

Analysis of strategic factors towards improving the quality and quantity of stakeholders on the Bogor city creative economy forum

Doni Yusri^{1,*}, Heti Mulyati², Fadli Apriadi³, and Georgian Marcello⁴

¹Industrial Management of Vocational Collage of IPB University/Center for Disaster Studies, IPB University

²Department of Economics, Faculty of Economics and Management, IPB University

³Center for Disaster Studies, IPB University

⁴Bogor City Creative Economy Forum

Abstract. The establishment of the Bogor City Creative Economy Forum aims to develop an action plan for creative economy development while strengthening the network and coordination between actors from local to international levels. This research aims to provide recommendations for strategy formulation to strengthen the existence of the Forum based on strengths, weaknesses, opportunities and challenges. This study used a triangulation method approach, namely in- depth interviews, field observations, and focus group discussions to collect data and information. Data were processed and analysed using descriptive analysis. The results showed that there were five indicators in each of these factors which were then grouped into two categories, namely internal and external strategic factors. Strength factors are the potential of business actors, location, infrastructure, regulations, and networks. Weakness factors are awareness, coordination, quality of human resources, information technology support, and investment. Opportunity factors are the following markets, entrepreneurial spirit of MSMEs, government support, location The City, and advances in information technology. Threat factors are product choice, products outside Bogor City, consumer perceptions, formal institutions, and government programmes. The construction of the assessment on the weight, rating, and score on each indicator on the four factors is based on the opinion of deliberately selected experts.

Keywords: strategic factors, creative economy, Bogor City

1 Introduction

*Corresponding Author: Doni Yusri

The target of the expanding and growth of creative economic development is the emergence of turnover and assets. The definition of turnover here is related to contribute for regional income from various forms of creative economy programs and activities.

The link of the various forms are the quantity of creative industries that support the creative economy. Meanwhile, assets are related to the actors who run the creative economy. The link is to the quality of creative economy actors. Both quality and quantity are strongly influenced by the added value provided and obtained for and from creative economic activities and have an economic impact, namely employment, as an illustration that labor is very much absorbed by the activities of the creative economy industry. In 2018, the creative economy sector has absorbed 18.1 million workers or 14% of the total workforce, in other words, the creative economy sector is able to employ 1 in 5 workers in the age range of 20 years to 24 years (Ministry of Tourism and Creative Economy, 2023)¹

Because the creative economy is more sustained on ideas as added value, improving the quality and quantity of creative economy actors is more emphasized on increasing competence in order to be able to compete by generating added value (Yusri D. 2010, Yusri D. 2012)^{2,3}. The influence on the increase in added value provided, among others, contributes to higher employment in the various commodities produced. In the Theory of Economic Development, it is explained that the higher the contribution of the industrial sector to the economic development of the country, the more developed the country (Darsiharjo, Gali Kusumah AH, 2014)⁴. If a country's contribution to its industrial sector is above 30%, it can be said that the country is classified as a developed country. The growth rate of industry is the mainstay of the government in an effort to improve the economy in Indonesia. The economy in Indonesia will not develop without the support of an increase in the industrial sector as one of the dominant sectors of the economy (Redata., et al. 2021)⁵.

According to the Ministry of Industry and Trade, creative industries in various countries around the world are currently believed to contribute significantly to their nation's economy. Many studies have been conducted to see the development and contribution of the creative industry sector in the world economy (Rozikin, 2019)⁶. Indonesia has also begun to see that the creative industry sector is a potential industry sector to be developed, because when viewed from the resources owned by the Indonesian people, the creativity of the Indonesian people can be aligned with other countries (Krisdayani, et.al)⁷. This is proven by the many works of the nation's children that are recognized by the international community where Indonesia is currently ranked 115th in the Global Creativity Index Ranking / Global Creativity Index tahun 2022. This creative industry is the main pillar in the formation of the creative economy which is very important for Indonesia because it is believed that the creative economy will have a positive impact on the life of the nation and state.

The creative economy does not merely emphasize capital in the sense of financial capability, but rather the concept of capital based on creativity and innovation (Purnomo 2016)⁸. The creative economy is often referred to as the fourth wave in the sustainability of the theory and concept of a nation's development where production activities and the exchange of goods and services are based on economic activities and lead to an increase in the welfare of the population of a country (Sadilah, 2010)⁹. Creativity and innovation that are the basis for the development of the creative economy as much as possible come from local wealth (Alexandro, Uda, Pane 2020)¹⁰. Indonesia as a country is not only rich in natural resources both above and below the land and sea, but also rich in diverse customs, cultures, languages, and the abilities of its people. Therefore, the wealth of natural resources, customs and people is an advantage for Indonesia as a country that has entered a middle-income country to increase income which will have a significant effect on achieving the level of welfare of its people (Dumilah DR, et.al 2021)¹¹.

In connection with the development of the creative economy as one of the cornerstones for economic growth, sustainable development, and improving the welfare of its people, the Bogor City Government has established the Creative Economy Forum in 2021 as a forum to map and mobilize the creative economic potential of Bogor City which is spread into 16 creative economy subsectors (Bogor City Tourism Office 2021)¹². In order to collect the potential, creation, work, and distribution of creative economy actors, the concept of the Bogor City creative economy ecosystem has been made, which consists of human resources, works, markets, and research and development (West Java Tourism and Culture Office, 2021)¹³. However, in reality, the development of creative economic potential in Bogor City still faces obstacles such as the low quality of human resources, the lack of distribution of local creativity and innovation in the local market itself, and the business competitiveness of creative economy actors has not been optimally formed. In an effort to overcome these problems, this research is planned to identify the distribution map of creative economy businesses in order to identify opportunities, challenges, weaknesses, and strengths in generating creative economy development strategies (Murad et.al, 2021)¹⁴.

Developed countries increasingly rely on the power of information as a production input in economic activities that are based on natural resources to be based on human resources. The power of human resources lies in creativity, innovation, and discovery (Ibrahim et al 2013)¹⁵. Since this shift, a new economic era has begun, which is then more popularly known as the Creative Economy. This shift is also called the fourth wave after the agrarian, industrial, and information economy waves (Yunus 2019)¹⁶.

The term creative economy increasingly found its place as the foundation of a nation's economic growth after John Hawskin popularized the term creative economy in the 1990s (Sadilah 2016)⁹. The keyword of this creative economy is the high creative content of the inputs and outputs of economic activity.

Currently, the development of the creative economy supported by the activities of the creative industry is getting more opportunities after the Covid 19 pandemic hit. Digital power is expected to be able to lift and develop creativity, innovation, and inventions with strong local character (Alexandro, Uda, Pane 2019)¹⁰. In addition to the power of digital technology, the creative economy is expected to be driven by the nation's young generation who have great energy, high spirits, and ideas that never go out. Even for Indonesia, the demographic bonus is seen as a gift to this nation to further develop the power of the creative economy (Suyatna, Nurhasanah 2017)¹⁷. This research aims to inform recommendations for creative economy development strategies based on the quality of human resources and the quality of business actors who are ready to compete and support the growth of a competitive creative industry.

2 Research Methods

a) Data Collection and Analysis Techniques

The research method used an internal and external factor analysis approach and then combined to find conclusions and suggestions for alternative development strategies for the Bogor City Creative Economy Forum. These alternatives will be used for future studies when determining priorities and the value chains involved. This research focused on deepening the internal and external factors and in-depth explanations in a descriptive-qualitative manner based on opinions and information from surveys, in-depth interviews and alternative strategy formulations.

The principle of finding recommendations for modeling strategies to strengthen the creative economy ecosystem uses SWOT analysis and the TOWS matrix, but the results of in-depth interviews are a critical stage to find the factors that make up the internal and external factors. In addition to confirmation from stakeholders, Small Group Discussion activities were also carried out to deepen various opportunities, challenges, weaknesses, and threats.

b) Data collection

The data collection process did not rely solely on literature review activities, but rather on interviews and surveys. The interviews were in-depth and conducted twice with the same key informants. Interviews were conducted at the beginning and end of the study. The second interview was conducted during a small group discussion. The survey was conducted to ascertain the creative economy activities with its 16 subsectors. The interviews and surveys guided the researchers to see the distribution map of creative economy businesses in Bogor City. Interviews and surveys also allowed researchers to meet directly with business actors, community actors, and creative industry workers. SWOT identification and analysis were based on the formulation of external and internal factors from the results of secondary data searches, surveys and in-depth interviews. After the strengths, weaknesses, opportunities and challenges were arranged, it will then be analyzed which factors are strong, weak, have high opportunities and great challenges to provide recommendations for strengthening the strategy of the creative economy ecosystem.

3 Results and Discussion

A. Compilation of Internal and External Factors

The development of creative economy businesses has the potential to improve the economic and social development of the community. One of the attractions of Bogor City development that has advantages is the development of the creative industry, therefore it is necessary to develop a strategy to be sustainable in the creative economy industry sector. In order to develop this, it requires the involvement of stakeholders to formulate strategies. The step of stakeholder involvement in this research is the identification of internal and external strategic factors from the ecosystem of business actors and continued mapping of internal and external factors to then analyze strengths, weaknesses, opportunities and threats. From the results of interviews with informants and respondents, internal factors were obtained as described below.

A.1. Value Chain Internal Strategic Factors

Internal environmental factors that are Strengths (strenghtnesses) in formulating the development strategy are:

- 1) Creative economy business actors are a strong potential that has a variety of interesting businesses that are unique to Bogor City.
- 2) The location of the actors, communities, and industries is very strategic and easily accessible to consumers because it is located in the center of Bogor City and not far from the Indonesian capital, Jakarta.
- 3) The physical infrastructure in Bogor City already supports the development of ecosystems.
- 4) There are regulations and policies that have been made by the Bogor City Government.

- 5) Some businesses are already known outside of Bogor city.
The weaknesses of the internal environmental factors in preparing the Development Strategy are:
- 1) Awareness and understanding of the importance of the creative economy ecosystem is still low. This is because organizations / companies are still focused on themselves, not thinking about the value chain that has an impact on business sustainability.
 - 2) Lack of coordination between business actors so that it has not created a synergistic effect between related parties or between elements in the value chain is still sectoral ego.
 - 3) Inadequate quality of human resources, especially those with specialized skills.
 - 4) Coordination between business actors in the ecosystem has not been supported by adequate information technology so that they do not know each other's information.
 - 5) The development of the creative economy ecosystem requires considerable investment because it requires research related to business sustainability.

A.2) Value Chain External Strategic Factors

External factors that are opportunities in developing a development strategy are:

- 1) Market opportunities are quite large because the products produced by creative economy business actors are a trend that is in demand by the public today.
- 2) Can foster a more advanced entrepreneurial spirit for micro, small and medium enterprises (MSMEs) in Bogor City so that they can absorb labor.
- 3) There is support from the central / provincial / city government in developing the creative economy ecosystem.
- 4) Become a liaison for creative economy business actors in Bogor City and other regions and the Capital City. It is located close to the capital city and the national tourism route.
- 5) Advances in information technology can be utilized as a medium of cooperation between business actors.

External strategic factors that are Threats (threadnesses) in developing a Development Strategy are:

- 1) The existence of various alternative choices of creative economy products in areas around Bogor City that are attractive to consumers.
- 2) The emergence of creative economy product choices from outside Bogor City.
- 3) Consumer perceptions, especially tourists, of Bogor City's creative economy products that are relatively low quality and guaranteed.
- 4) The absence of a formal creative economy institution as an organization that is integrated in development and coordination.
- 5) Not prioritized in city government programs in terms of economic potential development and development of Bogor City.

B. SWOT Analysis of Creative Economy Ecosystem

SWOT analysis is the initial process for strategy formulation, as it requires strategic managers (expert respondents/informants) to find a strategic fit between external opportunities and internal weaknesses, as well as consider external threats and internal strengths.

Based on the experts' assessment of the internal factors of the value chain, which

include strengths and weaknesses, it can be seen in the following table.

Table 1 Calculation of Internal Strategic Factor Analysis Result Value

Internal Strategic Factors	Weight	Rating	Score
1. Power			
a. Creative economy business actors are a strong potential that has a variety of interesting businesses that are unique to Bogor City.	0,099	4	0,39
b. Strategic location and easily accessible to consumers because it is located in the center of Bogor City and not far from the Indonesian capital, Jakarta.	0,094	4	0,38
c. Infrastructure is already supportive in developing the ecosystem.	0,077	4	0,31
d. Regulations and policies that have been made by the Bogor City government.	0,115	4	0,46
e. Some business actors are already known outside the city of Bogor.	0,132	4	0,53
2. Weaknesses			
a. Awareness and understanding of the importance of the creative economy ecosystem is still low. This is because organizations/companies are still focused on themselves, not thinking about the value chain that has an impact on business sustainability.	0,081	1	0,08
b. Lack of coordination between business actors so that it has not created a synergistic effect among related parties or between elements in the value chain is still sectoral ego.			
c. Inadequate quality of human resources, especially those with specialized skills.	0,094	1,5	0,14
d. Coordination between business actors in the ecosystem has not been supported by adequate information technology so that they do not know each other's information.	0,120	1,5	0,18
	0,097	1	0,10
	0,093	1,5	0,14

Internal Strategic Factors	Weight	Rating	Score
e. The development of the creative economy ecosystem requires considerable investment because it requires research related to business sustainability.			
Jumlah	1,000	26,5	2,7

Based on the IFE (Internal Factor Evaluation) matrix above, a total weighted score of 2.7 is obtained. This value indicates that internally the strategy of strengthening the ecosystem to improve the quality and quantity of creative economic actors in the city of Bogor is still quite weak. The description of internal factors that are major and minor strengths and their importance for increasing the quantity and quality of creative economic actors is as follows:

- 1) Based on the weighting of the strength factors, the business actors who are already known outside Bogor City have the highest weight of 0.132 with a ranking value of 4. This means that this factor is an important factor and has considerable strength to attract various parties to glance at and ultimately contribute to the development of creative economic actors in Bogor City. This factor is quite reasonable to be the highest factor if you look at facts such as culinary businesses that are always invaded by people outside Bogor City on holidays and weekends. Many people or tourists come to visit and enjoy well-known culinary offerings.
- 2) The next strength factor that is no less important and also has great strength in supporting the success of raising creative economic actors in Bogor City is the regulations and policies made by the City Government to support and develop creative economic business actors such as the formation of the Creative Economy Forum. This means that policies that present the Bogor City Creative Economy Forum need to continue to be supported and strengthened by various other city government programs and policies. This factor obtained a weight value of 0.115 with a ranking value of 4.
- 3) Internal strategic factors that are the main weaknesses are Awareness and understanding of the importance of the creative economy ecosystem is still low. This is because organizations/companies are still focused on themselves, not thinking about the value chain that has an impact on business sustainability. Even the weighting of this factor has the smallest value of 0.081, indicating that this factor is not strategic compared to other factors, also supported by its ranking value of 1 (big weakness).
- 4) The next weakness of internal strategic factors is the considerable investment in creative economic development. This factor obtained a weighting value of 0.097 with a rating value of 1.5, meaning it has a moderate weakness (between major and minor weaknesses).

The results of the analysis of the experts' assessment of external factors can be simulated in the following table which includes opportunities and threats.

Table 2 Results of External Strategic Factor Analysis

External Strategic Factors	Weight	Rating	Score
1. Opportunities			
a. Market opportunities are			

External Strategic Factors	Weight	Rating	Score
quite large because the products produced by creative economy business actors are a trend that people are interested in today.	0,142	4	0,568
	0,168	4	0,672
b. Can foster a more advanced entrepreneurial spirit for micro, small and medium enterprises (MSMEs) in Bogor City so that they can absorb labor.	0,12	4	0,48
	0,13	3	0,39
c. There is support from the central / provincial / city government in developing the creative economy ecosystem.	0,045	3,5	0,1575
	0,123	3	0,369
d. Become a liaison for creative economy business actors in the city of Bogor and other regions and the capital. It is located close to the capital city and the national tourism route.	0,097	3	0,291
	0,08	2	0,16
	0,06	2,5	0,15
e. Advances in information technology can be utilized as a medium of cooperation between business actors.	0,035	2,5	0,0875
2. Threat			
a. There are various alternative choices of creative economy products in the area around Bogor City that are attractive to consumers.			
b. The emergence of creative economy product choices from outside Bogor City.			
c. Consumer perceptions, especially tourists, of Bogor City's creative economy products that are relatively low quality and guaranteed.			
d. The absence of formal creative economy institutions as an integrated organization in development and coordination.			
e. Not prioritized in city government programs in terms of developing the economic and development			

External Strategic Factors	Weight	Rating	Score
potential of Bogor City.			
Jumlah	1,000	31,5	3,325

Based on the EFE (External Factor Evaluation) matrix above, a total weighted score of 3,325 was obtained. This figure shows that the development of the strength of creative economic actors has a very good strategic value against opportunities and great caution against existing threats. The description of external factors that get a good response and the main level of importance is:

- a) External factors of opportunity that get a response above the average and are considered more important than other factors in strengthening creative economic actors is the support of the central government / LIPI and the region in developing ecotourism, especially the Bogor Botanical Garden. Can foster a more advanced entrepreneurial spirit for micro, small and medium enterprises (MSMEs) in Bogor City so that they can absorb labor. The ranking value obtained by this factor is 4, with an importance level of 0.168 (weighting value).
- b) External factors Other opportunities that get an extraordinary response (rating value 4) and are also important (weight value 0.142) are market opportunities quite large because the products produced by creative economy business actors are a trend that is in demand by the public today.
- c) External factors Threats that received an above-average response (rank value 3) and are considered important to be addressed are the existence of various alternative choices of creative economy products in areas around Bogor City that are attractive to consumers, (weight value 0.123) or the emergence of creative economy product choices from outside Bogor City (weight value 0.097).

4 Conclusions and Suggestions

4.1 Conclusion

Based on SWOT analysis and strategy formulation, it is concluded that factors that provide strengths and opportunities should be given special treatment and can be used as actors that strengthen the value chain of the Bogor City creative industry such as marketing assistance, development towards the latest technology and easy and cheap access. Against threats and weaknesses, the strategy of cooperation and collaboration can be an option for developing a creative economic forum for Bogor City.

4.2 Suggestion

The continuation of this study is important to do so that the study has been carried out by identifying internal and external strategic factors. The creative economy is one of the important sectors at present and in the future because it not only has an impact on the economic and social development of the community, more than that the creative economy opens up jobs and creates innovations based on city or regional development. Therefore, it is necessary to carry out further studies in research and community service schemes by academics in cooperation with.

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