

Creativity in Marketing Creative Business Enterprises in Gorontalo City

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Received date: 15 November 2018, Accepted date: 20 December 2018, Online date: 31 December 2018

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Abstract

MSMEs and creative industries have a very strategic role in national development and economic growth. Creative industries in Gorontalo city are dominated by three sub-sectors of industry, namely the culinary creative industry, the creative industries of fashion and the handicraft industry. The hypothesis developed from this study is First, Creativity and marketing have an effect simultaneously on the creative industry. Second, creativity has a partial effect on the creative industry. Third, Marketing has a partial effect on the creative industry and, Fourth, Creativity has a dominant influence on the creative industry. The method used in this study is expository research to explain the influence between variables with multiple linear analysis approaches on the object of research in the creative industry in Gorontalo City. The results of the regression analysis partially show that there is a simultaneous influence between the creativity variable (X1) and marketing variable (X2) on the creative industry, the creativity variable (X1) has a significant effect on the creative industry by 41.7% and the marketing variable (X2) has a significant effect towards the creative industry by 52.1%, the results of regression testing indicate that the marketing variable has more influence on the creative industry than the creativity variable.

Key words: Creativity, Marketing, Creative Industry, Gorontalo City

INTRODUCTION

Talking about the economic crisis, Indonesia had experienced an economic crisis that made the national economy worse, in 1998 many large companies from various sectors such as industry, trade and services stagnated and even stopped their activities. However, small, micro and medium enterprises (MSMEs) are able to survive showing their existence and are one of the lighters to recover the economy at that time. Scarborough & Zimmerer (2005) in his research stated that the duration of the recovery of the economic crisis was seven years and several studies have shown that the Indonesian economy does not only rely on the role of large-scale businesses, but MSMEs have relatively better resilience compared to large scale businesses. In several aspects of MSMEs there are several advantages, namely: First, it can create new jobs and be consistent in supporting the national economy. Second, the amount of industrial value is greater and can spread to various economic sectors. Third, give a good contribution to Gross Domestic Product (GDP).

Today's economic development is undergoing a paradigm shift, namely from a resource-based economy to a science and creativity-based economic paradigm. Howkins (2001) explained that currently humanity is entering a new era in its economic life, where all economic activities are centered on creative economic and economic knowledge. The basic element that must be possessed by every MSME business actor in this case is the small creative industries are talents, skills, and creativity accompanied by an increase in knowledge and intellectuals in running businesses to increase income and welfare.

The current model of developing creative industries has begun to be lyrics by the government in economic growth. According to records from the 2016 Creative Economy Agency (Bekraf) about the dominance of the three sub-sectors of the creative industry in Gorontalo City, there are two sub-sectors that dominate the creative industry and are the main icons in representing the creative industry in Gorontalo, namely culinary creative industries, fashion and industrial creative industries craft. Although the creative industry MSMEs have a very strategic role in development, as a significant contributor to economic growth, the absorption of labor in large numbers, a significant contributor to regional and regional income for exports and able to withstand crisis conditions but still many problems are resolved. One important point that must be answered by creative industry entrepreneurs is in terms of marketing, such as the opinion expressed by Kotler (2008) that the marketing concept that is often run by entrepreneurs often shows the difference in concepts in conventional marketing. Hadiyati (2012) states that conventional marketing meaning is identified in consumer needs through formal market research and the results of its analysis will be used as a basis in developing new products or services in marketing activities to respond to consumer needs.

Marketing strategy is one of the important things in achieving company goals, in his opinion Swastha in Triyaningsih (2012) explains that the marketing strategy is a large design that describes the state of how the company operates to achieve its objectives. In another opinion (Day et al., 2006) stated that every entrepreneur in running each business is more informal but uses a lot of unplanned intuition, but still in the corridor to realize its business objectives. This explains that every business has a clear goal, but in its implementation the behavior of entrepreneurs can combine conventional marketing and entrepreneurship. Entrepreneurship in this case can mean that business people have a renewal, dynamic, innovative and adaptive nature to technological change and scientific progress.

Creativity related to instuisi, stimulus or stimulation to the brain, experience, openness, unusual ways, ready to accept changes, ideas or ideas, independent, self-confident, ability, exploration, ready to accept challenges, seek opportunities, flexible, persistent, thinking and acting, self-motivated, selective. This is what an entrepreneur needs in developing his business because of challenges and demands on the development of business that continues to grow following the market flow.

Marketing is human activity, sales, fulfillment of needs, desires, maintaining the viability of its business, products, prices, distribution and promotion. Marketing is needed for survival and desired goals can be achieved. Based on the explanation above, the purpose of the study is to determine the effect of creativity in marketing both partially and simultaneously to the creative industry.

Theoretical study

Creativity

Creativity (Susanto, 1999) explains as the use of imagination and ingenuity to be able to achieve something or to obtain a unique solution in overcoming problems, creative is not innate but something that can be created and trained through patterns of stimuli or stimuli to the brain, by practicing for creative thinking, the desire and inspiration to make and create something becomes very open so that it can produce something new and innovative.

According to Munandar in Suryobroto (2009) Creativity is a way of thinking creatively and diverging based on the data and information available, which will determine the number of possible answers to a problem, the emphasis is on the quantity, the right answers and diverse. The more quality answers then show someone's creativity. Creativity is one way to measure the potential and quality of human resources, creativity is in the same order with the potential of other human resources such as intelligence, personality and tenacity.

Deep understanding of creativity (creativity) gives us a strong experience in compiling modules or devices regarding MSMEs. Small business actors (entrepreneurs) have a central role in creating (to create innovation) something new in carrying out their business, such as: new views on markets, new concepts and ideas in managing businesses, renewal of products and services produced, manufacturing processes that new, new company management and the latest decision-making process.

Innovation

Innovation (Robbins and Coulter, 1999) is a process of translating ideas and transforming them into products and services. Innovation in the general sense is not only limited to products and services. Innovation can be ideas, ways or objects that someone perceives as something new. Innovation is also often used to refer to changes that are perceived as new by the community. several factors driving the emergence of innovation are:

1. Structure variables in entrepreneurship such as structure in the organization, limited human resources possessed, and ways of communicating that occur within the organization.
2. Cultural variables such as ways of accepting ambiguity, attitudes and tolerance for things that are less practical, low control of extremes, tolerance of risks that will arise, tolerance for conflict, focus on results, and an open system.
3. Variable human resources, including high commitment to training and development, the level of job security, and the resources of creative people.

In the context of marketing and entrepreneurship, innovation is associated with the creation of new products or services. New refers to products that are indeed renewable and truly never existed before in the market and new in the sense of something different which is a refinement or improvement of the previous product that consumers have ever encountered in the market. Larsen and Lewis (2007) explained that one important character that must be possessed by business people is their ability to create innovation, because without innovation the company will not last long.

An entrepreneur requires management of innovation in managing ideas from the results of creativity and innovation. Innovation Management is needed because to recognize that fresh ideas must continue to flow as quickly as possible and at all times in anticipation of the development of an increasingly fast, diverse and dynamic world. Even though the idea has been in mind for a long time, this idea can be said as an innovation for others because they just saw or felt it.

Entrepreneurship

The word Entrepreneur comes from French, which is an entrepreneur who has the meaning of starting or implementing. At first the word entrepreneur is often interpreted as a person who stands or works alone and in Indonesia is often interpreted to people who work not in the government sector and entrepreneurs are people who have their own business. To achieve success we often witness the activity of a person or group of people spending money in buying goods and trying to meet their needs, this reality is a picture of the activities of an entrepreneur in his daily activities and efforts carried out without knowing feelings of embarrassment, shame, fear or inferiority to earn income.

Some developing assumptions state that entrepreneurship is a substitute for the term entrepreneur, but there are also some views which state that the term entrepreneur is assumed to be an entrepreneur, whereas for the term entrepreneurship is commonly used as a term of entrepreneurship which ultimately concludes that the term entrepreneur is the same as entrepreneurship. According to Alma (2011) entrepreneurs are an innovator both as individuals who have the instinct for data to see potential and opportunity, have motivation and enthusiasm, ability and mind to be able to conquer slow and lazy ways of thinking. As an entrepreneur taking risks in running your own business is a challenge. Jong and Wenneekers in Hadiyati (2012) explained that an entrepreneur must be able to take the risks and challenges that exist into opportunities to create new innovations in his business.

Druker in Novian (2012) explains that an entrepreneur (entrepreneur) has the nature, character, and characteristics inherent in him who has a strong will to realize innovative ideas into the real world of business and can develop them. Entrepreneurship is someone who is free and has the ability to live independently in carrying out his business activities or business or life. He is free to design, determine management, control all his efforts. Entrepreneurship is a mental and mental attitude that is always active or creative empowered, created, intentional and modest in trying to increase income in its business activities.

Marketing

Marketing is a basic activity that must be carried out by every company, both goods and services company in an effort to maintain the viability of its business. The success of a company in achieving its objectives depends on how much ability and expertise from the marketing field. Marketing activities carried out by business people begin when identifying consumer needs that must be satisfied, choose and determine products that can be produced, determine the price of the product, determine the tricks and ways in the promotion and distribution or sale of these products.

According to Kotler (2009) marketing is human activity directed at fulfilling needs and desires through an exchange process, wherein these activities are interconnected as a unified system. Opinions similar to those expressed by Stanton (2001) that marketing is a picture of an overall system consisting of business activities aimed at planning, pricing, how to promote and activities to distribute goods or services to be able to satisfy consumer needs.

The marketing strategy can be fulfilled by providing a facility called the Marketing Mix. Marketing Mix is the core of the company's marketing system, according to Kotler (2009) Marketing mix is a set of marketing tools used by the company continuously to be able to achieve its marketing goals in the target market. The marketing mix consists of: product, price, distribution and promotion. Hammel and Prahalad (1995) state that the goal of the strategy is not only to imitate competitors' products, processes and methods, but to develop them to create opportunities in the future and exploit them.

Small industry

Micro, Small and Medium Enterprises according to the 2008 Law are as follows:

1. Micro business is a productive business and belongs to a person or individual and/ or business entity that meets the criteria as a Micro Business as stipulated in this Act.
2. Small business is a productive and independent economic enterprise, carried out by individuals or individuals, and or business entities that are not subsidiaries or branches of companies that are owned, controlled and or become part of either directly or indirectly from the business medium or large in nature and meet the criteria of a Small Business as referred to in the Act.
3. Medium Enterprises are productive and independent economic enterprises, carried out by individuals or individuals, and or business entities that are not subsidiaries or branches of companies that are owned, controlled, and or become part of either directly or indirectly from businesses that Small or large business with an average and the amount of net assets and / or annual sales as stipulated in this Law.

Creative Industry

The creative industry is currently being discussed by the public and business people, but by many understanding groups and the concept of developing the creative industry, it is still vague for most people. In principle, the growth and movement of the creative industry comes from creativity and innovation produced by entrepreneurs in producing products or services that can be accepted by the market. The term creative economy was first introduced by Howkins (2001) who was an English filmmaker but often voiced about the creative economy. According to the Howkins definition, Creative Economy is an economic activity where the input and output are original ideas and can be protected by IPR.

Creative economy consists of a broad group of professionals, especially for those who participate and are in the creative industry and can contribute to innovation that has the ability to think spread and get patterns to be able to produce the latest ideas. Therefore the creative economy is often interpreted as a system of transactions from the supply and demand of sour sources from economic activities and creative industries, while the creative industry itself focuses on the creation and exploitation of the intellectual property of someone

Research Hypothesis

Based on the background, previous research and this theoretical basis can form hypotheses, among others: First, Creativity and marketing have an effect simultaneously on the creative industry. Second, creativity has a partial effect on the creative industry. Third, Marketing has a partial effect on the creative industry and, Fourth, Creativity has a dominant influence on the creative industry.

METHODOLOGY

Research sites

The location in this study is the creative industry MSMEs in Gorontalo City with three leading sub-sectors namely: creative fashion industry, culinary creative industry and craft creative industries. The reason for choosing this location is because of the large role of MSMEs in supporting the regional economy, it is one of the regional leading sectors and is one of the regional government programs in the small and medium industry sector.

Types of research

This type of research is expansive research which according to Sugiono (2013) is a method used to obtain data through data collection by distributing questionnaires, tests, interviews and so on. This study also intends to explain the effect of one variable with another variable.

Data source

The data used in this study consisted of primary and secondary data. Primary data is obtained through data collection by means of questionnaires, interviews and field observations to the creative industry SMEs in Gorontalo City. Secondary data was obtained from book reviews, data from Bekraf and data from the Department of Industry and Trade of Gorontalo City.

Method of collecting data

To obtain valid data, in this study using data collection methods as follows: First, spread questionnaires (questionnaires) in the form of questions to obtain research data that must be answered by respondents. Second, conducting interviews (interviews) directly with respondents. Third, observation is to make a direct observation of the object to be studied.

Research Population

The population used in this study are entrepreneurs who are members of the Indonesian Creative Economy Agency (BEKRAF) of Gorontalo City, whose members are 50 creative industries, all of which will serve as samples in this study.

RESULTS AND DISCUSSION

1. Overview of Respondents

Based on data from the results of the questionnaire that have been collected from a total of 50 respondents who are members of the BEKRAF community in Gorontalo City, the profile of all respondents can be described based on education level, initial business capital, age and duration of business.

a. Level of Education

In general, 23.7% of business actors and business owners are junior high school graduates, 31.4% are high school graduates / equivalent, 21.8% are elementary school graduates and the remaining 23.1% are graduates of universities.

b. Initial Business Capital

In forming its business, business owners need the capital size with the following range: initial capital of 1-5 million at 42.7%, initial capital of 6-10 million at 35.9%, initial capital of 11-15 million by 11.5% and the remaining initial capital above 15 million at 9.9%.

c. Age

Entrepreneurs have the following age averages: 10 people aged between 20-29 years, 15 people aged between 30-39 years, 21 people aged between 40-50 years and 4 people aged over 50 years. This shows that many creative industries are carried out at the age of 40-50 years which is a mature age for someone to develop their ideas and business.

d. Duration of business

From the results of data collection, it shows that the length of time spent by entrepreneurs engaged in the creative industries is: businesses carried out in the span of 1-5 years by 45.6%, business ranges of 6-10 years by 32.1%, business challenges for 10-15 years 13.7% and the remaining 8.6% aged between 15 years and above. This illustrates that the creative industry in Gorontalo City is still very young with a business span of between 1-5 years.

2. Research Instrument Testing Results

a. Validity test

Validity testing is done to determine whether or not each instrument is valid to be used in the research variable. Based on the results of the analysis of primary data that has been processed, each instrument obtained in this study has validity test results with Sig.correlation $< \alpha$ (0.5) which means that all variables used in this study are valid.

b. Reliability Test

In this test the research instrument will be tested for the reliability coefficient. Based on the analysis of primary data that has been processed, the test results show Cronbach Alpha values above 0.6. This number can be said that the variables from the results of reliability testing in this study are valid.

3. Research Data Analysis

Multiple Linear Analysis

The results of data collection obtained from respondents will be processed using SPSS 23.00 for windows application software to find out the results of multiple linear analysis partially and simultaneously from the tested variables. The results of multiple analysis processing are as shown in Table 1 below.

Table. 1 Multiple linear analysis

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig
	B	Std. Error	Beta		
(Constant)	-67.805	16.583		-5.217	.000
Creativity	.417	.096	.482	3.544	.003
Marketing	.521	.107	.515	4.212	.001

Determinant coefficient (R2) : 0.745

Multiple Correlation (R) : 0.771

A = 5%

F count = 36.780

The calculation results using multiple linear analysis (Table 1) show that the influence of the independent variables on the dependent variable is very large, this can be seen in the value of the Determinant Coefficient (R2) which is 0.745, where this figure indicates that creativity and marketing have a significant influence on the creative industry is 74.5% and for the remaining 26.5% is influenced by other variables not included in the analysis of this study.

At the same time the relationship between the variables of creativity and marketing together has a very strong relationship in supporting the dependent variable in this case is the creative industry. This is indicated by the Multiple Correlation Coefficient value R / multiple correlation of 0.771 where the relationship between these variables is very close because the value of R approaches the number 1. From the above calculation the multiple regression equation can be formulated as follows:

$$Y = -67.805 + 0.417X_1 + 0.521X_2$$

From the above equation, it can be explained as follows:

b1 = 0.417 is a slope or coefficient from the direction of the creativity variable that influences the creative industry, the coefficient of the regression value (b1) is 0.467 and is indicated by a positive value. These results explain that the creative industry will increase with the assumption that the creativity variable has a value equal to zero or both of these variables influence each other constantly.

b2 = 0.521 is a slope or coefficient from the direction of the marketing variable that influences the creative industry, the coefficient of the regression value (b2) is 0.521 and is indicated by a positive value. These results explain that the creative industry will increase if the marketing variable increases with the assumption that the marketing variable has a value equal to zero or both of these variables have a constant influence on each other.

4. Hypothesis testing

In testing this hypothesis it will be done in 3 steps as follows:

The first step is the F Test (F-test) which aims to determine whether there is an influence shown by the independent variables simultaneously on the dependent variable. The F-test is done by means of a comparison between the significance values of the alpha (α) value. How to know the effect of independent variables simultaneously on the dependent variable as illustrated in table 2 is through a comparison through the sig value. F with the level of significance (α).

Table 2. F Test Result Analysis

	Significance	Description
36.780	0.000	Significant

Based on the results of the analysis on the F test in table 2 where the significance value is 0,000 and it is obtained that the value of significance F is smaller than the value of α . Then the results of this analysis indicate that the variables of creativity and marketing simultaneously have a significant effect on the creative industry. This is in line with the opinion of Utaminingsih (2016) that market orientation, innovation and creativity in marketing significantly influence the marketing performance of rattan handicraft SMEs in Teluk Wetan Village,

The second and third step is to test to determine the effect of each independent variable (creativity and marketing) has a partial influence on the dependent variable (creative industry), to know this, a t-test will be conducted in two directions (2-tail test) by comparing the significance value with the value of α , the value of the degree of freedom of 95% ($\alpha = 5\%$). To find out the results of the t test in full, it is presented in.

Table 3. Results of t test analysis

Variable	B	Value of F _{Count}	Significance	Description
Creativity	0.417	3.544	.003	Significant
Marketing	0.521	4.212	.001	Significant

Based on the results of the t test in table 3 the results of the regression analysis are partially explained that the variable creativity (X1) shows that the significance value of 0.003 is smaller than the value of α (5%). These results indicate that there is a significant influence between the variables of creativity (X1) on the creative industry. The assumption is that the creativity variable will have a constant influence on the creative industry variables. With this result, it can be explained that creativity must be owned by every business actor, this is in line with the Istifadah and Tjakara research (2017) that the development of the creative economy depends on the quantity and quality of its human resources. Human resources must be creative and innovative because they are the foundation of the creative economy. HR as an agent of the creative economy is required to have high creativity and innovation, discipline, have technological skills, be responsive to the market, and are always ready to face the challenges of the domestic and international markets.

The results of the t test for the marketing variable (X2) from the results of the regression analysis indicate that the significance value of the marketing variable (X2) is 0.001 or smaller than the value of α (5%). These results indicate that there is a significant influence between the marketing variables (X2) on the creative industry. The assumption is that marketing variables have a constant influence on the creative industry. This simply illustrates that a business person / entrepreneur must have a clear marketing target in advancing his business, the results of a study conducted by Harini et al. (2017) that entrepreneurial marketing has a positive but not significant effect on the performance of MSMEs but by utilizing e-commerce technology the marketing mix actually has a positive and significant effect on the performance of MSMEs

To find out the magnitude of the influence of the two independent variables (creativity and marketing) can be seen in the regression coefficient magnitude (table 3), where the results indicate that the coefficient of the marketing regression value is 52.1% greater than the creativity regression coefficient 41.7%. These results illustrate that the marketing variable has more influence on the creative industry in Gorontalo City.

CONCLUSIONS

1. Independent variables (creativity and marketing) have a partial effect on the dependent variable (creative industry).
2. The results of the regression analysis indicate that there is a significant influence between the variables of creativity (X1) of 41.7% and the marketing variable (X2) on the amount of 52.1% of the creative industry
3. Based on the results of the analysis and testing of the regression coefficients carried out shows that the marketing variable has a greater influence of 52.1% when compared to the 41.7% creativity variable towards the creative industry.

SUGGESTION

1. Support and attention from the local government is very much needed by the MSMEs in the creative industries, the creativity and marketing that will be carried out by these business actors will run effectively and well if they have supporting and clear rules from the government.
2. Ease in providing capital loans from banks. The difficulty that is often experienced by MSMEs is the limited capital, the ease and relief of the banks in providing soft loans to entrepreneurs in this sector will help the business progress of entrepreneurs.

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