

Spirit of Entrepreneurial and Innovative as the Main Capital Competition for Creative Industry Center *Sasirangan* South Kalimantan

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Abstract

The United Nations has designated 2021 as the International Year of the Creative Economy for Sustainable Development. Indonesia's creative economy contributes IDR 1,211 trillion (7.4%) to the national GDP and employs 14.3% of its workforce. There are 3 leading sub-sectors, namely crafts, culinary, and fashion. The creative industry is a new engine of world economic growth which is developing the most rapidly. *Sasirangan Kampong* in Banjarmasin City, South Kalimantan, is a center for the creative industry of *Sasirangan* traditional pattern cloth. *Sasirangan* cloth is one of the creative economic potentials of the local community. The research method used is descriptive-analytical, which is to describe the subject and conduct an in-depth analysis. Its main objective is to examine the entrepreneurial and innovative practices of entrepreneurs and craftsmen. The findings show that most of entrepreneurs have high entrepreneurial spirit so they can survive and compete. The craftsmen innovate products and processes to create new motifs, processes and new techniques that can differentiate their products in the market. However, entrepreneurship and innovation are the main assets in the competitive fashion creative industry.

Keywords : Creative Economy, Creative Industry, Entrepreneurship, Innovation

INTRODUCTION

The United Nations has designated 2021 as the International Year of the Creative Economy for Sustainable Development. The rise of the **creative**

economy, as well as the protection provided by international organizations to protect intellectual property and the interests of creators, have given many more people the opportunity to participate in this socially and economically important sector of the economy (How to Make Living in Creative Industries,2017). **Economic creativity** is a dynamic process that leads to innovation in technology, business processes, marketing, and other areas, and it is inextricably linked to gaining an economic competitive advantage (Creative Economy Report 2011). - According to UNCTAD (2010), the market structure of a **creative economy** is led by micro and small businesses in which individual and collective entrepreneurs generate revenue and employment in the creative industry chain's production and distribution production cycles (Shiray et al., 2017). The creative and cultural sectors are inextricably linked to the **creative economy** (Bocella and Salerno,2016). The primary distinction between the **creative economy** and the creative industry is that the creative economy is focused on supply and demand activities, whereas the **creative industry** is focused on innovation (Yunianto et al., 2021). In the new economic era, the creative economy can be defined as an economic concept (Yunianto et al., 2021).

The **creative industry's** development begins with the rapid growth of the **creative economy**, which is driven by the capitalization of creativity and product innovation, both goods and services. This activity is carried out in order to satisfy consumers and the market (Yunianto et al., 2021). According to Lord Smith, DCMS (2001) the most **successful economies** and societies in the twenty-first century will be those **that are creative**. Creativity will make a difference, whether in businesses seeking a competitive advantage or in societies seeking new ways to address issues and improve quality of life (Casey and Dave O'Brien, 2020). The phrase "creative industry" was coined by Australia's Prime Minister during the 1994 inauguration of "Creative Nation" (Shiray et al., 2017). The term "creative industries" and proposed a model known as the "creative economy (Vesela and Klimova, 2013). The **creative industry** is a global phenomenon that grows and develops in countries that lack natural resources and rely on human creativity as the foundation of their national economy. The global **creative industry** sector continues to expand year after year. The creative industries in China have grown at a rate of about 40.5 billion yuan per year, or 15.5 percent per year over the last decade, significantly outperforming the annual economic growth rate of 10%. (Yu et al., 2014).

Twenty years later, almost every government in the world recognizes the importance of the '**creative industries**' which giving way to a much more inclusive concept of a broader 'creative economy' (Newbigin, no date). **Creative industries** are mushrooming, growing and developing in global cities that act as world fashion centers such as London, Paris and New York (Casadei and Lee, 2020). A slew of creative industries zones sprouted up like mushrooms, particularly in China's coastal provinces (Yu et al., 2014). Creative industries are a

powerful means of providing a distinct image of a country or city, allowing it to stand out from its competitors (Newbigin, no date). Meanwhile, in Indonesia, creative industry centers spread in various regions because they take advantage of the potential of the surrounding environment, including creative human resources (HR). For example, souvenir craftsmen, textile craftsmen, painting and sculpture craftsmen, and the like. In addition, based on research by Hendrati and Taufiqo, the **creative industry** is able to overcome the problem of unemployment as well, for example, to be a solution to the problem of unemployment in the city of Surabaya (Hendrati and Taufiqo, 2019); A Brazilian study based on national data discovered that the creative sector accounted for 5% of the country's "industry jobs" (Snowball et al., 2017). Future source of jobs (Oyekunle and Sirayi, 2018). Several contributions have empirically captured the externalities of creative industries agglomeration (CIA) on regional innovation, employment, and economic growth (Yu, 2021). A new economic power based on culture, innovation, and creativity (Lestariningsih et al., 2019). The cultural and creative industries (CCI) are accessible to all, with job opportunities available based on individual talent or merit (Snowball et al., 2017).

Most of the **creative industry** businesses in Indonesia are micro, Small and Medium Enterprises (SMEs) or family companies that are run using simple management. Their creativity is by utilizing raw materials found in the surrounding environment such as wood, bamboo, roots, leaves and the like. Even some products are made from plantation or industrial "garbage" waste such as coconut shells, pieces of bamboo, bark, used bottles, plastic pipes, used cardboard etc. Utilization of "waste" raw materials in order to reduce production costs and low product selling prices. In addition, most of the craftsmen use simple techniques by employing self-taught workers, and female workers. In general, the creative industry centers for traditional cloth crafts in many areas, for example, the *Sasirangan* **creative industry** center employ women workers.

The global **creative industry** paradigm is caused by various factors, including the depletion of natural resources so that many countries no longer rely on these resources for their economy. In fact, **creative industries** should generate more economic added value than knowledge-intensive or knowledge-rich industries (Fazlagić et al., 2020). The contribution of the **creative industry** sector to Gross Domestic Product is between 4 percent and 6.5 percent (How to Make Living in Creative Industries, 2017). This shows that the **creative industry** sector has great potential for the people's economy, micro economy, foreign exchange and the provision of informal employment.

McClelland (1961) defines an **entrepreneurial personality** as one who is highly motivated in business, innovative in product development, able to strategize in a competitive market, and capable of managing a business independently (Halim et al., 2012). There is little consensus on how to define

entrepreneurship (Kraehe, 2019) which brings both benefits and drawbacks to students, art educators, and communities in terms of creative destruction (Kraehe, 2019). There is a lot of literature on how **entrepreneurial** activity in the cultural and creative industries translates into economic value (Woronkowicz, 2021). Entrepreneurs believe that incorporating sustainable development into their business models, such as meeting social needs and reducing environmental impact, is critical (Stawicka, 2021). **Entrepreneurs** must be prepared for growth and change in order to participate in a wide range of global activities taking place in the industries (Oyekunle and Sirayi, 2018). **Creative entrepreneurs** have to work within artistic values and commercial realities to ensure successful implementation of the government policies in the **creative industries** knowledge of the market functions, marketing skills and business management skills; in which traits influence cooperation, networking and enable them to be independent when running a business (Halim et al., 2012).

METHODS

The creative industry sector is an object of dynamic research because it changes almost every time. Dynamics also occur in entrepreneurship as an effort to respond to the market. Therefore, the right research approach is an inductive qualitative method or also known as a "bottom-up" approach where researchers use observations to describe the phenomenon being studied. Inductive reasoning is a collection of observations synthesized to produce a general principle.

The qualitative understanding is that researchers ask at least one central question and several subquestions. They begin their questions with words like how or what, and they use exploratory verbs like explore or describe (Creswell, 2009). Qualitative research can be used to investigate topics like social, institutional, and environmental contextual conditions (Yin, 2011).

In addition, we consider that descriptive method is the appropriate method for this research, especially descriptive-analysis which describes a subject by further analysis. Descriptive research can be used to investigate the background of a research problem and gather the necessary information for further investigation. The terms qualitative research and descriptive research are used interchangeably at times. However, there is a distinction to be made between the two. The use of naturalistic data is a fundamental feature of both types of research (Nassaji, 2015).

Primary data, collected through in-depth interviews with stakeholders of the *Sasirangan* traditional fabric creative industry in Banjarmasin City, namely craftsmen, entrepreneurs, and consumers. For references regarding the creative industry and entrepreneurship, secondary data is used from research results and journal articles.

RESULTS AND DISCUSSION

Creative Economy and Creative Industry in Indonesia

According to Kenan Institute Asia (2009), the term '**creative economy**' refers to the role of creativity in the economy, whereas the term 'creative industries' refers to industries that require high levels of creativity to succeed (Bhatiasevi and Dutot, 2014). According to Levickait (2011), the **creative economy** creates more jobs, creates new market requirements, and responds to market expectations all at the same time (Bhatiasevi and Dutot, 2014). The **creative economy** definition emphasizes four determinants of the creative economy: creativity, heritage, economics, and technology (Lestariningsih et al., 2019). The gross domestic product (GDP) of Indonesia's **creative economy** sector increased by 4.04 percent in 2021, contributing significantly to national economic growth. The **creative economy sector in Indonesia** was corrected 1.70 percent in 2020 (GDP from the creative economy sector in Indonesia grows by 4.04 percent in 2022). Based on creative economy exports with a value of 20 billion US dollars, the first contributing sub-sectors are fashion (54.54 percent), crafts (39.01 percent), and culinary (6.31 percent) (Dewanto, 2019). Indonesia's creative economy sub-sectors are application and game developer fields, architecture, interior design, visual communication design, product design, fashion, film, animation and video, photography, culinary, music, publishing, advertising, performing arts, fine arts, as well as TV and radio (Dewanto, 2019). The creative economy must be viewed not only economically but also culturally (Yunianto et al., 2021).

As one of the most dynamic emerging sectors, the **creative industries** are rapidly expanding and becoming a new engine of global economic growth (Yu, 2018). Indonesia is one of the countries with significant potential for developing **creative industries** in both the ASEAN region and the global market (Subagja, 2017). In post-apartheid South Africa, **creative industries** could be important sources of wealth creation, job creation, and 'sustainable development' (Oyekunle and Sirayi, 2018). The definition of creative industry is not single but dynamic which consists of various meanings, among others, classified as a cultural industry. According to the UK Government Department for Culture, Media, and Sport (DCMS), intellectual property is an "industry that stems from individual creativity, skill, and talent" and "has the potential for wealth and job creation through the generation and exploitation of intellectual property" (Creative Industries, 2014). According to Peltoniemi (2015) that the **cultural industry** is an industry that produces adventure goods with considerable creative elements and directs them to the consumer market through mass distribution (Landoni et al., 2019) or those associated with post-industrial cities, where service industries increasing dominates the economy (Fahmi et al., 2016). Around twenty years ago, the term "creative industries" was coined to describe a v

ariety of activities, some of which are among the oldest in history and some of which only emerged with the advent of digital technology (Newbigin, no date).

There are four models of the creative industry: (1) welfare, (2) competition, (3) growth, and (4) innovation " (Potts and Cunningham, 2008). Cultural and creative industries are economic development drivers that are boosted by the new economy and global demand (Boccella & Salerno, 2016). The Indonesian Ministry of Trade defines the creative industry as an industry derived from skills, creative exports, and individual talents in order to create prosperity by leveraging the power of individual creativity (Hendrati dan Taufiqo, 2019). The creative industries play an important role in human resource empowerment (Subagja, 2017).

***Sasirangan* Traditional Fabric Creative Industry Center, Banjarmasin City**

Sasirangan Kampong is one of the **creative industry** centers in Banjarmasin City, which is located on Jalan Seberang Mesjid. The center produces *Sasirangan* cloth, the traditional cloth of the Banjar tribe in South Kalimantan. *Sasirangan* comes from the word combing, which means to baste. The naming is adapted to the manufacturing process which is carried out by basting. The production technique is still simple, namely by means of uncolored white cloth tied with raffia string before dyeing. Furthermore, for the second coloring and so on, the cloth that has been dyed is wrapped in plastic so that it is not exposed to the new color. And so on, the closure is done for the cloth that has been colored. The dyeing technique is similar to "*jumputan*" fabric. Therefore, the creativity value of *Sasirangan* cloth is quite high because until now it is still produced manually. *Sasirangan* fabric craftsmen produce fabrics for the purposes of men's and women's clothing. In addition, *Sasirangan* cloth is used for various products such as headbands (laung), belts and tapih bumin (sarong) for men, scarves, veils, udat (kemben), and kekamban (veil) for women (Chairiyani, 2021). Diversification of *Sasirangan* fabric products, including t-shirts (T-shirts, hijab clothing, rectangular hijabs, sasirangan sandals, ethnic necklaces, bags, wallets, sandals, tissue holders, seat cushions, aqua covers, bed covers, tablecloths and others. So far, the demand for accessories or souvenirs from traditional cloth materials is quite large. The price of *Sasirangan* cloth varies, starting from Rp. 100,000,-/piece to Rp. 2,000,000,-/piece. The price depends on the quality of the material and the motif.

This shows that the *Sasirangan* product is a creative economy potential that needs to be developed optimally because the competition for similar products is getting tighter. Consumers have many choices between traditional cloth products and modern products that are more attractive, quality, cheap or exported from China. Therefore, *Sasirangan* products are required to innovate their products and processes. According to West and Farr (1990) that creativity is directly tied to the generation of fresh and valuable ideas, whereas innovation is

the successful generation of new ideas. As a result, creativity will be the first stage of an innovation (Ismail, 2016).

So far, the production process is mostly based on orders from shop owners that spread along the road. The craftsmen produce it in their respective homes as a "home industry" activity involving their family members. Most of the dyeing process is done by women using some natural substances that will not harm the environment, especially rivers. While the motifs are made by men using molds from thick cardboard. There are many new motifs with an attractive modern style as a result of the modification and creativity of the craftsmen. The old or "classic" motifs are still being produced because the demand is still high. Currently, there are many Sasirangan fabrics made with printing techniques that offer more diverse motifs and cheaper prices (Nidya, 2020). Meanwhile, traditional *Sasirangan* fabrics still use natural dyes derived from natural ingredients such as yellow from turmeric (*Kunyit*) or ginger (*Temulawak*), green color from *Pundak* or ginger leaves, purple color from *Gandaria* fruit seeds, and brown color from *Rambutan* skin (Nidya, 2020). However, the use of colors from natural materials is starting to decrease because they are less practical and difficult to obtain.

So far, the business model is that craftsmen produce fabrics at their own expense. Once finished it was sold to a shop owner who had several craftsmen under his guidance. In an unstable economy and weak consumer purchasing power, an order-based production system is the most appropriate in order to avoid losses, especially for craftsmen.

The fabric is used to make various products, especially men's and women's clothing with attractive traditional motifs or a combination of traditional and modern motifs, quality materials, and fashionable clothing designs. Fashion, a distinct creative branch, played a significant role in this, according to Leslie and Brail (2011). A thriving fashion industry contributes to cities' status as "creative." "It's an example of a significant cultural industry" (Casadei and Lee, 2020). According to DCMS (2001), the cultural and creative industries are a distinct phenomenon of new economies that are transitioning from the margins to the mainstream (Shafi et al., 2020). The cultural and creative industries have recently been labeled as synonymous (Shafi et al., 2020).

In addition, the *Sasirangan* creative industry is a type of small and medium-sized business (SME) which has been acting as a micro-economic activity and a source of local revenue (PAD) in Banjarmasin City. Therefore, the existence of the *Sasirangan* creative industry center needs to be developed creatively and innovatively. In general, Indonesian human resources in technology transfer and creativity are still underutilized, relatively low, which influencing creative development industries that are notoriously slow (Subagja, 2017).

CONCLUSION

The creative industry sector is an economic potential because Indonesia has abundant raw materials and creative human resources that are widely spread in various creative industry centers. However, it requires a high value of creativity because of the large number of similar business competition and cheaper factory products.

The Sasirangan traditional fabric creative industry center is an economic potential for the local community that is able to survive in the midst of intense competition. The main factor of competitiveness is the great entrepreneurial spirit of the stakeholders, namely entrepreneurs and craftsmen. They have made various innovations, both product and process. So that the traditional Sasirangan cloth motifs are more diverse, more attractive, and of higher quality. However, the entrepreneurial spirit is the spearhead of the creative industry.

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