

The Study of Creative Industry Fashion Condition, Based on Issues It Faces

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Abstract—This study aims to identify the problems that facing by fashion creative industries, especially Sulam, Embroidery and Weaving in West Sumatra. Based on the issues revealed, which used as prior data to provide input and advice to the authorities to make this creative industry be more advanced. This research is qualitative research and data is collected through interviewed some business owners. The selection of respondents' samples was done randomly based on stratified random sampling technique. The sample size is set 20 % of quota proportionally. Total of sample is 93 business unit. Data analysis technique, done by using qualitative analysis of Miles & Huberman model. The results show, there are several problems faced by these industry actors, there are: capital, financial report, marketing, brand management and copyright, management, competition, and labor.

Keywords—creative industry; fashion field; facing problems

I. INTRODUCTION

The Creative Economy (CreaEco) is one of the sectors that is expected to become a new power of the national economy in the future, along with the increasingly degraded natural resources condition annually [1,2]. Creative industry in Indonesia has a big role in economic development, proven contribution of creative economy to GDP in 2017 according to Deputy Head of Creative Economic Agency predicted IDR 990,4 trillion. This number has increased from 2016 by IDR 894.6 trillion, it was IDR 852 trillion in 2015. Creative economy, certainly can be a new economic axis of Indonesia in the future. Employment opportunities are able to provide jobs for 16.4 million people in 2017 that have increased from 16.2 million in 2016 and 16.96 million workers in 2015.

The term creative industry is another term for the cultural industry. The term was first used in the early 1990s in Australia, but developed rapidly by the British government in the late 1990s. The British Government specifically established the Unit and Creative Industry Officer under the Department of Culture, Media and Sports [3]. Many definitions of the creative industry, one of the most widely cited definitions, are industries that have authenticity in individual creativity, skills and talents that have the potential to generate income and job creation through the exploitation of intellectual property.

Some research related to the topic of creative industry has been done by many other researchers. Research conducted by

Oakley explains how important the role of creative industry in economic development in the UK. In addition, Oakley also explained about the common problems faced by various sectors of the creative industries that exist in the UK [4]. Liang also explained some of the obstacles faced by creative industry players in Indonesia, such as human resources, distribution channels, local company's preference and agency, regulation and funding [5]. But, there are no studies have been done to find out the problems faced by the creative industry in the traditional fashion sulam, embroidery and weaving in West Sumatra.

The economic value of a product or service in the creative era is no longer determined by raw materials or production systems as in the industrial era, but by creativity utilization and innovation. Industry can no longer compete in the global market by relying on price or product quality, but competing based on innovation, creativity and imagination [6,7]. When the various service and industrial sectors were rocked by the storm of the global financial crisis, the creative industry sector was expected to survive. The government began to look at the creative industries as an alternative to the economic driving wheel that will continue to spin. Creative industry consists of creative economy includes 14 subsectors, they are: advertising; architecture; art goods market; craft; design; fashion; video, film and photography; interactive games; music; performing arts; publishing and printing; computer services and software; television and radio; and also research and development.

Creative Industry is an industry that derives from the use of individual creativity, skills and talents to create prosperity and employment by producing and exploiting the creative and creative power of individuals. The concept of the creative industry has attracted the attention of economists in the last two decades. Many studies have focused on contributing to the economy, particularly its effects on unemployment, regional development and urban dynamics [8,9].

Because in other studies have not specifically discussed the problems faced by the embroidery and weaving embroidery industry in West Sumatra, the purpose of this research is to find out and provide an alternative solution to the problems faced by the existing embroidery and weaving embroidery industry. in West Sumatera. To support the achievement of this goal, the qualitative descriptive research

method is used. Hope, this method can answer the problem of this research.

II. METHOD

This study uses a qualitative descriptive research design. Qualitative research is a research method used to examine the natural condition of the object, where the researcher is a key instrument, the data collection technique is done in combination, the data analysis is inductive, and the qualitative research results emphasize the meaning of generalization [10]. Research begins with choosing a research project, followed by research questions related to research problems, so the researchers collect data while analyzing the data so that research questions can be answered and made the conclusion of research [11].

This research located in the province of West Sumatra. West Sumatra has the advantage of the craft business, namely embroidery and embroidery. In this study, the population is the entire business units in the embroidery / embroidery and weaving industry located in Padang Pariaman, Agam, Tanah Datar, Kota Sawahlunto, Padang, Payakumbuh, Bukittinggi and Pariaman. The selection of respondents' samples was done randomly based on stratified random sampling technique. The sample size is set 20 % of quota proportionally.

TABLE I. TOTAL POPULATION DAN SAMPLE

No	Regency / City	Population	Sample
1.	Regency of Padang Pariaman	33	7
2.	Regency of Agam	35	7
3.	Regency of Tanah Datar	35	7
4.	Regency Sawahlunto	22	4
5.	Regency Padang	42	8
6.	Regency Payakumbuh	18	4
7.	Regency Bukittinggi	80	16
8.	Regency Pariaman	202	40
Total		467	93

Source: Cooperatives, Industry and Trade Department of West Sumatra 2014 (processed)

Data collection was done by observation, in-depth interviews (structured and unstructured) and Focus Group Discussion (FGD). This study uses secondary and primary data. Secondary data was collected by using observation method and documentation study on documents from The Industry and Trade Department, Cooperative Office and Micro Small Medium Enterprises, Central Bureau of Statistics and other related institutions. While primary data collected through interview and FGD with respondent of research (Embroidery Entrepreneur/ Sulam Tenun Minangkabau) and Minangkabau traditional figure known as tungku tigo sajarangan ie: scholars, elderly and intellectual. Determination of research respondents for tungku tigo sajarangan, done by snowball sampling technique [11].

Data analysis technique, done by using qualitative analysis of Miles and Huberman model [12], which suggests that the data analysis in qualitative research is done continuously and interactively until the data complete and saturate. Activities in data analysis are data reduction, data display and conclusion drawing/verification. To ensure the validity of the research data, an examination of the validity and reliability of the data

was carried out. To maintain the validity of the data used extension techniques to participate researchers in the field, discussion with peers and triangulation. While the examination of the data is done by audit trail over the whole research process [11].

III. RESULTS

The leading creative industry of embroidery/ embroidery and weaving in West Sumatra is an informal sector whose numbers are hard to know with certainty. Not all business actors in this industry register their business to the Department of Industry and Trade. And not all of these industries can also be registered by the Ministry of Industry and Trade. This is evident from the data obtained about this industry from the Industry and Trade Office of West Sumatra and not all of that data is appropriate in the real. Some businesses recorded, it was no longer operating. In addition, some entrepreneurs in this industry who became respondents in this study were not recorded in the Office of Industry and Trade of West Sumatra.

Furthermore, from the results of this study also identified the problems faced by creative embroidery/ embroidery and weaving industry in West Sumatra. The problems identified are as follows: 1) Business Capital, 2) financial reporting, 3) marketing, 4) brand management and copyright, 5) business management, 6) competition, and 7) labor.

IV. DISCUSSION

The results of this study indicate that there are 7 problems faced by the embroidery and weaving industry in West Sumatra. The first problem faced by this industry is the problem of limited business capital. Business capital or funding is the biggest problem for creative industries in Indonesia that have not received support from the government as well as in Japan, Korea, Thailand and Malaysia. At present, Indonesia has become a target market for various creative industries from various countries, so it is time for the local creative industry to be incubated to produce industries that have potential in developing creative economic models [5].

In running a business, one of the supporting factors needed is capital, if it is compared to starting a business by building a house, the existence of capital becomes part of the foundation of the house that will be built. The stronger the foundation is made, the stronger the house be built. As well as the influence of capital on a business, its existence is the initial foundation of the business to be built. Some capital is needed in running a business, including determination, experience, courage, knowledge, networking, and money capital, but most people are hampered from starting a business because they are difficult to get money capital.

Business capital is indispensable for conducting business activities. So that a number of funds are needed as a basis for financial measures for the effort made. Sources of business capital can be sourced from their own capital, government assistance, financial institutions both banks and non-bank financial institutions. Capital is one of the business factors that must be available before conducting a business activity. The

amount of available capital will affect business development in achieving revenue [13].

The inability of the entrepreneur in the embroidery and weaving industry in West Sumatra to provide sufficient capital for his business is a problem that comes from many things. Most of this business capitalized from their own money. Lack of capital cannot be overcome by some businesses because of the inability to get a loan from the Bank. The reason given is because the bank interest is high enough that it will be difficult to pay it off. In addition, the ownership of other property that can be used as collateral to take care of the loan in the bank is also a problem. In addition, the existence of ignorance of business actors how to get a soft loan from the provider of capital [14].

Similar problems are also experienced by the batik industry in Surakarta. Obstacles faced by business actors in obtaining certification of INS quality standards are related to the cost to be incurred. The cost is not small, especially for SME business actors can clearly burden. In addition, there is a requirement to have a business license that becomes an obstacle in itself so it needs to get government attention through the provision of incentives.

The second problem faced is about financial reporting. The financial statements are one of the most important information in assessing the development of the company, can also be used to assess the achievements of the company in the past, present and future plans. The financial statements are generally presented to provide information about the financial position, performance and cash flow of a company within a certain period. Such information is expected to be useful for most users of financial statements in order to make decisions. Assessment of a company's financial level can be done by analyzing the company's financial statements [15].

The issue of financial reporting faced by embroidery and weaving industry in West Sumatera, generally caused by the lack of knowledge of owners in preparing the financial statements themselves. In addition, the training on the preparation of these financial statements is also never followed so that the resulting report is still manual and based on their knowledge. There is also an industry that does not record at all its financial activities so that the use of this money is mixed between business funds and household expenses.

The purpose of the financial statements is to provide information relating to the financial position, achievement (results of operations) companies and changes in the financial position of a company that beneficial to the user in making economic decisions [15].

The next issue, related to product marketing activities. Marketing activities play an important role for a company (business organization) in creating relationships or links between the company and the markets it serves [16]. Marketing is a social and managerial process in which both individuals and groups involved in the process get what they need and want by creating, offering and exchanging valuable products or services with others [17].

In more detail, Joscon Network, mentions that marketing involves the following activities [18]:

- Find out what products or services customers want;
- Producing products or services that have the characteristics and qualities in accordance with the desired customer;
- Determining the price of the product or service as quickly as possible;
- Promote products or services offered (verbally explains why customers need to buy such products or services); and
- Sell and deliver products or services to customers' hands.

The next issue is about brand management and copyright. In Constitution number 15, 2001 said that the brand is a sign in the form of pictures, names, words, letters, numbers or combinations of all of which have its own characteristics so that it becomes a distinguishing power with other products and used in the trade of goods and services. Apart from being a differentiator, certain brands in everyday life are often regarded as a quality assurance of a good or service. Brand represents the individuality and reputation of a goods and services of business results when traded, Quality assurance of a good or service is very useful for producers in business competition and at the same time provide protection of product guarantee to consumer.

Almost all of the embroidery and weaving industries in West Sumatra do not have a brand for their products and the copyright of their products. This is because the entrepreneurs feel they do not need a brand for their products, but they feel it just enough with brand or business name only. Then copyright is also considered less important because they think it will be difficult to take care of it and the motives or products they create are vulnerable to be imitated and enough to make just a little difference. This condition can be seen that people who do this business will not imitate the creations of others. This condition make entrepreneurs not have motivation to take care of copyright and brands of their products.

Business management is the next problem faced by these business actors. Management of business management is required in the internal context of the company, so that the company really has a direction in running the business, measurable, and well planned. Business planning will also be "controlling tools", whether in the future, the business run in the right line or not. Especially in a relatively new business, full of creativity, business planning is also increasingly needed.

Some of the benefits derived from business management are: a) Selecting a feasible business to be carried out based on a feasibility study conducted, b) Having a business that is clearly legal, c) Having a financial report (beneficial for business continuity, optimal profit, credit proposal), and d) Have a clear business development and operational plan.

Furthermore, the problem faced by this industry is regarding competition. An integral part of marketing strategy is related to competition, therefore to be able to excel in the competitive arena we must be able to recognize competitors and intensity of competition. The purpose of recognizing a

competitor is so that the company has sufficient knowledge about competitors so that it can estimate the competitiveness of its competitors, so that the company's competitive strategy can be formulated to take into account the possible actions and responses of competitors.

To win the competition in the free trade era every company is required to produce quality products and services for its customers. Quality must be the main orientation of the company to be able to survive and suppress competition. In general, a product or service can be said to be quality if the product or service can meet the specifications desired by the customer.

The last problem is workforce. The workforce includes the skills and skills they have. In terms of expertise and education, workers are divided into: 1) unskilled labor are workers who are not educated or low in education and do not have expertise in a field of work, 2) skilled workers are workers who have expertise from training or work experience such as car mechanics, carpenters and TV and radio repair experts; and 3) Educated workers are workers who have a high level of education and experts in certain fields such as doctors, accountants, economists and engineers [19].

In this embroidery and weaving creative industry, there are problems in terms of labor, namely there are still quite a number of low quality human resources. In addition, a fundamental problem in terms of existing human resources is the limited number of workers who have the skills to produce the product. Frequently, there are orders that many companies have difficulty meeting the specified target. The factors that because this are identified by the low interest of the younger generation to have this embroidery and weaving skill. Young people today are more likely to enjoy working in public, such as being a shopkeeper, who may pay less than working on embroidery or weaving. If conditions like this continue happen of course it will be very difficult to get a workforce who has the skills to do this job.

Based on the description of the problems faced by the creative industries of traditional fashion groups namely embroidery and weaving in West Sumatra, it can be a concern for the government to overcome these problems. The forms of business or activities that can be carried out are; 1) advising on business capital assistance, 2) providing financial report writing training, 3) providing marketing techniques training, 4) providing brand management and copyright training, 5) providing business management training, and 6) providing production training for workers.

V. CONCLUSION

This research was conducted on 93 leading creative industries of embroidery and weaving in West Sumatra which spread in 8 regencies / cities namely; Padang, Sawahlunto, Payakumbuh, Agam, Bukittinggi, Tanah Datar, Pariaman and Padang Pariaman. Generally, identified the problems faced by each business in 8 regencies / cities in West Sumatra. The problems are; 1) business capital, 2) financial reporting, 3) marketing, 4) brand and copyright management, 5) business management, 6) competition, and 7) workforce.

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