

Analysis of Increasing Added Value Ecosystem Creative Economy Startup in The Culinary Sector (Case Study of the First Winner of Food Startup Indonesia 2020)

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Abstract— This study aims to analyze the Increasing Added Value of the Creative Economy Startup Ecosystem in the Culinary Sub-Sector (Case Study of Winner 1 Food Startup Indonesia 2020). observations on one of the programs or activities organized by the Ministry of Tourism and Creative Economy through the Deputy for Industry and Investment, namely Food Startup Indonesia and one of the winners from the Food Startup Indonesia program. The research method is qualitative, using an exploratory, descriptive approach. This study was made to analyze and describe comprehensively a situation and phenomenon related to increasing the added value of the creative economy ecosystem of the culinary sub-sector and compiled into a strategic plan. Food Startup Indonesia improves the creative economy ecosystem of the conducive culinary sub-sector, increasing actors' capacity, expanding networks, opening access, supporting financing and intermediation, and providing investment opportunities for creative economy actors.

Keywords— Added Value, Creative Economy, Culinary, Indonesian Food Startup, Improvement.

INTRODUCTION

Currently, the creative industry sector still dominates the Indonesian business, with more than 26 million companies or 98.68 percent of Indonesia's total non-agribusiness. The sector can accommodate more than 59 million workers or around 75.33 percent of the non-agricultural workforce. When a crisis between 1997 and 1998 hit Indonesia, this sector proved to be able to survive when other large companies collapsed (BPS, 2019).

One of the goals of the creative economy is to increase the nation's competitiveness and contribute to creative economy efforts in the national economy. This Presidential Regulation is strengthened through Article 26 paragraph (1) of the Law of the Republic of Indonesia Number 24 of 2019 concerning the Creative Economy, which reads, "Creative Economy Development is outlined in the Creative Economy Master Plan and is used as a guideline for the Government and Regional Governments".

The development of the Creative Economy contained in the Rindekraf is through research development, education development, funding, and financing facilitation, infrastructure provision, marketing system development, incentives, intellectual property facilitation, and protection of creativity/intellectual property results (Rindekraf, 2018).

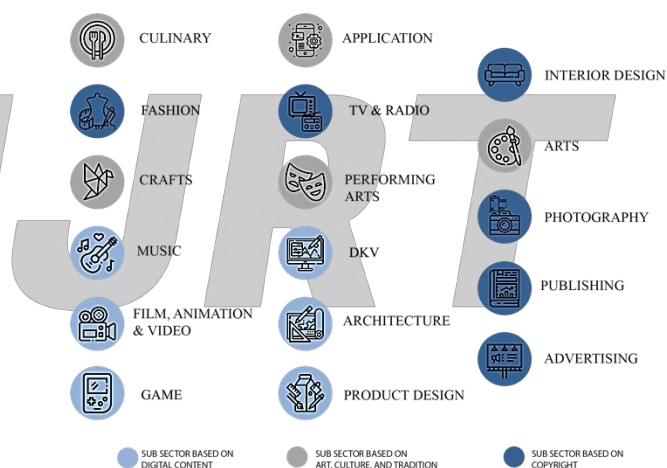


Figure 1.17 Creative Economy Sub Sectors

Resource: Presidential Regulation Number 142 of 2018 concerning the Master Plan for the Development of the National Creative Economy 2018-2025

In addition, to improve the development of the creative economy ecosystem, some findings indicate that innovation significantly and positively affects competitive advantage, where competitive advantage is the ability to compete. Moreover, the influence of human resources also affects the ability to compete (Ismail & Alam, 2019).

The lack of innovation in the development of added value and business differentiation has made the products of business actors only become a commodity business that competes with low prices. Furthermore,

the lack of financial literacy from business actors who do not have standard financial reports makes it difficult to know working capital, expenses and profits received, making it difficult to access capital (Sumastuti et al., 2020).

In business, innovation is necessary to have a competitor orientation. This competitor orientation affects the innovation that can be generated from a product or a business concept. It is proven in the study namely orientation significantly affects innovation. Therefore competitor orientation is necessary to analyze the strengths and weaknesses of competitors (Mamman & Isaac, 2020).

In improving the creative economy ecosystem, creative economy entrepreneurs and innovative startups must be encouraged and facilitated because they present several complementary strengths. Policymakers, incubators, universities, and those supporting entrepreneurs should consider this in line with their mission to promote the entrepreneurial ecosystem (Cavallo et al., 2020).

There needs to be better synergy between government institutions, research, business actors, and improvement through education. It also demonstrates the need for combined theory and practice to influence policymakers in developing policies to develop a sustainable entrepreneurial ecosystem (Barbulescu & Constantin, 2019).

Increasing the added value of the creative economy ecosystem by increasing its capacity to become a competitive startup. Through matchmaking, activities increase added value for both business actors and capital owners. Matchmaking is an interaction or intermediary between capital owners and creative economic actors, such as business pitching, which is facilitated to bring together investors and startups (Santoso, 2020). Matchmaking can also increase business actors' productivity, namely through institutions or communities, rebranding, and promotion (Fatmawati & Santoso, 2020).

Based on best practices in the international world, what factors are the keys to the successful implementation of the conceptual model and the challenges in its implementation? The main determinant of success in implementing the conceptual model is a continuous adaptation using the Balanced Scorecard model developed to suit the

development of the organization/ecosystem (Qadri, 2020).

The Government of the Republic of Indonesia, through the Ministry of Tourism and Creative Economy / Tourism and Creative Economy Agency (Kemenparekraf/Baparekraf), has a platform to increase the capacity of the Culinary Creative Economy in Indonesia. Kemenparekraf/Baparekraf curates culinary creative economy actors and opens opportunities to obtain financing or capital with conventional/sharia loan/profit-sharing/share-sharing schemes (Kemenparekraf/Baparekraf, 2020).

From the description of the phenomena described above, the researcher wants to know the efforts to increase the added value of the creative economy ecosystem. Researchers are interested in conducting research under the title "Analysis of Increased Value Added Ecosystem Startup Creative Economy Culinary Sub Sector (Case Study Winner 1 Food Startup Indonesia 2020)".

Based on the above background, the subject of this research is a strategy to increase the potential of the creative economy through:

1. What are the efforts made by the government to increase the added value of the culinary sub-sector creative economy ecosystem?
2. What are the potential benefits perceived by startup actors from the added value strategy program for the culinary sub-sector creative economist?

METHODOLOGY

This type of research is qualitative research using an exploratory, descriptive approach. Descriptive research analyzes to the level of description, namely analyzing and presenting data systemically so that it can be more easily understood and concluded. In contrast, exploratory research is a type of research that aims to find something new in the form of grouping certain symptoms, facts, and problems. Exploratory, descriptive research aims to describe the state of a phenomenon. This study does not intend to test certain hypotheses but describes what a variable, symptom, and state is (Arikunto, 2002). The qualitative type is the data expressed in words or sentences and descriptions (Bungin, 2011).

The qualitative approach is a research method for researchers to study the state of natural objects (not

experiments), which is the main means, and the data collection technique is triangulation (combination). The result is a qualitative study emphasizing the importance of generalization (Sugiyono, 2012).

This study focuses on a particular object studied as an example. The case study method allows researchers to remain holistic and meaningful (Arikunto, 2002).

A research location is where researchers conduct research, trying to find data and facts related to the problems to be studied. This research was carried out on activities by the Ministry of Tourism and Creative Economy / Tourism and Creative Economy Agency in the Indonesian Food Startup Platform.

The number of informants from this study amounted to 6 people. Five key informants and one supporting informant. Key informants include the Minister of Tourism and Creative Economy / Head of the Tourism and Creative Economy Agency, Deputy for Industry and Investment of the Ministry of Tourism and Creative Economy / Father of Creative Economy who served when researchers conducted research, Deputy for Digital Economy and Creative Products. Then the next key informant is business actors under the guidance of Kemenparekraf/Baparekraf. This business actor has passed a series of selections that have been made previously. Whom does Kemenparekraf/Baparekraf conduct the winner of Food Startup Indonesia in 2020? As well as officials from the Coordinating Ministry for Maritime Affairs and Investment. The reason the researcher took the key informant at the Ministry of Tourism and Creative Economy is that the creative economy sector is under the Ministry of Tourism and Creative Economy and in coordination with the Coordinating Ministry for Maritime Affairs and Investment which has the duties and functions as coordinator, synchronization, and control of programs from the Ministry of Tourism and Creative Economy. In-depth interview with expert staff for Maritime Economics at the Coordinating Ministry for Maritime Affairs and Investment, who is also the founder of one of the Ministry of Tourism and Creative Economy programs, namely Food Startup Indonesia.

As for the supporting informants, the researchers took observers of the culinary sub-sector creative industry who also served as the Chair of the Indonesian Gastronomy Academy. He has also served as Chairman of the Ministry of Tourism's Culinary and Shopping Tourism Acceleration Team.

For the data obtained to be valid and reliable, the researchers used the data collection method according to Sugiyono (2012) when collecting the necessary data.

1. Observation

Observing the pattern of human behavior in certain situations to obtain information about the desired phenomenon.

2. Interview

The interview is a data collection method that asks interviewers (researchers or data collectors) during data collection to ask respondents who know for sure how to add value to the culinary sub-sector of the creative industry.

3. Documentation

It is a method of collecting data that is documented through documents issued by the study institution, either in the form of procedures, regulations, pictures, or work reports, as well as in the form of photos and electronic documents (Moleong, 2005: 217).

Qualitative data analysis, according to Bogdan & Biklen (1982), includes data processing, organizing data, classifying into manageable units, compiling, searching and searching for patterns, understanding what is important and what has been learned, and what to do. . Talking with other people (Bogdan & Biklen in Moleong, 2011).

The process of qualitative data analysis carried out in this study is with the following stages:

1. Data reduction

Data reduction is a process of selecting, focusing on simplifying, abstracting, and transforming raw data that emerges from findings in the field. After the researcher has obtained the data, the feasibility must first be assessed by choosing which data is needed in this study.

2. Data Presentation

The data presentation stage is first through more in-depth data processing. One example is by processing the results of interviews and collecting various field information at the research location. The presentation of data is limited to a set of structured information that is adjusted and clarified to make it easier for researchers to master the data and not be immersed in a pile of data.

3. Verification (Drawing Conclusions)

Verification means checking the validity of research data, and one example is verifying the results of interviews with several sources used as relevant informants. Conclusions are obtained during the research through the meanings that

emerge from the data tested for its truth, sturdiness, and suitability so that clear conclusions are obtained, truth and usefulness.

RESULT AND DISCUSSION

In this study, the increase in added value for the creative economy of the culinary sub-sector is in the deputy for industry and investment from the Ministry of Tourism and Creative Economy with the Food Startup Indonesia program.

In 2016 the Creative Economy Agency with Foodlab Indonesia took the initiative for the first time 2016. At the opening of the Food Startup Indonesia MMXX in Bali, the Deputy for Industry and Investment of the Ministry of Tourism and Creative Economy said that Mr. Sugeng Santoso was one of the Founders of Food Startup Indonesia when it was launched. The first time.

Food Startup Indonesia is a program to strengthen the culinary ecosystem by bringing together creative economy entrepreneurs in the culinary sub-sector with mentors and investors. Creative economy business actors in the culinary sub-sector can have the opportunity to improve their abilities and also get the opportunity to introduce the business they run to potential investors (Kemenparekraf, 2020).

Researchers in this study observed twice at the annual Food Startup Indonesia event held by the Ministry of Tourism and Creative Economy. Food Startup Indonesia 2020 will be held on October 13-15, 2020, at Sofitel Nusa Dua, Bali. During the implementation of this 2020 activity, the curated participants came directly to present the pitch deck and the culinary products they had to be directly tried and assessed by the mentors.

In 2021 the researchers will return directly to the Food Startup Indonesia activity, which will be held at the Marriot Hotel Yogyakarta on 5-7 October 2021. However, the curated participants did not attend in person due to the soaring rate of cases of the spread of COVID-19 in the period after Eid in 2021. at location. The participants made presentations online, and their culinary products were assisted by chefs from the Marriot Hotel Yogyakarta and officers in charge of the Food Startup Indonesia event in 2021.

From the observations of the researchers, to be able to participate in Food Startup Indonesia activities, culinary business actors must have the following criteria:

- 1) Have a culinary business,
- 2) Have a business entity,

- 3) Have a pitch deck by displaying business data owned,
- 4) Have a business that shows a growing trend,
- 5) Commit to,
- 6) Can be invested or developed,
- 7) Requires capital,
- 8) Have a sustainability business model.

In general, the series of these activities are:

- 1) Model Selection
 - a. Opening
 - b. Socialization
 - c. Registration
 - d. Webinars on requirements, preparing pitch decks, financing feasibility, compiling financial reports, introduction to valuations,
 - e. Curate To Be Top 100
- 2) Mentoring and Curation Model
 - a. Due Diligent
 - b. Online mentoring
 - c. Pitching simulation
 - d. Mentoring & curating offline
- 3) Pitching Models (top 100, top 25, top 3)
- 4) Financing Access Model
- 5) Conference
- 6) Showcase
- 7) The Big 3 Pitching Forums.

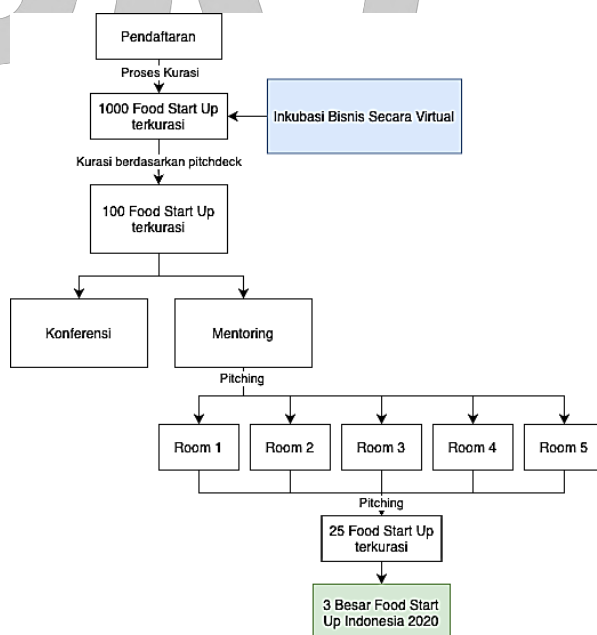


Figure 2. Food Startup Indonesia Flow 2020
Sources: Prosessed, 2020

In addition to Food Startup Indonesia activities, which researchers attended directly in 2020 and 2021, Food Startup Indonesia has also been carried out in previous years. It produces three winners each year, namely:

Tabel 1. Pemenang FSI 2017-2021

2017	2018	2019	2020	2021
Matchamu	Ripta Food	La Dame in Vanilla	Kato	Hejoo
Ladang Lima	Tempe Krezi	Ppuff!	Prospero	Vilo
Chili Bag	Rosalie Cheese	Tema	Eggy	Grouu

Sources: Food Startup Indonesia, 2021

The data used in this study is primary data. This study's primary data was obtained through interviews with Mr. Menaprekraf, Deputy for Industry and Investment and Kato Dehydrated Food.

In this study, researchers will dig deeper into information from the 2020 Food Startup Indonesia's first winner, Kato Dehydrated Foods. As an Indonesian Food Startup, Kato Dehydrated Food is an exporter of various herbal and natural products for families consisting of various dried herbs, dried vegetables, and dried fruit products and their derivatives.

Kato Dehydrated Foods serves retail, wholesale, and wholesales, both direct and indent sales (if the quantity is on a large scale). The production process of Kato Dehydrated Foods uses modern technology with sterile machines so that cleanliness is guaranteed, the core content of the product is maintained, and it has high quality. The delivery of goods can be selected according to customer needs. From researchers' observations on the Food Startup Indonesia program to increase added value, it is necessary to develop and evaluate using the balanced scorecard method.

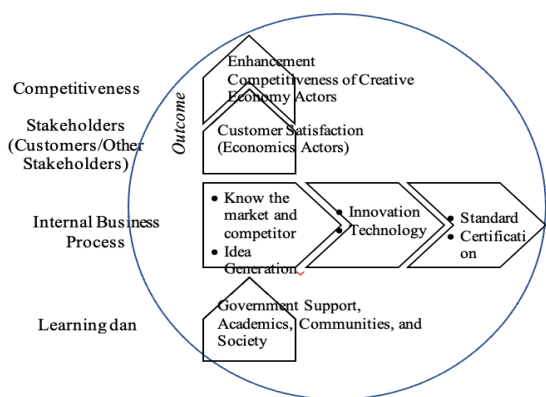


Figure 3. The Model for Increasing the Added Value of the Culinary Sub-Sector Creative Economy Startup
Source: Prosessed, 2022

At the learning stage, it is necessary to have government, academic, community, and community support. After

learning, business actors must improve internal business processes by getting to know the market and competitors they want to enter. In addition, it is necessary to continue to develop or generate ideas by utilizing innovation and technology. Supported by standardization which is proven by certification.

These things create satisfaction for the stakeholders, in this case, the customers. Satisfied customers will bring up the competitiveness of the creative economy actors themselves. By having competitiveness, the value or demand continues to increase.

And from the observations made on the sustainability of the business process of Kato Dehydrated Food, they experienced a big increase in the market by participating in the Dubai Expo. This program is useful with the success of this program by bringing Kato Dehydrated Food to the Dubai Expo. It can increase the value chain of the culinary sub-sector creative economy startup ecosystem. It will be more useful and spread more widely if this program can be duplicated by other ministries/agencies; local governments and communities can duplicate this program so that more creative economy actors in the culinary sub-sector get the opportunity.

CONCLUSIONS AND RECOMMENDATIONS

Based on research conducted on the activities of Food Startup Indonesia and also Kato Dehydrated Food:

1. Efforts made by the government to increase the added value of the creative economy ecosystem of the culinary sub-sector, namely by holding activities that bring together the government, mentors/academics, actors, investors, and media support, the Food Startup Indonesia program was born.
2. The potential benefits perceived by startup actors from the added value strategy program for the creative economy ecosystem of the culinary sub-sector, in this case, the 1st Winner of Food Startup Indonesia 2020, get the benefits of opening access to financing and also marketing until they can participate in the 2022 Dubai Expo.

APPENDIX

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