

Optimization of the Creative Economy in Improving the Welfare of Society from the Perspective of Islamic Economics

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ABSTRACT

Creative economy is one of the new economic concepts that intensifies information, creativity, and human resources as the most important factors of production. The products produced from the creative economy are characterized by their uniqueness and distinctiveness. These products can also be a development of existing products. The formulation of the problem addressed in this study is how to optimize the creative economy in Bojong Menteng Village, how creative economic activities in Bojong Menteng Village can improve the welfare of the community, and what are the obstacles faced by the creative economy in improving welfare. The research aims to determine how to optimize the creative economy in Bojong Menteng Village, understand how creative economic activities in Bojong Menteng Village can improve the welfare of the community, and identify the obstacles faced by the creative economy in improving welfare. This research is a qualitative study with a case study approach aimed at understanding the role of creative economy in improving the welfare of the community in Bojong Menteng Village, Leuwidamar District, Lebak Regency. The data collection techniques used in this research include observation, interviews, documentation, and literature review. The results of the study show that optimizing the creative economy has had a positive impact on improving the welfare of the community in Bojong Menteng Village by providing employment opportunities. Although there have been only slight changes and not significant ones, the creative economy has been able to enhance the welfare of the community through job opportunities and reducing unemployment rates.

Keywords: Creative Economy, Welfare of Society

INTRODUCTION

Creative economy is one of the new economic concepts that intensifies information, creativity, and human resources as the most important factors of production. The products generated from the creative economy are characterized by their uniqueness and distinctiveness. These products can also be a development of existing ones.

In general, the creative economy is defined as an economic concept in the era of the new economy that intensifies information and creativity, with various knowledge from human resources themselves as the primary factor of production. According to the United Nations Conference on Trade and Development (UNCTAD), the creative economy is an evolving economic concept based on creative assets that have the potential to generate economic growth and development. Essentially, this concept emphasizes creativity, ideas, and human knowledge as the main assets in driving the economy in a region and eventually globally. The focal point in the

creative economy is the idea, talent, and creativity that are its vital elements (Sopanah et al., 2020).

Creativity in the Creative Economy is something very valuable, to maintain the business by creating innovation and creativity in the products being marketed. At least the products produced have distinctive characteristics that can be remembered by consumers when visiting a certain area or city. The creative economy is an era of economy that has entered the fourth wave after the first wave of agricultural economy, the second wave of industrial economy, and the third wave of information economy. The Creative Economy wave is predicted to help economic growth in Indonesia, especially in Bojong Menteng village. Although the creative economy is one of the sectors most affected by the Covid-19 pandemic, in this situation, heavy challenges are felt by creative economy practitioners in the field (Sopanah et al., 2020).

In Indonesia, the Creative Economy has a significant contribution and role, including expanding employment opportunities and serving as a safety net, especially for low-income communities to engage in productive economic activities. Additionally, the Creative Economy plays an important role in increasing the Gross Domestic Product (GDP) of a country, particularly in Indonesia, in the face of the Fourth Industrial Revolution. There has been a significant impact on the economy in Indonesia, specifically in Bojong Menteng village, Leuwidamar sub-district, Lebak district, where all sectors have been greatly affected by COVID-19. It is undeniable that everyone has shifted to the digital era, resulting in inevitable interactions between humans and technology. All needs are now available digitally, ranging from buying and selling to services and payment transactions (Sopanah et al., 2020).

There are several indicators that can be used to determine priority sectors or subsectors, one of which is the local value of an area. Additionally, it is important to consider various aspects such as the uniqueness of a product. Bojong Menteng village with its charm is able to create various creative economic products. These creative products are expected to enhance national and international economic competitiveness (Sopanah et al., 2020).

The well-being of society is a state where basic needs are fulfilled, such as having a decent home, meeting the needs for clothing, food, education, and healthcare, or a condition where someone can maximize their utility within a certain budget limit and have their physical and spiritual needs met (A. M. Iskandar, 2021). To assess the level of societal well-being, we look at the family income level and compare household expenditures on food and non-food consumption (Statistik, 2014). However, amidst the COVID-19 pandemic, there has been a decrease in demand for Creative Economy products being sold, resulting in nearly 50% of the Creative Economy in Bojong Menteng village experiencing losses. As a result, the products that were intended to be sold have been damaged and are not selling well due to being stored for too

long.

The lack of awareness and pride among Indonesian society, especially in the village of Bojong Menteng, in buying local products is not solely due to a love for foreign brands. It is also because producers fail to pay attention to consumer desires, provide quality goods, offer after-sales services, and effectively package and sell their products. Locally made products sold domestically often have lower quality compared to those sold abroad. The low quality of society also results in the low quality of products (goods and services) produced, mainly due to the inadequate implementation of technology in the production process. Most people rely solely on experience without mastering the concepts and technologies that would optimize the production process.

In relation to this matter, there is a need for an innovative breakthrough that can guarantee the acceleration and growth of the Creative Economy in Bojong Menteng village, Leuwidamar sub-district, Lebak regency, in order to further improve the welfare of the community with its potential, especially in the field of Creative Economy.

RESEARCH METHODS

The method used in this research is qualitative. The chosen research type is a case study. According to Raharjo, (2017), a case study is a series of scientific activities conducted intensively, in detail, and Deep understanding of a program of events and activities, whether at an individual, group, institution, or organizational level, to gain profound knowledge about the said events. Generally, the target of a case study research is something that is actual (real-life) and unique. It is not something that has already passed or is in the past.

There are two types of data sources in this research, namely primary data sources and secondary data sources. According to Umar, (2013), primary data is: "Primary data is data obtained from the first source, either from individuals or individuals such as interview results or questionnaire responses commonly conducted by researchers. Primary data is data obtained directly from statements made by Creative Economy experts, communities, and village heads in the area as objects in improving community welfare." On the other hand, secondary data according to Umar, (2013) is: Secondary data is further processed and presented primary data, either by the primary data collector or by other parties, for example in the form of tables or diagrams.

Secondary data is data that has been collected for purposes other than solving the current problem. This data can be found quickly. In this research, it includes literature, articles, journals, and relevant websites related to the research being conducted. Data collection techniques are the most strategic steps in research because the main goal of research is to obtain the required data.

Without knowing the correct and appropriate data collection techniques, researchers will not obtain data that meets the established data standards. In this study, the researcher used data collection techniques such as observation, interviews, documents, and questionnaire distribution.

According to the Indonesian dictionary (KBBI), observation is a careful examination. Observation is a complex process, composed of various biological and psychological processes. Two of the most important processes are observation and memory processes. Data collection techniques using observation are used when research relates to human behavior, work processes, natural phenomena, and when the observed respondents are not too large.

The observation method is part of observational data collection, which means collecting data directly in the field. Researchers observe things related to space, places, activities, objects, events, purposes, and feelings (Fauzan & Djunaidi, 2012). According to the Indonesian dictionary (KBBI), an interview is a question-and-answer session. With someone (officials and the like) who is needed to be asked for information or opinions about a matter. Question and answer session between company directors (head of personnel, head of public relations) and job applicants; question and answer session between researchers and sources. The method used by the researcher is an open interview, which means the researcher asks questions that do not limit the answers, meaning the questions are asked to invite open-ended responses (Emzir, 2012).

RESULTS AND DISCUSSION

1. How to optimize the Creative Economy in Bojong Menteng Village.

a. Creating a creative and innovative society.

The main goal of the creative economy is to create and shape a creative and innovative mindset within society. We know that society is the backbone of the country's economy. When society has high competitiveness and creativity, it will help the country or government in efforts to develop its economy. Not only that, when its people are productive and per capita income increases, the country will also receive positive impacts such as gaining attention from many parties because it is considered advanced and developing.

b. Understanding Sales Promotion

Sales promotion is the process of providing information, influencing, and reminding the target market about services or products in order for them to be accepted and purchased by the market. Promotion is one of the marketing strategies. As part of the marketing strategy, sales promotion strategy has three chacomunicative, which aims to provide information and attract consumer attention; incentive, which aims to influence customers with certain value and uniqueness; and inviting customers to make purchases during or after the promotion.

2. How can the Creative Economy activities in Bojong Menteng Village improve the welfare of the community?
 - a. Organizing activities for creative economy practitioners
 1. Crafts: creative activities related to the creation, production, and distribution of products made by craftsmen, starting from the initial design to the completion process of the product.
 2. Design: creative activities related to graphic design, interior design, product design, industrial design, marketing research services, packaging production, and packaging services.
 3. Interactive games: creative activities related to the creation, production, and distribution of computer and video games that are entertaining, skill-based, and educational.
 4. Video, Film, and Photography: creative activities related to the creation and production of videos, films, photography services, as well as the distribution of video and film recordings including scriptwriting, film dubbing, and film exhibitions.
 5. Culinary: creative activities related to processed Indonesian cuisine (Sopannah et al., 2020).
3. What efforts can be made to overcome obstacles in the Creative Economy in improving welfare?

- a. Creativity

It can be described as a capacity or ability to produce or create something unique, fresh, and widely accepted. It can also generate new or practical ideas as solutions to a problem or do something different from what already exists (thinking out of the box). Someone who has creativity and can maximize that ability can create and produce something useful for themselves and others.

- b. Innovation

Innovation is a transformation of ideas or concepts based on creativity, utilizing existing discoveries to produce a better, more valuable, and beneficial product or process. For example, to see some innovations, try watching videos on youtube.com with the keyword "lifehack". These videos demonstrate how an existing product can be innovated to create something with higher market value and greater usefulness (Purnomo, 2016).

Discussion

Creative economy is a concept that challenges society to continuously be creative,

produce works, and innovate, which will result in prosperity for the community in particular and improve the welfare and economy of a region in general.

Based on research interviews conducted by the researcher with the village head, it can be concluded that the creative economy in Bojong Menteng Village, Leuwidamar District, Lebak Regency, is developing quite well. It provides business opportunities for the community and generates income that can be used to meet daily needs and improve the local economy in Bojong Menteng Village, Leuwidamar District, Lebak Regency. This finding is consistent with previous researchers such as E. Iskandar, (2022) and (Asmah, 2019).

According to researchers, optimization efforts through activities such as training for creative economic actors and events organized by the government or local institutions can develop their talents and skills. Additionally, they can also earn income, meet their living expenses, and create job opportunities for the local community to improve their well-being.

The above description shows that the increase in people's income greatly affects the level of economic well-being in terms of meeting daily needs. Thus, the description above depicts the situation in Bojong Menteng Village where the income level obtained from creative economy supports the well-being of the community, whether it's for education, healthcare, or daily living expenses. However, on the other hand, there are many challenges faced including during the COVID-19 pandemic where sales turnover has decreased. As a result, most business activities have to be conducted online. Therefore, creative economic actors must adapt to the current situation. The most important thing that all creative economic actors must do is adaptation, innovation, and collaboration to survive in any situation, including the current pandemic situation.

The adaptation referred to is the ability to adapt to the situation, where during the Covid pandemic, the situation has changed so that creative economy actors must blend in with the online environment. On the other hand, creative economy actors must be able to innovate in developing products, one of which is through packaging and sales promotion. In addition, creative economy actors must be able to collaborate with partners and local governments.

CONCLUSION

Based on the research conducted by researchers on Creative Economy located in Bojong Menteng Village, Leuwidamar District, Lebak Regency, several conclusions can be drawn. The optimization of creative economy in Bojong Menteng village provides opportunities for the community to directly participate in creative economic activities, creating new livelihoods for the people in Bojong Menteng village and increasing their income. Although not significantly, this creative industry is able to improve the welfare of families, reduce unemployment, and enhance children's education and healthcare expenses. In terms of activities, there should be innovation

and collaboration between the government and creative economy actors to improve the welfare of the community. Whether it's organizing annual events or programs held by the government or other institutions that can enhance human resources. The challenges faced by creative economy actors in business development currently include the impact of COVID-19 on the decline in community welfare. The challenges faced include a decrease in sales turnover due to the pandemic, resulting in most business activities being conducted online. Therefore, creative economy actors must adapt to the current situation. The most important thing that all creative economy actors must do is adapt, innovate, and collaborate to survive in any situation, including the current pandemic situation.

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