



**LOCAL WISDOM-BASED CREATIVE ECONOMY DEVELOPMENT STRATEGY
TO ACHIEVE COMPETITIVE ADVANTAGE IN THE ERA OF THE
INDUSTRIAL REVOLUTION 4.0 IN GUNUNGKIDUL REGENCY**
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Abstract

The Creative Economy prioritizes one's ability to create a product in the form of goods or services, both arts and crafts followed by creative ideas, culture and technology which will later become a new concept to contribute to national economic growth. Gunungkidul Regency has excellent creative economic potential, namely culinary, fashion, craft, performance art and film. Bobung hamlet, Putat village, Patuk district has a center for making batik wooden masks where the creations are made with superior local wisdom patterns. The study was conducted using the Mix Methods by examining objects by collecting quantitative and qualitative data and using a SWOT analysis tool (Strength, Weakness, Opportunity, Threat). This analysis involves internal and external elements of strengths, weaknesses, opportunities and threats. The results of the research show that by employing both internal and external analysis, it is found in the quadrant I position, called as aggressive strategy. An aggressive strategy emphasizing production on quality and innovation of local consumer products by empowering or employing local products produced by their own region and developing triple helix by involving government, intellectuals and business as a collaboration partners, which is the strongest strategy in the batik wood mask craft.

Keywords: *Creative Economy, Strategy, Local Wisdom, Industrial Revolution 4.0*

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INTRODUCTION

The industrial sector in Indonesia, especially the creative industry, has great potential to increase economic growth with various specific applications and prioritize creative ideas. As one of the drivers of the Creative Economy in Indonesia, the creative industry is one of the new concepts in the economy; it is expected to become a catalyst for increasing new growth in the national economy, which is currently experiencing an economic slowdown. The creative economy sector in Indonesia is in the top 3 worldwide after the US with Hollywood and South Korea with K-Pop. With its creative Economy, Indonesia can contribute to the gross domestic product (GDP) with a contribution of Rp. 1,300 trillion, the contribution of the creative economy to the Gross Domestic Product comes from the main sub-sectors in Indonesia, which are fashion and crafts.

The creative economy concept relies on ideas of creativity, culture, and technology as a new source for future national economic growth. The Ministry of Tourism and Creative Economy in the creative economy variety currently has 17 types of sub-sectors. Seventeen (17) creative economy sub-sectors are contributors to national economic growth. There are several reasons for the creative economy being developed in Indonesia (Dewi, 2015), namely: a. Providing a significant economic contribution b. Creating a positive business climate c. Establishing the image and

identity of the nation d. Being based on renewable resources, e. Creating innovation and creativity, which is a competitive nation f. Leading to positive social impact. The creative economy is the hope for new economic growth in the future, aligned with the 5-stages plan of the Ministry of Tourism and Creative Economy. It refers to the priority scale for developing the national creative economy that enters the third stage in 2020-2024. Specifically, in 2022, it is designated for realizing global competitiveness and based on competitive advantage supported by local culture, a competitive, dynamic, diverse, and sustainable industry to achieve a conducive business climate by prioritizing creativity. It becomes a program in the regions referring to national priorities, especially the implementation of a creative economy in Gunungkidul Regency and the strategies for developing a creative economy based on local wisdom to achieve global competitive advantage in the current era of the industrial revolution 4.0.

The priority for the development of the national creative economy should be supported by the implementation of national programs that are also implemented in regions or cities. Gunungkidul Regency is one of the 5 regencies in the Special Region of Yogyakarta, located 39 km southeast of Yogyakarta city, with Wonosari as its capital city. The wide area of Gunung Kidul Regency covers 18 sub-districts, with their natural

potencies: agriculture, animal husbandry, fisheries, forests, flora, fauna, industry, mining, tourism, and diverse local culture, surely could become a strong impetus in achieving a well-developed creative economy. And later can be one of the improvements in economic growth in the region (BE KRAF, PMK3I, 2017).

Gunungkidul Regency manages great potencies in its effort to implement national priorities. Yet, in its development, the creative economy is less-implemented and still in the discussion stage. However, with all its potential, the well-developed creative economy sector can lead to people's welfare (Yuniarti Ekoningsih, Pidjar. 2019). The creative economy is one of the driving forces of the Gunungkidul Regency economy. Out of seventeen (17) creative economy sub-sectors, there are four outstanding sub-sectors: culinary, fashion, craft arts, performing arts, and film. (Report of Commission X work visit, 2020). There are 4 sub-sectors of the Creative Economy in Gunungkidul Regency that are quite developed. Nevertheless, the researchers only focused on the craft sub-sector by considering the results of previous research and verified that creative ideas would never fade and become an asset in the sustainability of the industrial sector. But, the results of the study also demonstrate that the creative industry still meets several constraints in terms of human resources, which have not yet been regenerated for its sustainability. In

terms of products, they can later become icons of craft products in Gunungkidul Regency by prioritizing local wisdom and can follow the current 4.0 industrial revolution era.

These issues are the basis for problem-solving, so it is necessary to develop the right strategy for the development of the creative economy in Gunungkidul Regency in its correlation to demonstrate local wisdom. In line with the mission of Gunungkidul Regency in development by increasing the competitive quality of MSME production to improve people's welfare. Therefore, the main urgency is growing the creative economy sector, especially crafts, to achieve a competitive advantage in the 4.0 industrial revolution era by prioritizing local wisdom. A creative economy based on the local economy prioritizes the creativity of human resources, takes advantage of available local potential as capital, and adds more value to gain profits by utilizing the existing potencies, culture, and local wisdom of each. It can be used as a characteristic or elevate the region's local wisdom. The urgency of this research is to solve the problem of the less-maintained creative economy sector in Gunungkidul Regency. The results of this research are expected to become one of the strategic policies for developing the creative economy sector so that it can improve people's welfare and the economy and become a competitive advantage strategy in Gunungkidul Regency.

THEORETICAL BACKGROUND

Creative Economy

The economy is defined as an industry that originated from the utilization of individual creativity, skills, and talents to create prosperity and employment through the creation and utilization of individual creativity and creativity. The creative industry can also be understood as providing creative business services, such as advertising, public relations, and sales. In substance, the creative industry is the ability to create arts and crafts (Anggri Puspita Sari, M Faisal, et al., Our Writing Foundation, 2020). According to Howkins (Suryana, 2013), creativity has three important conditions: 1). Personality, where creativity requires sufficient Personality to see something or bring something to a certain situation. The creative economy in Indonesia can be used to increase economic growth and is believed to be a catalyst in the economy.

SWOT (Strength, Weakness, Opportunity, Threat)

The initial stage of the strategy-setting process is to assess strengths, weaknesses, opportunities, and threats. The analysis results can lead to changes in the ongoing mission, goals, policies, or strategies. In preparing a good plan, it is necessary to identify the existing power and funds. The collected data regarding these internal factors are the potential to carry out the planned

business. The analysis stages are explained as follows:

- The strength-opportunity Strategy (S and O or maxi-maxi) the strategy that is resulted from this combination is the utilization of the strengths over opportunities that have been identified.
- The weakness-opportunity Strategy (W and O) or Mini-maxi) an identified opportunity strategy that is impossible to exploit due to the weakness of the strategy.
- Strength-Threat Strategy (S or T or Maxi-min) is a strategy that tries to find the strengths that can reduce or counteract the threat.
- The Weaknesses-Threats Strategy (W and T or Mini-mini) is a strategy for dealing with internal threats and weaknesses; generally, the strategy is "getting out" of the squeezed situation. The decision is to "disburse" the resources related to this threatening situation and divert them to other brighter businesses.

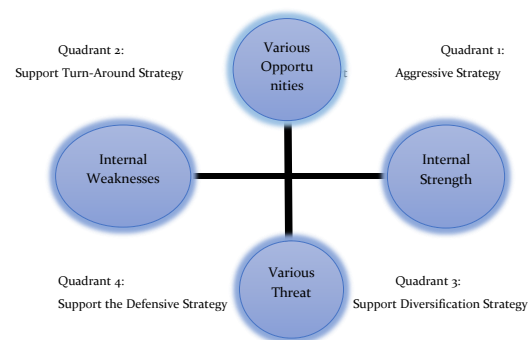


Figure 1: SWOT Quadrant

Quadrant I: this condition is a very profitable situation. This strategy covers opportunities and strengths to take advantage of existing opportunities. The strategy that must be implemented in this condition is to support an aggressive growth policy, also called a growth-oriented strategy.

Quadrant II: This Strategy still has internal strength in dealing with various threats. The strategy must apply strength to take advantage of long-term opportunities employing diversification.

Quadrant III: The Strategy faces enormous opportunities, yet it faces some internal constraints/weaknesses. The focus of this strategy is to minimize internal strategic problems so they can seize better market opportunities.

Quadrant IV: This condition is unfavorable since the strategy faces various internal threats and weaknesses.

Local Wisdom

Local wisdom is defined as explicit knowledge that evolves over a long period of time with the community and its environment in a certain local system. The long and inherent evolutionary process in society can make local wisdom a potential energy source derived from the community's collective knowledge system to live together dynamically and peacefully. This understanding identifies local wisdom not only as a reference for one's behavior but further being able to dynamize

the life of a civilized society. One of the indicators for setting top priority for a sub-sector is the value of regional locality, and product uniqueness (Sopannah, 2020).

Industrial Revolution Era 4.0

As entering the second millennium's first half, the challenges faced by companies or organizations are increasingly severe and complex. Various forms of uncertainty emerge, such as rapid globalization, accelerated innovation, and ever-growing competition, which results in volatility, complexity, and ambiguity (Schwenker & Wulf, 2013: 38). This era is better known as the Industrial 4.0 era or the Industrial Revolution 4.0 which is marked by increasing digitization in all fields so that people, objects and systems can be connected in real-time (Hecklau et al., 2016; 2).

RESEARCH METHOD

Type of Research

The type of research used in this study is mixed methods or a mixture of qualitative and quantitative research. This type of qualitative research examines natural objects where the researcher is the key instrument. The data collection is carried out in a triangulation or combined manner, namely by observation, interviews, documentation, and analysis. Later they will be displayed in the form of potential findings, object uniqueness, and interaction processes. This type of quantitative research is explained as a fact-

based research method, in which all things can be measured either in whole or part, and researchers with quantitative or statistical data carry out the analysis.

Location and Time of Research

This research was conducted in Gunungkidul Regency and focused on Kapanewon Patuk Area. The subject was a creative economy industry in the crafts sub-sector in Bobung Hamlet, Kapanewon Patuk, Gubungkidul Regency. This research was carried out from January 2022 to October 2022.

Techniques for Respondents' Determination

Entire respondents are taken that involve all artisans in the Bobung batik wooden mask craft center. Sixteen craft business owners are included as craftsmen in the Bobung batik woodcraft center.

Population Determination

This research employs the population of crafts sub-sector's artisans of wooden batik in Bobung Hamlet. A focus group discussion method is used to obtain primary data for qualitative. Later, matrix calculations and data profiles should be identified for quantitative. Secondary data were taken from published books and journals as well as research supporting data originating from related agencies, Kapanewon, and hamlet data, particularly on creative industry actors for batik wooden mask crafts.

Type and Source of Data

- a. Primary data are data obtained directly from respondents, namely Bobung batik craftsmen, by filling out questionnaires and conducting more in-depth data mining with focused discussions.
- b. Secondary data are obtained indirectly from Kapanewon and Bobung data in figures.

The Technique of Data Analysis

Analysis techniques were carried out using SWOT analysis with a qualitative approach, namely Strengths, Weaknesses, Opportunities, and Threats, aiming to maximize strengths and opportunities and minimize weaknesses and threats. Analysis of internal factors comes from resistance and external from counter strategies of competitors and market opportunities or derived from threats and opportunities that can intervene in the process of achieving business. Quantitative is performed by statistically calculating primary data, while qualitative is obtained from focus group discussions (FGD), which will later be used as the basis for the analysis. The identification stage is followed by the decision-making stage, using the SWOT analysis tool to identify Strengths, Weaknesses, Opportunities, and Threats to generate an appropriate strategy for developing the creative economy by prioritizing local wisdom to compete in the industrial revolution era 4.0.

RESULTS AND DISCUSSION

Patuk District is the main gate to the Gunungkidul Regency area that separates it from other Regencies in the Special Region of Yogyakarta (DIY). Geographically, Patuk District is bordered by Gedangsari District in the north and east, Prambanan District, Sleman Regency in the southwest, Piyungan and Dlingo Districts, Bantul Regency in the west, Playen District in the south and east. Patuk District covers an area of 72,04 Km² or 4.85 percent of the total land area of Gunungkidul Regency. This district is divided into 11 villages. Beji Village occupies the largest village, with an area of 10.11 km² or 14.03 percent of the total area of Patuk District. Whereas Patuk Village lies with the smallest area, 2.91 km², or covering 4.04 percent of the total area of Patuk District. Administratively, Patuk District is divided into 11 villages. Moreover, to facilitate coordination, each village is divided into several hamlets and subdivided into several community units (RW). Patuk District covered 72 hamlets, 82 RWs, and 323 RTs in 2020. The Patuk area in 2020, based on the classification of village development levels, consisted of 2 independent villages, 8 developed villages, and 1 developing village. The number of villages in Kapanewon Patuk is recorded as 11: Semoyo, Pengkok, Beji, Bunder, Nglegi, Putat, Salam, Patuk, Ngoro Oro, Nglanggeran, Terbah. One of the 11 villages is the area used for research, namely Putat Village, with

Bobung Hamlet as one of the hamlets with a center for batik mask wood crafts.

Creative Economy Development in the Craft Subsector of Batik Wooden Mask

The creative economy in Gunungkidul Regency, based on the 2020 DPR visit report, 3 sub-sectors demonstrate distinguished potencies: culinary, fashion, craft, performing arts, and film. As one of the sub-sectors, the craft had become a potentially superior product in Gunungkidul Regency. Batik wooden mask is a craft product in Bobung Hamlet, Putat Village, Kapanewon Patuk, which makes it as a production center of wooden batik masks. As delivered by the Head of Commerce in 2019, the development of the creative economy is still very low; in fact, it is still in the discussion stage. Moreover, from 2020 to 2021, the Covid 19 pandemic decreased the craft production of wooden batik masks in Bobung Hamlet. In the recent development carried out, apart from the existing assistance from the government in charge of the industrial sector as well as its correlation with products, academicians have initiated various assistance both in terms of strengthening the quality of human resources, in terms of marketing and equipment. In 2022, when the economy begins to revive, craftsmen experience it as well, as the condition impacts the development of their businesses. Development is carried out by holding business events, participating in government activities such as exhibitions of superior

product potential, collaborating with the tourism sector, and holding creative design competitions for craftsmen.

Craft Center Structure of Organization and Board of Management

In terms of organizational structure, the batik wooden mask craft center in Bobung Hamlet already has a compact organizational structure involving craftsmen in Bobung Hamlet. The batik wooden mask industrial center consists of 16 craftsmen who carry out production activities individually as well as in a group in which each artisan employs workers who will be adjusted with the requirement of the order. Each center employs a minimum of 3 workers to assist the production. Sixteen craftsmen who are recorded in the Bobung Hamlet make handicraft products individually based on orders from each consumer. Out of the 16 craftsmen, Mr. Suyadi is elected as the head of the center. His job is to convey all information from external parties related to socialization and assistance from government agencies, academics, the private sector, and the media. Apart from that, the center is addressed as the main axis in motivating all craftsmen in Bobung Hamlet.

Owners of Batik Wooden Mask Crafts in Bobung Hamlet

Table 1. The Name of Owners and Business

No	Owner's Name	Business Name
1	Suyadi	Hasta Karya
2	Bramadi	Sanggar Bram

3	Sugiman	Kriya mandiri
4	Suprapti	Redito Batik
5	Kardiman	Siti Kraftindo
6	Hepi Sunaryo	Karya Lestari
7	Tukiran	Bina Usaha
8	Kemiran	Kerajinan Kayu Batik Panji Sejati
9	Sumadi	Katya Mandiri Handyeraf
10	Supriyadi	Indah Karya
11	Slamet Riyadi	Bina Karya
12	Rokhman Tri Yusufi	Kerajinan Kayu Batik
13	Surono	Sanggar Aisyah handyaraft
14	Fitriani	Batik Bobung 78
15	Agus Setiawan	Sanggar Mulyo
16	Supadi	Pambudi Arta

Source: Primary Processing Data, 2022

There are 16 craftsmen in Bobung Hamlet as business owners with different names of businesses to separate one another. Each owner employs workers who assist in the process of producing batik wooden masks on average 3 to 5 people as permanent workers, for daily production.

The Element of Creativity Owned by Craftsmen

Creativity is the most important element in the sector of the creative economy industry. Particularly in the craft sub-sector, creativity here is essential in producing the wooden batik mask. In Bobung Hamlet, the production is performed separately based on the incoming orders. In case of large and excessive orders, they will complete it together in a group. But in recent years, due to Covid-19, orders have decreased significantly and caused the absence of over-ordering, so the orders are managed individually by each

business owner. The creativity element is quite high, indicated by the crafts produced by the craftsman in Bobung Hamlet. It signifies the meaning of creativity-related activities. A creative Economy is defined as an industry that originated from the utilization of individual creativity, skills, and talents to meet people's welfare and employment through the creation and utilization of individual creativity. The creative industry can also be understood as an industry that provides creative business services, such as advertising, public relations, and sales. In substance, the creative industry is the ability to create arts and crafts. (Anggri Puspita Sari, M Faisal et al, Yayasan Kita Menulis, 2020).

The definition of creative economy with creativity as the key element in this research is aligned with the results of other studies in the creative economy of the craft sub-sector. This craft sub-sector requires high creativity for its production process so that the products will be manufactured with a high value. The wooden batik mask also prioritizes local wisdom by incorporating raw materials and the design of batik patterns that are closely related to local elements. Batik wooden mask in Bobung Hamlet is one of the products that could potentially become the superior product of Gunungkidul Regency, as other crafts products are also produced in Bobung.

SWOT Analysis

Several stages of strategy formulation with SWOT analysis are carried out to analyze the proper strategy on local wisdom based on the creative economy in its purpose to compete in the industrial revolution era 4.0. The first stage is data collection, followed by information selection in terms of creative economy development. Later, the decision-making stage to obtain an accurate strategy to meet the competitive advantage in the era of industrial revolution 4.0.

Analysis and Discussion

1. Stages of Data Collection

The stages of data collection are carried out by performing classification and also the initial data analysis. The data include respondent data, internal data, and external data. In which the initial analysis, in this case, internal data, is as follows:

Batik Wooden Mask Craftsmen in Bobung Hamlet, Patuk Village, and batik woodcraft center in Bobung Hamlet. There are be 16 craftsmen in 2022, and the researchers conducted a pre-survey to collect data on respondents over craftsmen. The data obtained and analyzed are as follows:

a. Gender of Respondents

Based on data collection over craftsmen, 16 batik wood craftsmen in Bobung Hamlet, Putat Village, Kapanewon Patuk, most batik wooden mask craftsmen are men, reaching a percentage of 87 percent,

and the rest are women. Based on the above data, it can be said that the dominant craftsmen are male. It takes creativity and focuses during the making process of wooden batik masks. It shows that being an artisan is one of the main occupations in Bobung Hamlet.

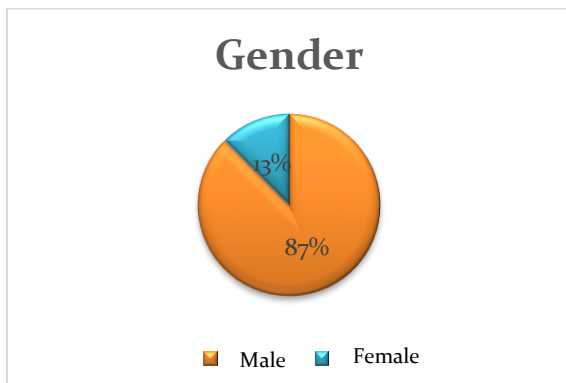


Figure 2. Gender

b. Education Level of Wooden Batik Mask Craftsmen

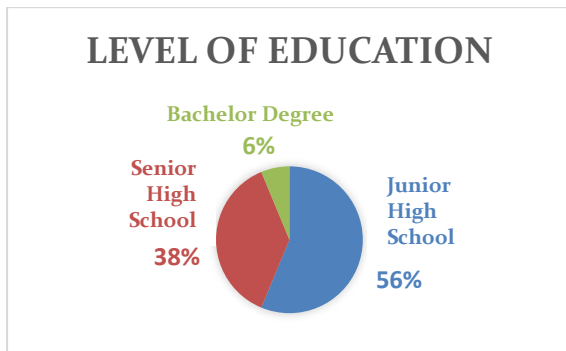


Figure 3. Level of Education Craftsman

The results of the processed data show that there are three levels of education for batik wooden mask craftsmen in Bobung, which are junior high school, senior high school, and bachelor's degree, with a percentage of 56 percent for junior high

school, 38 percent for high school and the remaining 6 percent for bachelor degree, counted with the smallest percentage. From the level of education of the craftsmen, it can be analyzed that the level of education has met the minimum level of education but not yet for the bachelor's degree level. It also proves that craftsmen are dominated by people of mature ages (above 40 years old), and back then, it was indicated that high school was considered a good level of education.

c. Age of Craftsmen

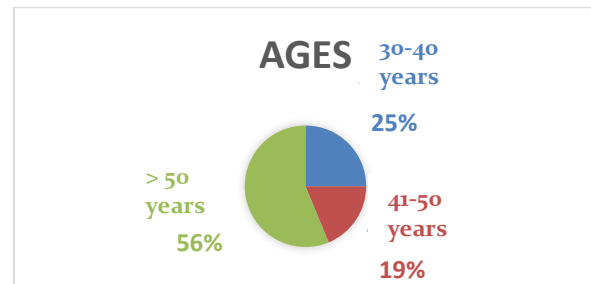


Figure 4. Age of Craftsmen

Furthermore, the data includes the age of the craftsmen, and it is also an internal factor that can later be used as a basis for formulating a strategy seen from several existing internal factors. The age category of craftsmen in batik wooden mask craft centers is 25 percent for the 30 to 40 years category, while those between the ages of 41 to 50 years show a percentage of 19 percent, and the percentage for over 50 category shows the highest percentage, which is 56 percent. For internal analysis, the age of craftsmen in Bobung Hamlet is mostly old compared to those under

30 years old, which shows only 19 percent of the data. In comparison, the age category of 31 and 40 years old recorded 25 percent. Thus the internal factor, especially the age of the craftsman, is the basis for sustainability in terms of human resources; regeneration is needed so that the craft of this wooden batik mask can run continuously. It is important to nurture an understanding in the next generation that the craftsmen work by selling creativity and local elements' value can be a source of income in fulfilling their economic needs.

d. Length of Business

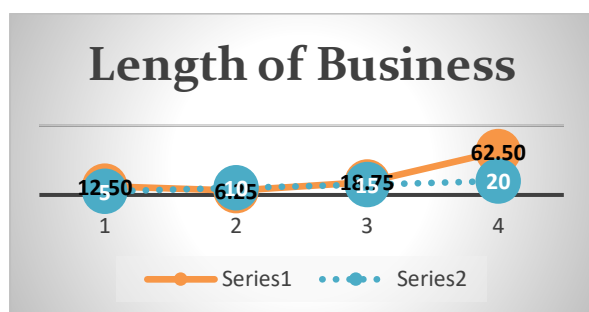


Figure 5. Length of Business

In data analysis for the length of business, it can be resumed that 62,50 percent have run the business for 20 years. Above 15 years business is recorded with 18,75 percent, while the businesses run for 10 years are counted with 6,25. The least counted with 12,5 percent for the businesses run for 5 years.

From the data and analysis by considering the internal factors of the wooden batik mask craftsmen in Bobung above, it can be concluded in detail in the table below:

Table 2. Analysis of Internal Data

Indicator/Factor	Result
Gender of Craftsmen	The majority of craftsmen are male, with a percentage of 87%. It shows the contribution of male resources that dominate human resources for the craft sub-sector.
Gender of Craftsmen	Showing the highest percentage is at the junior high school level, with 56%; the formal education level of the batik wooden mask craft craftsmen in Bobung is still considerably low, with the highest still at the junior high school level.
Age of craftsmen	The highest percentage of craftsmen is occupied by the category of over 50 years old, with 56% indicating that there is a correlation between the level of education, which is mostly new at the junior high school level, with the current age of the craftsmen, most of them are aged over 50 years old.
Length of Business	The majority of craftsmen have started a business and lasted up to 20 years showing the highest percentage of 62.5%. It shows

	that the craft business can survive following market developments.
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Source: Primary Processing Data, 2022

Below is the data on external factors that existed in the location of wooden batik mask production in Bobung.

Table 3. Indicators and the Result of Internal Factor

Indicators	Results
Strength	<ol style="list-style-type: none"> 1. Raw materials available from the local area 2. High loyalty to work 3. Products have many types or varieties 4. Promoting product design and quality 5. Implementing new product innovations 6. Increasing demand after the pandemic 7. Talented craftsmen with abilities and skills. 8. Production results can compete with other MSMEs and improve the economy.
Weaknesses	<ol style="list-style-type: none"> 1. The amount of resources from craftsmen is starting to decrease because the current generation of craftsmen is over 50 years old, and there is no younger generation to replace them. 2. Lack of electronic media promotion for product 3. Marketing staff is not maximized 4. Lesser workers 5. Minimum equipment 6. Minimum business capital 7. Experiencing damage from materials that have not been sold for a long time in the presence of "powder" (animals that sometimes eat raw materials, so they experience porous).
Opportunity	<ol style="list-style-type: none"> 1. Consumers from outside with access to tourism 2. Application of the use of local products of Gunungkidul Regency 3. Development of an online sales system 4. Cooperation between centers 5. Keeping up with the market trend by involving innovation 6. Become a source of income and increase the income of craftsmen 7. The absorption of labor from the community increases 8. Preserving local wisdom with a distinctive nuance of batik 9. Being able to compete with products of other crafts.
Threat	<ol style="list-style-type: none"> 1. Decreasing purchasing power 2. Decreasing market demand 3. Low interest of the young generation in Dusun Bobung in developing and continuing their family business 4. Price competition 5. Workers switch to other jobs 6. Less support from the government

Source: Primary Processing Data, 2022

Table 4. Indicators and the Result of External Factor

Indicators	Results
Strength	<ol style="list-style-type: none"> 1. Products are accepted in the market segment 2. Local government support needs to be increased 3. Continuous market demand 4. Craftsmen keep on working and innovating 5. Banking support needs to be improved 6. Broader market segment and all groups fond of classic mask 7. Collaboration among other craftsmen
Weaknesses	<ol style="list-style-type: none"> 1. Lack of information on export market trends 2. Lack of promotion 3. Raw materials prices are increasing 4. Price competition 5. Capital and marketing through the media are still low 6. The absence of regeneration 7. Fewer workers
Opportunities	<ol style="list-style-type: none"> 1. Wide open segment and market 2. Variety of products with many demands 3. Export competition 4. Less local products are used in the local market 5. The existence of events and exhibitions from the government and the private sector are opportunities to increase product sales 6. Products are able to compete in national and international markets
Threat	<ol style="list-style-type: none"> 1. Effect of threats, pandemics, and global security 2. The decreasing number of workers 3. Competition among competitors and the public that is more interested in imported products 4. Price competition 5. Unsustain promotion 6. The existence of old machines while modern machines are utilized for other craft products 7. Lesser consumers

Source: Primary Processing Data, 2022

2. Tahapan pengumpulan informasi

The information collection stage is carried out using two types of data to obtain information: primary and secondary. Primary data originated by collecting data through a questionnaire that researchers use to measure the achievement percentage. Then, group discussions are performed to obtain more focused data in determining the strategy to be carried out. In this case, the strategy will be

implemented in the creative economy of craft in Bobung Hamlet, Putat Village, Kapanewon Patuk, and Gunungkidul Regency.

The stages in gathering information have been carried out in accordance with the method used in the study. Primary data were obtained directly from the source, the 16 owners of batik wooden mask craft centers, by using direct questionnaires to obtain direct respondent data that later became the basis of analysis.

The information is in the form of respondents' data, such as the gender of the owner, age, gender, level of education, length of business, and business name. Moreover, focused and in-depth discussions or Focus Group Discussions (FGD) were attended by all center owners and the workforce representatives or craftsmen. The secondary data are also urgently required to determine the location, object, and research subject by employing data from the Kapanewon Patuk area, the organizational structure at the center, as well as relevant

studies in the research. The primary and secondary data are later used for in-depth analysis using the selected analytical tool, which is the SWOT analysis. A SWOT analysis determines internal and external factors in batik wooden mask production, such as internal strengths and weaknesses. Then, an analysis of external factors accompanied by an analysis of the opportunities and threats experienced by the batik wooden mask craftsmen in Bobung Hamlet is in the matrix shown below:

Table 5. SWOT Analysis Matrix

IFAS	S (Strength) 1. Skills and innovation 2. HR quality and loyalty 3. Availability of raw materials 4. Product Quality 5. Large demand	W (Weakness) 1. Lack of capital 2. Lack of labor 3. Promotion is not maximal 4. Equipment is still manual 5. Poor management
EFAS		
O (Opportunity) 1. Open market 2. Exhibition events 3. Continuous market opportunities 4. Able to compete in the national and international market	SO strategy 1. Collaborate with related parties 2. Update on technology trends 3. Maintain product quality 4. Remain consistent and always innovate 5. Conduct regular analysis and evaluation	WO Strategy 1. Improve and manage finances 2. Perform benchmarking 3. Maximize the technology in promotion and transactions 4. Improve and multiply facilities and infrastructure 5. Improve the management performance
T (Threat) 1. Global Security 2. Unfair competition 3. Price competition 4. People prefer imported products 5. Stop orders	ST Strategy 1. Increase product safety in the global market 2. Put forward the principle of fair competition 3. Determine the basic price and the highest price 4. Provide motivation and insight to love the local and domestic products 5. Maintain quality and consumer trust	WT Strategy 1. Increase collaboration 2. Improve the quality and quantity 3. Perform monitoring

Source: Primary Processing Data, 2022

From the results of analysis using primary data and fulfillment of qualitative analysis on the creative industry, sub-sector craft, particularly

batik wooden mask craft in Bobung Hamlet, Putat Village, Kapanewon Patuk, Gunungkidul Regency, a strategy needs to be

carried out with an in-depth analysis of strengths and opportunities to obtain a strategy, as follows:

SO Strategy (Strength and Opportunity)

- 1). In collaboration with related parties, the creative industry sector, the craft sub-sector, cannot be developed alone. Still, there needs to be synergy and collaboration with the other elements, namely the government, the private sector, and intellectuals. These three things need to be strengthened in implementing production activities to become an industrial sector that can compete with the global demands of global developments.
- 2). Updates in technological trends in Bobung wooden mask craft centers, in order to accomplish that, it takes development on the technology, both in terms of technology in the manufacturing process and to increase product sales with the existence of technology for the fast production process and in following developments and demands from the global market.
- 3). Maintaining product quality, in the business world or activities in the creative industry sector, the main goal is to prioritize the quality of the product. As entering the era of the industrial revolution 4.0, people have many choices with easy access to every type of product. Therefore it is necessary to maintain

product quality so that consumers choose superior and qualified products. Maintaining the quality of production results surely requires support from both the human side and technology. Applying new technology in the production process will produce a qualified product economically and add value (value added).

- 4). Remaining consistent and always innovating, the production at the batik wooden mask craft center in Dusun Bobung has been consistent and strives to produce higher quality products and can keep up with market needs by innovating from various products and materials.
- 5). Conducting periodic analysis and evaluation, analysis is carried out to determine what needs to be repaired so that from the results of the analysis and periodic evaluation, production at the center can be carried out continuously. It is identified the factors that should be improved to increase its production.

Six strategies can be formulated from analyzing the strengths and opportunities in the batik wooden mask craft center.

It is aligned with the study, which becomes the reference for researchers in creative economy development (Sopannah, 2020) suggesting that a foundation is needed to accelerate its goals. There are 5 (five) main pillars that must be applied in the creative economy sector, as described below:

- a. Human resources creative human resources are needed,
- b. Industry, in which there are groups or groups of companies engaged in the creative industry,
- c. Technology, the media used to actualize a person's creativity, which is manifested in real work,
- d. Resources as input that must have elements of creativity and knowledge, the skills of these individuals and existing natural resources,
- e. institutions, namely social order, the public that regulates interactions between humans, and institutions related to the creative economy.
- f. Financing institutions, namely institutions related to the financial sector.

development strategy that can be employed for the rapid development in the industrial sector in Gunungkidul Regency, especially in batik wooden mask craft centers.

WO Strategy (Weakness and Opportunity)

Analysis of the situation with elements of Threats and Opportunities that exist in batik wooden mask craft centers by exploring the potencies that might become the opportunities and the threats felt by craftsmen. The strategy can be formulated as follows:

- 1). Improving and managing finances, is conducted by strengthening the financial side, starting from the capital and also income from its production. Therefore, managing finances will strengthen the sustainability of the business in the batik wooden mask craft center in Bobung Hamlet.
- 2). Initiating regeneration, it is considered the strongest threat, especially in the batik wooden mask craft. Recently, the people who run the business are over 50 years old, and none of the young generations are involved in this craft business. They prefer other works aside from becoming batik wooden mask artisans. The younger generation must understand that businesses can survive and have reached an average of 15 years to 20 years in terms of business length. It shows that the craft business of wooden batik masks can survive until now, even during the

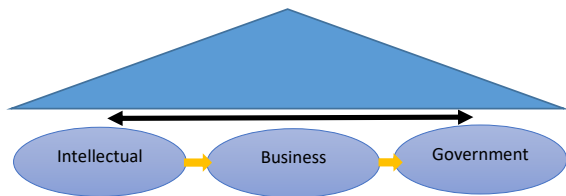


Figure 6. Triple Helix

Analysis carried out by exploiting the strengths and opportunities in the mask and batik craft centers in Bobung Hamlet is in line with the theoretical study of creative economic development, which is the requirement for cross-sectoral synergy where the roles of the government, intellectuals, and the business/business must be applied side by side in good collaboration to obtain a

pandemic when the business has decreased. But still, the businesses are running.

- 3). Conducting comparative studies the opportunity that has not been maximized is to carry out comparative study activities for craftsmen to open up good insights into the process of production, sales, marketing, and also governance so that the development of craftsmen is still not optimal
- 4). Maximizing technology in promotions and transactions, the opportunity strategy, by carrying out promotions and technology-based transactions, which is not yet maximized. Hence, it becomes an opportunity with the alteration of the current industrial revolution that prioritizes technology-based promotions. It must be strengthened so that production results can be further increased.
- 5). Maintaining and upgrading facilities and infrastructure, existing facilities and infrastructure in craft centers still need development, such as easy access to locations, good supporting facilities in providing convenience to consumers, and the existence of interesting factors that may attract the consumers to visit the location of industrial centers in Bobung Hamlet.
- 6). Improving management performance, management is one of the factors that can

affect production. By having good governance in the organization, the activities will be better. The Wooden Batik Mask Craft Industry Center is managed by involving the family, so it can be seen that the industry is a family-based governance. Only workers are the persons involved in the business from outside the family. Therefore, it needs professional management to achieve the goals of the business.

By considering the WO aspect, which is the threats and opportunities, the 6 strategies can be implemented with the existence of threats that can be suppressed and by making improvements to the existing opportunities so that those threats can become a motivation for stronger improvements.

ST Strategy (Strength and Threat)

Analysis of the situation that occurred in the Batik wooden mask craft center in Bobung Hamlet by identifying the existing strengths and threats can be formulated as follows:

- 1). Improving product safety in the global market, product safety in centers can be maintained by carrying out good shipping and as well as security in goods delivery transactions. Hence, a proper collaboration with related parties such as the government, private sector, and intellectuals is necessary to strengthen the strategy to improve the safety of products locally, nationally, and internationally.

- 2). Putting forward the principle of fair competition becomes the biggest threat, namely the occurrence of unhealthy competition in the market sector. It leads to the disruption of the perfect market mechanism due to the existence of unhealthy competition. The strategy used is the involvement of the government to make a perfect market that can run efficiently.
- 3). Determining the base price and the highest price, is also a point for involving the government in setting market prices so that there is no competition on the price, thus is potentially a threat to craftsmen Age of Craftsmen.
- 4). Providing motivation and insight to love local and domestic products, the threat for craftsmen is that local consumers are less interested in local products but more interested in buying imported products; this will be a factor in decreasing production due to decreasing interest. Efforts and support from the government are needed to provide understanding, education, and the advantages produced by local products that are not inferior to imported products. In recent developments, the central government's policy has begun to be prioritized in encouraging superior local products to be made as products for the community, both nationally and internationally.
- 5). Maintaining quality and consumer trust, is obtained from the current situation and analysis in terms of the quality of batik wooden mask craft products in Bobung while maintaining the quality of the product to satisfy consumers. Based on the results of the analysis, the strategy that continues to be carried out is to maintain the quality of the product.

WT Strategy

The weakness and threats strategy is used as a reference in the analysis so that the strategy obtained by identifying the weaknesses and threats can become a reinforcement for improvement once the right strategy is formulated to develop a creative economy. The strategy emerged with situation analysis by its weaknesses and threats can be applied to:

- 1). In this case, increase cooperation with national and local government parties, the business/business sector, and intellectuals involving academics. With a good correlation among these three elements, the weaknesses and these threats can become a force so that the goals of the creative economy in economic growth can be achieved.
- 2). Improve the quality and quantity, the quality of resources, both human and natural resources, becomes a reinforcement in the production activities of the creative industry sector.

3). Conduct monitoring carried out by creative economy actors and the government so it can be used as a future reference in carrying out activities in the creative industries. On the other hand, craftsmen in their business and production activities also need to perform routine monitoring to carry out industrial activities that will continue to grow.

3. Stages of decision making

Stages in decision-making result from the data previously processed by SWOT. Later a conclusion could be withdrawn. The conclusion of the SWOT analysis data can be used as the basis of correct strategy decision-making to develop a creative economy in wooden mask craft in Bobung hamlet.

SWOT analysis in the creative economy of the craft sub-sector, particularly for Bobung batik wood crafts, follows the detailed stages below:

- a. This initial step identifies variables related to development strategy by determining variables related to strategy, both variables that support, threaten, or

require. A variable is a characteristic, number, or quantity that increases or decreases over time or takes on a different value in different situations. Identification of variables has been carried out from internal and external variables to be made in a detailed way.

- b. Classifying internal and external variables, the variables that have been determined above, whether they come from internal or external.
- c. Determining the weight of each variable, which shows the percentage importance of a variable or indicator in a strategy. The total weight of each analysis is 1.
- d. Determining the scale or rating of each variable, it is executed by evaluating the conditions or circumstances that are already underway in the development strategy effort in the creative economy of the craft sub-sector.

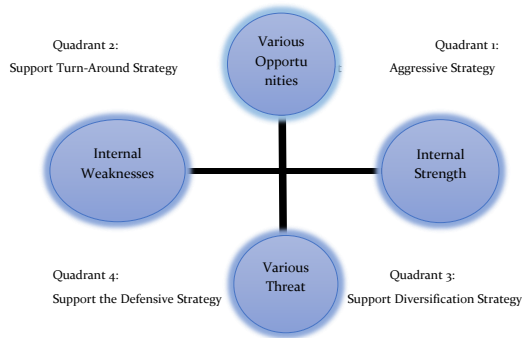
The steps or stages above have been carried out by measuring the weight of each with a score and analysis and as shown in the table below:

Table 6. The results of the internal factor analysis at Bobung batik woodcraft

Internal Strategic Factors	No	Description	Weight	Rating	Score
Strength	1.	Skills and innovation	0,14	4	0,57
	2.	HR quality and loyalty	0,14	5	0,71
	3.	Availability of raw materials	0,14	4	0,57
	4.	Product Quality	0,14	4	0,57
	5.	market demand large	0,10	3	0,29
		Total			

Threat/ Weakness	1.	Lack of capital	0,10	2	0,19
	2.	Lack of workforce	0,10	2	0,19
	3.	Promotion is not maximal	0,05	1	0,05
	4.	Manual Equipment	0,05	2	0,10
	5.	Poor management	0,05	2	0,10
Total					0,62

Source: Primary Processing Data, 2022



reduced by weaknesses, $2.71 - 0.62 = 2.10$ with this value entering in quadrant I position: it means that the strategy applied to the creative economy sector of the craft sub-sector, batik wooden mask craft in Bobung Hamlet has opportunities and strengths to gain benefits from existing opportunities. This strategy supports the growth policy (aggressive growth-oriented strategy).

By considering at the results of the matrix and the quadrant table above, the strengths are

Table 7. Results of External Factor Analysis at Bobung Batik Woodcraft

External Strategy Factors	No	Description	Weight	Rating	Score
Opportunity	1.	Open market	0,16	5	0,79
	2.	Exhibition events	0,11	4	0,42
	3.	Continuous market opportunity	0,16	4	0,63
	4.	The ability to compete in national and international markets	0,16	4	0,63
Total					2,47
Threats	1.	Global Security	0,11	2	0,21
	2.	Unfair competition	0,11	2	0,21
	3.	Price competition	0,11	2	0,21
	4.	People's preference for imported products	0,05	1	0,05
	5.	Cessation of orders	0,05	1	0,05
Total					0,74

Source: Primary Processing Data, 2022

The results of the SWOT analysis matrix by considering opportunities and threats, in which the opportunity minus the total threat is calculated as $2.47 - 0.74 = 1.73$. It is included in the area of quadrant I: it means that the strategy applied to the creative economy of

the craft sub-sector, batik wooden mask craft in Bobung Hamlet, has opportunities and strengths to take benefits over the existing opportunities. This strategy supports an aggressive growth-oriented strategy.

CONCLUSION AND SUGGESTION

Conclusion

Based on the results of research conducted for creative industry centers of wooden batik masks in Bobung hamlet, the conclusion can be withdrawn; the businesses that last for 20 years amounted to 63 percent. It reveals that this industry can survive and be able to keep up with market development. There are various products with a wide variety of forms. It indicates high-quality products with strong local wisdom, as illustrated by the pattern drawn. The products are very diverse, namely various forms of masks, fruit containers, tissue containers, trays, bowls, mineral water drinking bowls, loro blonyo statues, various animal shapes, klitik puppets, congklak, and various forms of functional goods. The results of internal and external identification using SWOT analysis are: 1) the biggest strength is the quality of the product, the skills, and innovation of the craftsmen as a source of strength that can create products with excellence in design and materials that elevate local wisdom in Gunungkidul Regency with a batik style. 2). The weakness is the lack of manpower for the next generation of the batik wooden mask craft business. In addition to capital, the management structure of the owner is poor, and the promotion is still low. 3) The biggest opportunity is to sell the products widely open in its development in national and international markets. As well as opportunities from events held by the

government and other business sectors. 4) The biggest threat in the Bobung batik woodcraft center originated from the local community, where people prefer imported products. It needs encouragement to the consumption of local products for the community and local government. Then, there is unhealthy price competition and cessation of orders.

Based on the results of the calculation matrix, the position of the batik wooden mask craft center is in quadrant I, meaning it is included in an aggressive strategy. Hence, the chosen strategy is to emphasize local consumers to cultivate or use local products produced by their own region and efforts to develop with the triple helix, which involves government, intellectuals, and business in a firm collaboration. It is considered the strongest strategy in the craft of wooden batik masks.

Suggestion

The conclusions can be the basis for providing suggestions or recommendations, which are:

1. Maintaining production and carrying out cross-sectoral synergies to be able to compete in an ever-growing industrial market.
2. Innovating more to meet the needs of consumers with a wide selection of types.
3. Maintaining product quality while still prioritizing local wisdom, namely batik, should also reflect the typical batik of Dusun Bobung.

4. Immediately take real action in training the younger generation to avoid the loss of the craftsmen of batik wooden mask crafts in Bobung.
5. The role of the government becomes crucial to use local handicraft products to meet local government needs so that people also have a sense of belonging to the work of their people.
6. The triple helix element, which consists of government, intellectuals, and business, is a synergy that should be carried out continuously.

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