

## Transformation of Creative Economy Based on Home Industry to Encourage Family Resilience and Increase Community Income

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### ABSTRACT

This research aims to explain the creative economic development based on home industry carried out by EcoNatural Society Foundation, explain its impact on community income, and supporting factors in creative economic development at EcoNatural Society Foundation. The method used is descriptive qualitative research, the way data is collected is through observation, interviews, and documentation of the object of research. The data analysis technique uses descriptive analysis. The results showed (1) the development of a home industry-based creative economy carried out by the EcoNatural Society Foundation through the formation of household business groups, (2) an increase in the income of people participating in household business groups, (3) internal and external factors that support the development carried out by the EcoNatural Society Foundation in Selayar Islands Regency.

**Keywords:** *creative economy, home industry, family resilience, community income*

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## 1. INTRODUCTION

The creative economy has become a new paradigm in economic development that is gaining increasing attention in various countries. This concept encourages economic transformation by combining the potential of art, culture, technology and creativity in an effort to create added value for society. The creative economy is one of the new economic concepts that intensifies information and creativity and Human Resources (HR) as the most important production factor (Sari, 2018). The products produced from the creative economy are products that are characterized, unique, and different from others. Products produced from the creative economy can also be a development of products that have existed before. Creativity in the creative economy is something very valuable. The creative economy can be used to maintain a business that is owned by creating innovation and creation of marketed products (Rusmaniah et al., 2022). At least the products produced have characteristics that can be remembered by consumers when visiting a particular region or city.

The creative economy is an economic era that has entered the fourth economic wave after the first economic wave, namely the agricultural economy wave, the second industrial economy wave, and the third information economy wave. The creative economy wave is predicted to help economic growth in Indonesia where most actors in the creative economy are small and medium enterprises (Kartika et al., 2022). One approach that is increasingly prominent in the creative economy is the development of home industries. The home industry is an economic sector that focuses on household-based production, involves family members, and often includes aspects such as handicrafts, culinary, fashion, and art (Yuniar et al., 2022).

The importance of creative economy development in this modern era is becoming increasingly important because various factors such as technological change, globalization, and changing consumption patterns have created new opportunities in the creative economy. The home industry as one of the sectors involved in the creative economy offers great potential in improving community welfare, especially in rural areas and areas that have unique cultural and natural wealth (Azizah & Muhfiatun, 2018).

In this context, this research was conducted with the aim of digging deeper into the transformation of the creative economy based on the home industry that has been carried out by the EcoNatural Society Foundation. The focus of the research also involves analyzing the impact of this initiative on the income of the communities involved as well as the identification of supporting factors that have facilitated the development of the creative economy within the EcoNatural Society Foundation. It is important to identify and analyze the impact of the home industry-based creative economy initiatives that have been carried out by the EcoNatural Society Foundation. In this regard, this research has a crucial role in providing in-depth insights into how these initiatives have affected the income of the communities involved.

The results of this research are expected to provide a deeper understanding of how creative economic transformation based on home industries can encourage family resilience and increase community income. This information can be an important reference for EcoNatural Society Foundation and similar entities to improve the effectiveness of their creative economy initiatives in supporting local economic development and community welfare improvement in Selayar Islands Regency and possibly elsewhere. In addition, this research can also make theoretical and practical contributions in further understanding the role of the creative economy in sustainable social and economic development. In addition, it is hoped that the results of this study will serve as a foundation for the EcoNatural Society Foundation to improve and optimize their initiatives in the development of a home industry-based creative economy. With a better understanding of the factors that influence the success of this initiative, the Foundation can make the necessary changes and adjustments to achieve their goals in improving community welfare and family resilience.

In addition, the results of this study can also provide valuable input for governments, economic development agencies, and other organizations interested in developing the creative economy sector at the local and national levels. Information on the impact of the creative economy on community income and the factors that support the development of the creative economy can be the basis for designing more effective policies and programs to support sustainable economic growth. In addition to the economic impact, this research also has relevance in the social and cultural context. Home industry-based creative economic development often maintains and promotes local cultural heritage. Therefore, this research can also provide insights into how these initiatives contribute to the preservation of the culture and identity of local communities.

Family resilience is an important aspect of community well-being. When family income increases, families have more resources to meet their basic needs such as food, education and health care. In addition, family resilience also includes the ability to deal with unexpected economic challenges, such as urgent health care costs or job losses (Lestari et al., 2023). In this case, the increased income generated from home industry-based creative economic initiatives can contribute significantly to family resilience. Apart from the economic side, creative economy initiatives can also enrich people's social and cultural lives. Engagement in creative economy activities often involves the use of creativity and artistic expression. This can build stronger communities and promote a sense of belonging to local cultural heritage.

Home Industry or Household Industry in an economy is one of the keys that has a role besides being able to improve the economy of a country, small industries are also able to absorb greater Human Resources (HR). Home Industry small business activities indirectly create jobs for relatives or neighbors of home industry players (Kibria, 2014; Wulandari et al., 2021). The EcoNatural Society Foundation, as one of the actors in the creative economy in Indonesia, has taken the initiative in developing a home industry-based creative economy. They have formed household business groups to mobilize the economic potential of communities in Selayar Islands Regency. This initiative includes various activities aimed at improving the skills and creativity of the community in producing creative economy-based products. The EcoNatural Society Foundation has become one of the main actors in advancing the home industry-based creative economy in Selayar Islands Regency. They have launched various programs and initiatives aimed at increasing the capacity and skills of the community in producing creative products. With these initiatives, it is hoped that the community can increase their income and overall achieve a better level of family resilience.

EcoNatural Society Foundation is a foundation engaged in the social sector. The foundation has a concept of developing young entrepreneurs based on the creative economy which is expected to facilitate the birth of entrepreneurial ideas in villages and sub-districts in the Selayar Islands Regency. The activity involved participants, both from the Selayar community and participants from outside the region aged 15-30 years. The participants are expected to be the initiators of ideas for the placement of appropriate business locations in the Selayar Islands Regency. The EcoNatural Selayar Foundation itself has produced many types of products made through creativity derived from local potential, including Healthy Abon, Various Flavored Cashews, Banana Chips, Nentu Crafts, Plastic Waste Crafts, Virgin Coconut Oil (VCO), Silajara Oil (Coconut Oil), Turmeric Powder Typical of Selayar, Cayenne Pepper Powder, Shrimp Terasi and Juku' Kalotoro (Dried Fish).

EcoNatural Society Foundation is one of the foundations that provides opportunities for the community to innovate together. Development of knowledge and creativity through coaching by utilizing local assets owned. This research was conducted to find out the development of a home industry-based creative economy carried out by the EcoNatural Society Foundation, find out the impact on the community who participated in coaching, and find out the supporting factors in the development of a home industry-based creative economy by the EcoNatural Society Foundation.

## **2. RESEARCH METHODS**

This research adopts a descriptive qualitative approach to explain the creative economic development based on home industry conducted by EcoNatural Society Foundation. The research also aims to describe the impact of this initiative on the income of the communities involved, as well as to identify the supporting factors that facilitate creative economic development in the context of EcoNatural Society Foundation.

### **2.1. Research Design**

This research adopted a qualitative descriptive design as the aim was to describe the phenomenon of creative economy development and its impact in detail. This approach allows researchers to gain an in-depth understanding of the context, processes and factors involved.

### **2.2. Research Subjects**

The research subjects are the EcoNatural Society Foundation and the communities involved in the home industry-based creative economic development initiatives they implement. This includes members of household business groups and individuals involved in the creative economic activities promoted by the foundation.

### **2.3. Data Collection Technique**

#### **a. Observation**

Data will be collected through direct observation of the activities carried out by EcoNatural Society Foundation and the community members involved. Observations will cover the various stages of creative economy development.

#### **b. Interview**

In-depth interviews will be conducted with representatives from the EcoNatural Society Foundation and members of the household enterprise groups. The aim is to gain their insights into the objectives, processes and impacts of this initiative.

#### **c. Documentation**

Data will also be obtained through analyzing related documents, such as activity reports, meeting notes, and promotional materials used by the foundation.

### **2.4. Teknik Analisis Data**

The data collected will be analyzed qualitatively. A descriptive analysis approach will be used to describe creative economy development, its impact on community income, and supporting factors. This analysis will include the preparation of narratives and in-depth interpretation of the data. Thus, this research will use a qualitative descriptive method by integrating data from observations, interviews, and documentation to describe the EcoNatural Society Foundation's home industry-based creative economy development and its impact on community income, as well as identify factors that support this initiative.

## **3. RESULTS AND DISCUSSION**

In this result and discussion, three main points will be explained based on the results of the data analysis carried out, including: 1) Home Industry-Based Creative Economy Development carried out by EcoNatural Society Foundation in Selayar Islands Regency, 2) The Impact of Home Industry-Based Creative Economy Development on Community Income carried out by the EcoNatural Society Foundation, and 3) Supporting Factors in Home Industry-based Creative Economy Development at the EcoNatural Society Foundation. The following is a more complete explanation.

### **3.1 Home Industry-Based Creative Economy Development carried out by EcoNatural Society Foundation in Selayar Islands Regency**

To see the development of a home industry-based creative economy carried out by the EcoNatural Society Foundation in producing creative products derived from local potential, it can be seen by:

#### **a. Creative Product Design and Planning based on Local Potential**

Designing and planning the product is done after a detailed assessment. The method commonly used in the detailed assessment is to survey the needs of the community and the potential found in each

village that is used as the location of the activity. After knowing the needs of the community and the local potential of a village. Then, it is the task of the EcoNatural Society Foundation team to conceptualize the product that will be made later. As revealed by Muhammad Yusran, who is a facilitator of the Integrated Coconut Program:

“The product innovation that will be made later together with the community group has been conceptualized beforehand. The group is invited to deliberate in order to convey the conceptualized idea.”.

The informant explained that all the products that have been produced so far are the result of discussions with the EcoNatural Society Foundation team before going directly to the community to convey ideas that have been designed previously.

b. Forming a Household Business Group

Home industry is a production activity centered at home. The EcoNatural Society Foundation has provided a house as a place to produce creative products by the fostered community. This is in accordance with the concept of home industry according to Zuhri (2013), that, "Home Industry is a home business of goods products or small companies. It is said to be a small company because this type of economic activity is centered at home". Some of the stages carried out by the EcoNatural Society Foundation in forming household business groups, are:

1) Engage

The first step that needs to be understood in empowering the community is to know the needs of the empowered community. That way, there needs to be an approach taken by the EcoNatural Society Foundation team both formally and informally. Formal approach means seeking information about community needs through formal meetings such as village leadership meetings, meetings with the community, and activities held by the government. While the informal approach can be done by mingling with community conversations.

2) Creative Product Making Simulation

Simulation can simply be defined as the process of imitation. Simulation is the last part of learning. In this learning, the planned product will be produced and packaged. The purpose of the simulation stage is so that the group formed later can know the stages in the production process. The facilitator's job is to help individuals in the group discover their skills.

### 3.2 Home Industry-Based Creative Economy Development carried out by EcoNatural Society Foundation in Selayar Islands Regency

With the community empowerment carried out by the EcoNatural Society Foundation, in addition to improving their skills, it can also increase community income, especially housewives who do not have jobs so that they can help their husbands in increasing their income. According to Septyarini, E., & Maharani (2019), Community empowerment is an effort to improve the dignity of layers of society who are currently unable to escape from the trap of poverty and backwardness.

In brief, to find out the income received by the community in producing Abon Sehat, Coconut Oil, VCO, and Nata, it can be seen in the following table:

**Table 1. Community Income**

Product	Revenue per Production
Healthy Shredded	Rp. 300.000
Minyak Kelapa	Rp. 50.000
Nata de Silaraja	Rp. 60.000
VCO	Rp. 68.000

The realization that household needs are increasing and the lack of activities carried out by housewives is one of the factors in increasing community interest in participating in the group fostered by the EcoNatural Society Foundation.

The impact obtained through the utilization of community skills and talents in developing the creative economy is the creation of community welfare through wages provided by the EcoNatural Society Foundation. This is in accordance with the concept of the creative industry according to the Ministry of Trade of the Republic of Indonesia (2007), that the industry comes from the utilization of creativity, skills and talents of individuals to create welfare and jobs through the creation and utilization of creative power and individual creativity.

The income received by the EcoNatural Society Foundation-assisted household business groups in one production is still not significant in fulfilling household needs for a month. The uncertain production process every

month will have an impact on community income, because community income will only increase if they have carried out production activities.

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### **3.3 Supporting Factors in Creative Economy Development based on Product Industry**

The following are the factors that support the development of creative economy based on home industry at EcoNatural Society Foundation:

#### **a. Internal Factors**

##### **1) EcoNatural Society Foundation Work Team**

The work team in EcoNatural Society Foundation is one of the determining factors that is very important for the effectiveness of the running of an activity. An organization is required to be able to improve the quality of existing human resources. The quality of human resources is largely determined by the extent of the system in the organization or company in improving the quality. The informant explained that if a team member in the EcoNatural Society Foundation has successfully gone through learning related to their personality well, then the member will be trusted and given a development project. That way, the member will be in charge of assisting household business groups in production activities. This is in line with the opinion of Jefri & Ibrohim (2021), where creative economic development through profitable cooperation with various parties, especially cooperation in a team, is one of the factors for the success of creative economic development in an area.

##### **2) Financial Strength**

The second internal factor that is a supporting factor in the development of creative economy at the EcoNatural Foundation is financial strength. In addition to carrying out non-profit activities, the EcoNatural Foundation also carries out activities that are for profit which can help the financial condition of the EcoNatural Society Foundation to remain stable. Financial strength in carrying out creative economic development activities is an aspect that needs to be considered (Marlinah, 2017). With good financial conditions and resources, development activities can be carried out.

#### **b. External Factors**

##### **1) Partnership**

In maintaining an organization or company, of course, it is necessary to establish partnerships. Partnerships are carried out by large-scale business actors with medium or small-scale business actors. The partnership is carried out because of a mutually beneficial and needy cooperative relationship by the parties to the partnership.

During its establishment since 18 years ago, EcoNatural Society Foundation has made partnerships with several large companies and even governments at both provincial and village levels. The National Amil Zakat Agency (BAZNAS) is one of the bodies that formed a partnership with the EcoNatural Society Foundation. The partnership between EcoNatural Society Foundation and BAZNAS can help EcoNatural Foundation in creative economic development activities.

In establishing partnerships, in addition to providing mutual benefits and benefits between one party and another, partners must also trust each other and be trustworthy with agreed commitments. Partnerships made by EcoNatural Society Foundation are in the form of cooperation with companies and government organizations, in working on an empowerment activity program both profit and non-profit.

This is in accordance with the concept of partnership according to Mikkael (2020), that one way to develop a business if a business is large enough and wants to expand its business is to develop the scale of the organization.

##### **2) Changes in People's Mindset**

The mindset of thinking in problem solving will change if you use the mindset of taking on the other side of the problem at hand. As we know that, a problem can also be interpreted as a process in living life. There is no instant process. So, from there humans need to think.

One of the factors that can support the creative economic development program carried out by EcoNatural Society Foundation is to change the mindset of the community to be fostered.



The informant explained that changing the mindset of the community that there is no disappointing process and establishing a commitment with the community will encourage the community to work harder. According to Margahana (2020), changing the mindset first through education is the right means if you want to develop a business or business.

Being able to produce extraordinary products that have never even been thought of before by the community is one proof that by respecting the process, everything that is desired will be achieved even for things that have never been imagined.

#### 4. CONCLUSIONS

Based on the results of the research, the conclusions of this study are: 1) Development activities by the EcoNatural Foundation team are by designing and planning creative products to be produced based on the local potential of each village. Furthermore, the development is carried out by forming household business groups that are fostered to improve the skills possessed by the community in producing creative products. 2) The products produced through the utilization of community skills and talents have an impact on increasing community income, especially for housewives from the lower economic class who previously did not have a job but wanted to have an income. 3) Creative economic development based on home industry at EcoNatural Society Foundation can be carried out well due to several influencing factors, both internal and external factors.

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