)

Internal factors	Strategic Factors	Significance level	Weight	Rating	Score	Total score
Strength	1. Availability of human resources	3	0.17	5	0.83	0.83
	2. The cost of living is relatively cheaper	1	0.06	3	0.17	0.17
	3. Yogyakarta as a center of culture, tourism, and education	2	0.11	4	0.44	0.44
	4. Have a substantial capital	3	0.17	5	0.83	0.83
	Total Strength					2.28
Weakness	1. The low level of product innovation and creativity	3	0.17	3	0.50	0.5
	2. 85.9% of creative industries do not have business permits	1	0.06	1	0.06	0.06
	3. Marketing is still weak	3	0.17	2	0.33	0.33
	4. The creative industry database is unclear	2	0.11	1	0.11	0.11
	Total Weakness					1.00
	IFAS	18	1.00		3.28	3.28
						1.28

Source: Primary data processed by researchers (2021)

Table 3. External factor strategy calculation (EFAS)

Internal factors	Strategic Factors	Significance level	Weight	Rating	Score	Total score
Opportunity	1. There is a creative community	3	0.27	3	0.82	0.82
	2. The existence of e-fulfillment (convenience service from JNE)	2	0.18	4	0.73	0.73
	3. Friendly logistics (digital marketing, warehousing, order fulfillment, technology development, shipping management, and delivery)	2	0.18	5	0.91	0.91
	Total Opportunity					2.45
Threat	1. The existence of an ASEAN free market, namely the Asean Economic Community (AEC)	1	0.09	2	0.18	0.18
	2. Product patents (trademarks)	3	0.27	3	0.82	0.82
	Total Threat					1.00
	EFAS	11	1		3.45	3.45
						1.45

Source: Primary data processed by researchers (2021)

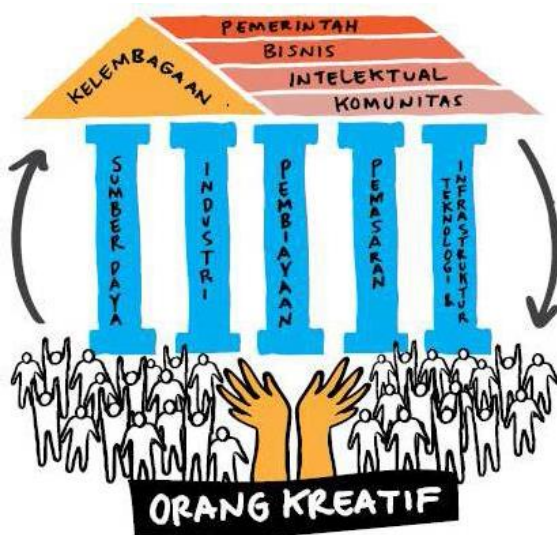


Figure 2. Creative economy development model

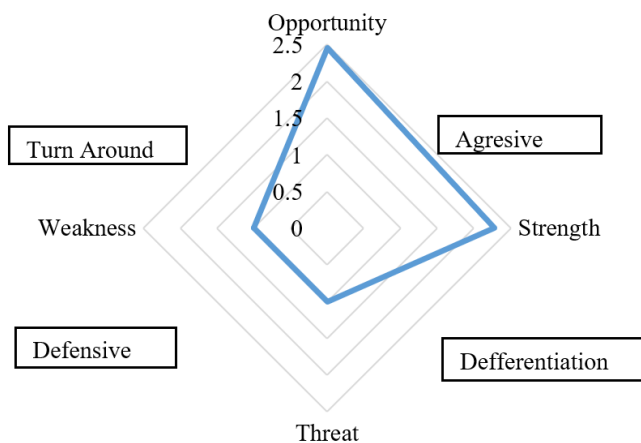


Figure 3. SWOT analysis of Yogyakarta creative industry in quadrant 1

(2) Quadrant 2. Regardless of confronting different dangers, this creative industry has strength from an inner point of view. The procedure that should be applied is utilizing solidarity to make the most of long-haul openings utilizing an expansion technique (item/market).

(3) Quadrant 3. The imaginative business faces tremendous market openings. However, then again, it faces a few inside imperatives/shortcomings. The business conditions in quadrant 3 are like the question mark on the BCG grid. The question mark here implies an item classification or specialty unit with a low piece of the pie yet in a high-development market. The innovative business has an extraordinary chance to expand the portion of the overall industry and rule the market. The focal point of this present organization's technique is to limit inward issues to take advantage of good market lucky breaks. For instance, Apple utilizes an innovation audit procedure that offers new items in the microcomputer business.

(4) Quadrant 4. In a genuinely negative circumstance, the organization confronts different dangers and inner shortcomings.

In quadrant I, it means that the Yogyakarta creative industry is in an aggressive position, meaning that the creative industry must: a) develop the creative industry market; b) penetration of the creative industry market; c) product development for creative industries; d) integration into the future; e) backward integration; f) horizontal integration, and g) diversification related to innovative industry products.

In quadrant II, the creative industry is in a position of differentiation. Researchers can explain this meaning as follows: a) the creative industry must diversify its products to win the competition; b) the creative industry must look for business partners related to capital (from banks, cooperatives).

In quadrant III, the Yogyakarta creative industry is in a defensive position, which means that the creative industry must survive to survive. The things that must be considered include a) relying on and focusing on certain products (product shrinking); b) the creative industry must divest, namely reducing the types of financial assets or goods assets that are owned by the creative industry; c) the creative industry must conduct liquidation, which means that the creative industry must sell certain assets to meet the needs of the creative industry, collect accounts receivable, pay off debts and settle remaining assets or debts among the owners. In quadrant IV, the Yogyakarta creative industry is in the Trun Around position, which means that the creative industry must do: a) market development; b) market penetration; c) product development; d) horizontal integration; e) divestment; and f) liquidation.

5. CONCLUSIONS

Based on the results of the discussion above, the researchers can conclude as follows:

1. The results of the mapping by researchers that: a) strength factors include: availability of human resources, the cost of living is relatively cheaper, Yogyakarta as a center of culture, tourism, and education, has a robust capital; b) weakness factors include: low product innovation and creativity, 85.9% of the creative industry do not have a business license, and the creative industry database is not transparent; c) opportunity factors include: the existence of a creative community, the existence of e-fulfillment (convenience services from JNE), and friendly logistics (digital marketing, warehousing, order fulfillment, technology development, shipping management, and delivery); d) threat factors include: the existence of an ASEAN free market, namely the Asean Economic Community (MEA) and product patents (trademarks).

2. Yogyakarta's creative industry is in quadrant I, which means an aggressive position. The creative industry sub-sectors that dominate the creative industry in Kulon Progo Regency are Culinary (46.48%), fashion (22.19%), and information technology (12.18%).

3. Strategies implemented by Yogyakarta's creative industries include a) Development of creative industries market. b) Market penetration of creative industries. c) Product development in the creative sector. d) Integration into the future. e) Backward integration, f) Horizontal integration, and g) Diversification from the perspective of creative industries products. The implications of this study are:

(1) Social impact implications. It is expected that the existence of the creative industry in Yogyakarta will be able to accommodate workers, reduce unemployment, and create better social conditions.

(2) The implications for the economy. It is expected that the existence of the creative industry will be able to increase the per capita income of the community.

(3) The implications of environmental. It is expected to motivate a more conducive business environment to develop, be more advanced, and strengthen the provincial government of the Special Region Yogyakarta.

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