

CHAPTER V

CONCLUSION

This chapter presents conclusions and recommendations based on the analysis made in previous chapter.

5.1 Conclusion

To complete the research, secondary data is collected from various resources; collaboration book between BPS and BEKRAF, the website of BPS, and the website of Trading Economics. Data then processed with Pearson product-moment correlation coefficient using SPSS Statistics. The results of hypothesis testing and the following conclusions are as follow;

1. **H1 is supported.** GDP of creative economy and economic performance have positive relationship with strong positive correlation coefficient of 0.879. This result is in line with the previous research done by Daubaraite & Startiene (2015) and Hidayat & Asmara (2017).
2. **H2 is supported.** Creative economy workforce and economic performance have positive relationship with strong positive correlation coefficient of 0.750. This result is in line with the previous research done by Daubaraite & Startiene (2015) and Ghufon & Rahmadtullah (2019).
3. **H3 is supported.** Creative economy export value and economic performance have positive relationship with strong positive correlation coefficient of 0.857. This result is in line with the previous research done by Daubaraite & Startiene (2015) and Sukma et al. (2018).

5.2 Implication

Creative economy has become a driving force for economic growth. It's powerful because the source depends on creative and innovative ideas, which are unlimited and sustainable. In line with UNDP Report (2013), creative economy is main ingredient for job creation, innovation, and trade contribute to social inclusion, cultural diversity, and environmental sustainability. Thus, creative economy has a major component of economic growth, employment, and innovation in developing country like Indonesia.

Indonesia is very much advantaged by the opportunities creative economy industry offers, taking into account the workforce, number of business, wages, and level of education in developing the industry (Burhanudin et al., 2020). There are lots of empirical evidence supports that creative economy has impact on GDP, workforce, and foreign trade. This makes creative economy industry promising for the long-run.

From this research, it can also be concluded that creative economy have positive relationship with economic performance, measured by its GDP, number of workforce, and value export. Implications can be obtained as follow;

1. Indonesia government has seriously paid attention to the creative industries sector since the development of new creative economy body, BEKRAF. It shows how creative economy has already promoted by the government itself. To support the growth, Indonesia government is expected to continuously guide the business practitioners in this industry. Especially, most players are small and medium enterprises which requires a lot of financial and entrepreneurial support. To enhance the

creative economy environments, government can create workshops, training, and funding for potential business players. Intellectual property rights awareness has to be raised as well.

2. For scholars and next researcher, this research can be a reference to conduct next study. This also can be a reference to compare the performance of creative economy industry and economic performance, before and after Covid-19 pandemic in the early 2020.
3. For future investor, this research is expected to be a useful information as consideration and reference to invest in the growing creative economy industry in Indonesia. Investor can help Indonesia government to fund potential SMEs that needs financial support to grow the business. Indonesia is a developing country with large potential growth in creative economy sector, since the country has large population to contribute to the manpower. This can be a consideration for future investor to invest in Indonesia's local businesses.

5.3 Research Limitation

Several limitations encountered by authors can be explained as follow;

1. This study only analyses creative economy annual data of 2010 – 2019 due to the limited data availability from BEKRAF. Author has tried to approach both BEKRAF and BPS to wish for monthly / quarterly data (for more accurate result), but it's not granted.
2. Data collection (that was conducted by BEKRAF and BPS) was lack of standardized definition with no sampling frame. In doing creative

economy survey, the sample selection was solely based on non-probability sampling, due to unavailability of a framework for creative economy business. Should the government do better on the survey and structural standardization, it would give a more detailed snapshot about creative economy performance.

3. Creative economy is classified into 16 sub-sectors with its own performance. But, statistical data is not provided. This research would be deeper and more detailed if author can study each 16 sub-sectors and its relationship with economic performance.
4. The concept of economic performance used in this research is covering the national economy as whole, not specifically the performance of creative industry.

5.4 Recommendation

Based on the limitations in conducting this research, author has provided suggestions / recommendations for the next researcher, including:

1. Use monthly / quarterly data to analyze deeper about creative economy. Researcher can also utilize the 16 sub-sectors data to get more accurate result. But this all depends on the data availability since there is no standardized creative economy structure from the government.
2. A simple way to measure economic performance is to look at the GDP. But according to Khramov and Lee (2012) on IMF Working Paper, this measurement is too wide and only provides a limited snapshot of the

economy. There are still several other concepts to be studied, perhaps for the next researcher to dig deeper.



5.5 Reference

- Badan Pusat Statistik. (2017). Tenaga Kerja Ekonomi Kreatif 2011 - 2016. In *Badan Ekonomi Kreatif*.
- Badan Pusat Statistik. (2019). Ekspor Ekonomi Kreatif 2010-2016. In *Bps* (Vol. 53, Issue 9).
- Bakari, S., & Mabrouki, M. (2017). Impact of Exports and Imports on Economic Growth: New Evidence From Panama. *Journal of Smart Economic Growth*, 2(1), 67–79.
- BEKRAF. (2019). *OPUS: Creative Economy Outlook 2019 (English Version)*. 148. <https://www.bekraf.go.id/pustaka/page/89-opus-creative-economy-outlook-2019-indonesia-version>
- Belkania, D. (2020). Export Structure and Economic Performance in Transition Economies. *EUROPEAN RESEARCH STUDIES JOURNAL*. <https://doi.org/10.35808/ersj/1564>
- Bilan, Y., Vasilyeva, T., Kryklyi, O., & Shilimbetova, G. (2019). The creative industry as a factor in the development of the economy: Dissemination of european experience in the countries with economies in transition. *Creativity Studies*. <https://doi.org/10.3846/cs.2019.7453>
- Boediprasetya, A., Setiadi, N., & Wahdianan. (2012). DEVELOPMENT OF THE CREATIVE ECONOMY IN THE CITY OF BANDUNG: Measuring Creative Behavior among Indonesian Creative Workers. *The Third Seminar of the Regional Studies Association Research Network, April*.

- Burhanudin, M., Rindayati, W., & Anggraeni, L. (2020). Analysis of Creative Industries Development in Indonesia. *International Journal of Sciences: Basic and Applied Research (IJSBAR)*.
- Costa, M. F. B., & Dos Santos, J. A. N. (2020). Insertion of distributed photovoltaic generation in Brazil: A correlation analysis between socioeconomic and geographic aspects. *International Journal of Energy Economics and Policy*. <https://doi.org/10.32479/ijeep.8954>
- Cracolici, M. F., Cuffaro, M., & Nijkamp, P. (2010). The measurement of economic, social and environmental performance of countries: A novel approach. *Social Indicators Research*. <https://doi.org/10.1007/s11205-009-9464-3>
- Daubaraitė, U., & Startienė, G. (2015). Creative Industries Impact on National Economy in Regard to Sub-sectors. *Procedia - Social and Behavioral Sciences*. <https://doi.org/10.1016/j.sbspro.2015.11.415>
- Dynan, K., & Sheiner, L. (2019). GDP as a Measure of Economic Well-Being. *International Centre for Economic Research*.
- Ghasemi, A., & Zahediasl, S. (2012). Normality tests for statistical analysis: A guide for non-statisticians. *International Journal of Endocrinology and Metabolism*. <https://doi.org/10.5812/ijem.3505>
- Ghufron, M. I., & Rahmatullah, M. (2019). Peran ekonomi kreatif sebagai solusi mengatasi pengangguran. *Jurnal Ilmiah FE UMM*, 13(1), 12.
- Harikesa, I. W. A. (2020). INDUSTRY REVOLUTION 4.0 :

STRENGTHENING THE CREATIVE ECONOMY SECTORS THROUGH BEKRAF IMPLEMENTATION PROGRAMS. *Jurnal Dinamika Global*. <https://doi.org/10.36859/jdg.v5i1.139>

Hidayat, A. R. R. T., & Asmara, A. Y. (2017). Creative industry in supporting economy growth in Indonesia: Perspective of regional innovation system. *IOP Conference Series: Earth and Environmental Science*. <https://doi.org/10.1088/1755-1315/70/1/012031>

Howkins, J. (2001). *The Creative Economy: How People Make Money from Ideas*. Allen Lane.

Husin, R., Hidayah, N., & Mukmin, T. M. (2021). Creative Industries in Supporting Indonesia ' s Economic Growth in Innovation Perspective. *Business and Economic Journal*., 12, 1–4.

Isar, Y. R., UNCTAD, & UNDP. (2013). Creative Economy Report 2013: Widening local development pathways. In *United Nations Development Programme and the United Nations Educational, Scientific and Cultural Organization*.

Kartikasari, D. (2017). The Effect of Export, Import and Investment to Economic Growth of Riau Islands Indonesia. *International Journal of Economics and Financial Issues*, 7(4), 663–667.

Kememparekraf. (2020). Rencana Strategis Kememparekraf/Baparekraf 2020-2024. *Kememparekraf*.

Khramov, V., & Lee, J. R. (2013). The Economic Performance Index (EPI): an

Intuitive Indicator for Assessing a Country's Economic Performance Dynamics in an Historical Perspective. *IMF Working Papers*.
<https://doi.org/10.5089/9781484381298.001>

Lee, C. H., & Huang, B. N. (2002). The Relationship Between Exports And Economic Growth In East Asian Countries: A Multivariate Threshold Autoregressive Approach. *Journal of Economic Development*, 27(2), 45–68.

Lestariningsih, E., Maharani, K., & Lestari, T. K. (2019). Measuring creative economy in Indonesia: Issues and challenges in data collection. *Asia-Pacific Sustainable Development Journal*. <https://doi.org/10.18356/16fa938f-en>

Marco-Serrano, F., Rausell-Koster, P., & Abeledo-Sanchis, R. (2014). Economic development and the creative industries: a tale of causality. *Creative Industries Journal*, 7(2), 81–91. <https://doi.org/10.1080/17510694.2014.958383>

Obilor, E. I., & Amadi, E. C. (2018). Test for significance of Pearson's correlation coefficient (r). *International Journal of Innovative Mathematics, Statistics & Energy Policies*.

OECD. (2017). Government at a Glance: 2017 edition. In *Organisation for Economic Co-operation and Development*.

Sekaran, U., & Bougie, R. (2016). Research methods for business : a skill-building approach / Uma Sekaran and Roger Bougie. In *Nucleic Acids Research*.

Septina, F. (2020). Indonesia's Sustainability Economy: Creative Industry Perspective. In *American International Journal of Business Management (AIJBM) ISSN*.

- Soylu, Ö. B., Çakmak, İ., & Okur, F. (2018). Economic growth and unemployment issue: Panel data analysis in Eastern European Countries. *Journal of International Studies*. <https://doi.org/10.14254/2071-8330.2018/11-1/7>
- Stiglitz, J. E., & Sen, A. (2009). The Measurement of Economic Performance and Social Progress Revisited Reflections and Overview. *Documents de Travail de LOFCE*.
- Sukma, M., Hartono, D., & Prihawantoro, S. (2018). The Impacts Analysis of Creative-Products Export on the Economy. *JEJAK*. <https://doi.org/10.15294/jejak.v1i1i1.11337>
- Suminar Ayu, A., Dwihantoro, P., & Lokantara, I. G. W. (2020). Understanding Creative Economy Concept through Innovation Adopters Perspective. *Komunikator*. <https://doi.org/10.18196/jkm.121031>
- Suryana. (2013). Ekonomi Kreatif, Ekonomi Baru: Mengubah Ide dan Menciptakan Peluang. *Salemba Empat*, 63–77.
- UNCTAD. (2015a). CREATIVE ECONOMY OUTLOOK AND COUNTRY PROFILES : Trends in international trade in creative industries. *Harvard Business Review*, 8(9), 74. http://unctad.org/en/Docs/ditc20082cer_en.pdf%5Cnhttp://www.oecd.org/dataoecd/35/56/2101733.pdf%5Cnhttp://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=1595%5Cnhttp://www.isc.hbs.edu/Innov_9211.pdf
- UNCTAD. (2015b). CREATIVE ECONOMY OUTLOOK AND COUNTRY PROFILES : Trends in international trade in creative industries. *Harvard Business Review*.

