The Process of Creative Economy Development as An Institutional Work

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Abstract
Although experiencing an underdeveloped institutional environment, there is a significant contribution of Indonesia’s creative economy to the national economy. Therefore, it is important to investigate the process of creative economy development in Indonesia, as an emerging market. This research investigates an underdeveloped institutional environment confronted by the creative economy actors and how they face this environment in Bandung city. The method used by this research is multiple case studies that mainly collect data by conducting in-depth interviews from the quadruple helix entities. It is found that the bottom-up approach was organically implemented in the creative economy development process in Bandung. This conduct was based on the cultural-cognitive institutional pillar and showed a community as the institutional entrepreneur that spanned an institutional void. This research can be considered as a pioneer in institutional entrepreneurship studies which focus on the creative economy in emerging markets. Further study can utilize the Penta helix approach to expand the result of this research.

Keywords— creative economy; emerging market; institutional entrepreneur; institutional work.

I. INTRODUCTION
There is a rapid growth of creative industries nowadays in both developed and emerging markets. In nine years from 2002 to 2011, global trade in creative industries grew by more than 200 percent. The Ministry of Tourism and Creative Economy (2014) recorded data that shows the growth of the creative economy in Indonesia by 5.76 percent in 2013. This amount was greater than the rate of national economic growth. Although the contribution of creative industries to employment and Gross Domestic Product (GDP) from 2013 to 2014 increased slightly (Coordinator of the Ministry of Economy, 2015), a sharp growth in the world export ranking was recorded. It jumped to 25th place in 2014 from 85th place in 2013. The creative economy’s contribution to GDP in 2015 was IDR 852 trillion, or 7.38 percent of all sectors’ total. It employs 15.9 million
employees or 13.9 percent of all employees. It also reached 12.88 percent of total exports with an amount of USD 19.4 billion (Indonesia Creative Economy Agency, 2017). The driving force behind the development model of Indonesia’s creative economy is the four-helix system as stated by the Ministry of Tourism and Creative Economy (2014) consists of academics, business, government (Ministry of Trade, 2008), and added by “media and culture-based audiences” as mentioned by Carayannis and Campbell (2009). In a specific location in Indonesia, Bandung is famous for its development in the creative economy sectors. Fahmi (2014) mentioned that the British Council selected Bandung to be included in East Asia’s creative city development project as one of the pilots. This happened before the Indonesian President defined the creative economy policy. Bandung has also been accepted as a World’s Creative Cities Network member by the United Nations for Educational, Scientific and Cultural Organization (UNESCO) on 11 December 2015 (UNESCO, 2015).

On the other hand, creative industries, as an emerging sector, have a high level of uncertainty and a low level of institutionalization in emerging markets. This condition offers institutional entrepreneurs multiple opportunities to capitalize on uncertainty (Tracey & Phillips, 2011). Also, the development of creative industries differs according to the region (Fahmi, 2014). Aritenang (2013) and Cohen (2015) argued that the implementation of creative industry policies in various fields should be modified to suit local conditions before existing policies. Therefore, it is necessary to study the institutionalization in emerging markets due to differences in emerging market conditions (Tracey & Phillips, 2011). The transition between various types of capital emerges to be an important process that promotes institutional entrepreneurship. Institutions are also known as one of the ten pillars of national competitiveness, and an important indicator of this pillar is social capital. The 2018 Global Competitiveness Report presented social capital as the highest indicator in Indonesia (World Economic Forum, 2018). Indonesia ranked 10th out of 140 countries on this indicator. The Organization for Economic Cooperation and Development (OECD) defines social capital as a network with shared norms, values and interests that facilitate collaboration within or between groups (Keeley, 2007, p. 103).

In the past, the creative economy’s growth was not fully supported by the regulations of the government. There are no specific studies on the policy or economic impacts on creative industries in Indonesia (Simatupang, 2007). The British Council also adds that cultural infrastructure and policy are lacking in many countries in the Asia region. More specifically, the Bandung city government published the 2008-2013 Mid-Term Regional Development Plan as the first document to address the innovative city (Fitriyana & Sofhani, 2012). On the other hand, the central government organized mapping the creative industry in 2007 and by 2008 they created the plan document for the development of Indonesia’s creative economy for the period 2009-2015 (Ministry of Trade, 2008). Both government documents discuss the creative economy in 2008, while since 1998 the Bandung’s creative economy itself has been growing (Setiadi et al., 2012). There is a ten-year gap between the movement carried out by domestic fashion players and the policy related to the creative economy defined by the Indonesian government. This phenomenon arouses curiosity about the actions that actors take in the face of constraints of the institutional environment. There has been considerable development of the creative economy in Indonesia as mentioned earlier, and no specific institutions are available to run the creative economy. Therefore, this condition became the basis for this study to be conducted.

Furthermore, there are only small numbers of preceding research displays the institutional entrepreneurship topic conducted in the past nine years in the context of Indonesia. They handiest mentioned some sectors, including city development (Dieleman, 2011), marine sector (Rosen & Olsson, 2013; Schouten et al., 2016; Von Heland et al., 2014), government (Wahid, 2017; Wahid & Sein, 2013), tourism (Dahles & Prabawa, 2013), and monetary development (Spranz et al., 2012). Later, updated research examined those entrepreneurial activities in developing countries to handle the institutional voids that are still under-researched (Eijdenberg et al., 2019). From 2001, while the United Kingdom Department for Digital, Culture, Media and Sport (DCMS) posted the second Creative Industries Mapping until the time when creative industries term has become tremendous in emerging markets, institutional theory’s utilization in creative economy studies in emerging markets was not discovered well. The discussion about creative economy in emerging markets by using institutional principles is only found in four papers. Research by Liu (2011) explicitly mentions institutional entrepreneurs while three other papers analyzed creative industries together with other sectors (Miller et al., 2009; Tracey & Phillips, 2011; Zilber, 2007). After reading a few preceding research, it could be observed that there is still a gap available regarding the institutional study in the emerging markets as well as the creative industries. Hence, the novelty of this research is explaining the creative economy in an emerging market from the angle of institutional entrepreneurship.
In addition, the research objective of this project is to explore the underdeveloped institutional environment that creative economy actors face and how they handle the underdeveloped institutional environment. This study also explains who plays the role of institutional entrepreneurs in the development of Bandung’s creative economy. The contributions of this study are promoting research on institutional entrepreneurship as well as institutional work in the emerging markets context. This research can be utilized as a reference for further studies on the development of the creative economy, and inspiring other parts of Indonesia and other emerging markets to develop their creative industries. A description of the underlying theory of this study, as well as previous studies, is presented in the next section.

II. LITERATURE REVIEW

Scott (2001, p. 48) explains institutions consist of regulative, normative, and cultural-cognitive elements, together with associated resources and activities, that give meaning and stability to social life. Institutions operated in the institutional environment and an environment consisting of other institutions that influence the process of gaining legitimacy was recognized by the neo-institutional theory. Most importantly, there are cultural-cognitive, normative, and regulative as the three pillars of institutions.

Cultural, economic, and political institutions can enable or disrupt business activities. There is also a sort of paradox built into the institutional theory (Eijdenberg et al., 2019). Marginal actors help shape and win new practices, however, the transform institutions’ power is frequently minimal. In contrast, there is a shortage of dominant actors’ motivation, even though they possess the ability to impact change (Garud et al., 2007). It is recognized that the institutional theory has profound contributions to emerging markets. By intending to improve the institutional environment, there is considerable potential for the entrepreneurs in emerging markets to become institutional entrepreneurs. Moreover, the act of creating institutions reflects the institutional entrepreneurship’s act (DiMaggio, 1988). In addition, Lawrence & Suddaby (2006) argue that DiMaggio’s work has led researchers who study institutional topics to change their views on the impact of actors and agencies on institutions.

“Institutional entrepreneurs can be individuals, small or large firms, governmental, or not-for-profit organizations” (Tracey & Phillips, 2011, p. 29), particularly in associations, professions, social movements, and networks (Hardy & Maguire, 2017). As mentioned by Yavuz et al. (2014), institutional entrepreneurs can be organizations or individuals operating in distinct locations, such as peripheral or central, and in distinct field conditions, namely emerging or mature sectors. The transition between different forms of capital emerges as an important process that enables institutional entrepreneurship. This point completes the resource mobilization’s explanation. There are four different forms of capital namely cultural, economic, symbolic, and social capital (Bourdieu & Richardson, 1986).

Battilana et al. (2009) state that at a time entrepreneurs create new business models, these parties could be seen as institutional entrepreneurs. Nevertheless, institutional entrepreneurs do not automatically become entrepreneurs, because new business initiation is not a required institutional entrepreneurship element. Institutional entrepreneurship can be analyzed as follows (Hardy & Maguire, 2017):

1. The actors’ type taking on the position of institutional entrepreneurship is classified according to the characteristics related to those actors and the actors’ position in a given field.
2. The conditions of the field help embark on institutional entrepreneurship based on state/circumstances and stimuli. There are three types of states or circumstances namely mature, emerging, and in crisis. Meanwhile, stimuli consist of uncertainty, problem, and tension and contradiction.
3. Institutional entrepreneurship is classified by steps and types. Three types of processes, namely reproduce, create, and change. The steps of the process are the introduction of new institutions, the dislodging of available practices in mature fields, and the adoption of new institutions so that they are taken for granted.
4. The basis of the strategies of institutional entrepreneurship for intervention is the construction of justification for institutional change (context, content, and outcomes of communicative acts); mobilization of resources (knowledge, finance, social position, material, political, cultural, and organizational); and forge new relationships among stakeholders to stimulate collective action (coalitions, collaborations, and alliances).

In addition, institutional work that leads to the new institutions’ creation has nine various types which are grouped into three activity types as mentioned by Lawrence & Suddaby (2006). The first category includes
defining, advocacy, and vesting. The second set of actions that includes activities that reconfigure actors’ belief systems consist of changing normative associations, identity building, and normative network building. The third sequence of actions includes mimicry, theorizing, and education. These last sets of actions construct abstract classifications within which the barriers of meaning systems are constructed. Institutional entrepreneurs are easier to find in emerging markets since the conditions in many of them meet weak institutionalization criteria. Furthermore, some resource-constrained environments and weak institutional arrangements are explored to be the emerging markets’ characteristics as stated by Yavuz et al. (2014).

There are three institutional strategies available in emerging markets as mentioned by Tracey & Phillips (2011). They are spanning institutional voids, institutional brokering, and bridging the institutional distance. Spanning institutional voids is filling the gap caused by the unavailability of the institutions needed for easing economic activity. Another meaning that Mair & Marti (2009) stated is that “institutional voids happen when there is an absence, weakness, or failure of institutional arrangements in accomplishing the actors’ roles”. Entrepreneurs reduce the uncertainty of institutions by requisitioning the other entities’ risk in institutional brokering. While bridging the institutional distance means shifting or transforming an institution between countries.

There is a search for previous studies which were published from 2013 to 2019 that discussed institutional entrepreneurs by using the Scopus database. After a manual screening, the search found 13 documents that analyzed the emerging markets and/or creative economy context. These studies are Scaraboto & Fischer (2013) that focused on the fashion subsector, von Heland et al. (2014) that spotlighted the Indonesian marine sector, Ojha and Rao (2014) that focused on the software industry, Jolly et al. (2016) that conducted their study in Finland and India in the energy sector, Adjei-Nsiah and Klerkx (2016) that focused on palm oil in Ghana, Bakir and Jarvis (2017) that examined the government sector in Turkey and Australia, Yağcı (2017) that spotlighted the financial policy in Turkey, Wahid (2017) that observed Indonesian government, Othaar et al. (2017) that studied in Ethiopia, van Oosten et al. (2018) that spotlighted the landscape governance in Rwanda, Järnb erg et al. (2018) that focused on Ethiopian agriculture, Morisson and Doussineau (2019) that observed innovation policy in Netherlands, Spain, and Colombia, and Onsongo (2019) that focused on the microfinance in Kenya. It can be seen that there are limited institutional entrepreneur studies that focused on the creative economy sector. There are only two studies that analyzed creative economy-related sectors namely the fashion and software industry.

Moreover, as mentioned above, institutional entrepreneurship studies conducted to analyze the situation in Indonesia have been very limited in the last nine years. Indonesia, on the other hand, is called “one of the most exciting and fastest-growing emerging economies in the world.” By 2030, Indonesia is also projected by McKinsey & Company to become the world's seventh-largest economy. Indonesian rich diversity and cultural heritage were complemented by its enormous domestic market. This situation brings a bigger opportunity for the creative industries, although the official infrastructure is still minimal (British Council, 2012). Hence, the potential to study institutional entrepreneurship in the creative economy in the Indonesian context is very large. Furthermore, Eijdenberg et al. (2019) investigated those entrepreneurial activities in developing countries in tackling the institutional voids that are still under-researched. The papers that analyzed the emerging markets’ creative industries by utilizing the institutional theory are only four. The closest study is research by Liu (2011). It points to the availability of institutional entrepreneurs while the study of the creative industries as not the only one focus on emerging markets is written in the three other papers (Miller et al., 2009; Tracey & Phillips, 2011; Zilber, 2007).

III. RESEARCH METHODOLOGY

This study applies the assumption of social constructionists. This assumption is tacked in the interpretive paradigm. Social realities and ourselves are closely interwoven in daily interactions as each is formed by others. This is the idea of social constructionism (Cunliffe, 2008). Willig (2012, p. 12) notes that the focus of social constructionism is knowledge creation and its materials and resources. This research can be classified as exploratory research following the classification from Saunders & Lewis (2018, p. 115).

The purposive method to pick the participants in this research was specifically used to confirm that the data source was relevant to this study. This method is specifically utilized to gather qualitative data by picking a small number of participants (Saunders & Lewis, 2018, p.145). The Quadruple Helix model has been identified
by the Indonesian government as the driving force behind Indonesia’s creative economy development model as stated by the Ministry of Tourism and Creative Economy (2014). Hence, this research uses this model and involves academics, businessmen, governments, and communities.

We have identified fifteen participants from thirteen quadruple helix unit organizations were selected for the study. These participants are three scholars from three universities, five people from four different companies, three government officials, and four people that represent three communities. Specifically, the potential interviewees for each case company are the Board of Directors; Supplier; Provider; Wholesaler; Artist/Designer; and Employees. This research utilizes the method of case study since the research questions reveal some current situations and require a complete and comprehensive explanation of some institutional entrepreneurship’s phenomena in the creative industries of emerging economies (Yin, 2014, p.4). We believe that using multiple case studies has a greater advantage over completing a problem than a single case study, as multiple case studies can be used to improve and span gaps in different cases (Yin, 2009, p. 61-62).

In this research, we study four Bandung companies in the creative fashion industry. These represent two categories of volume-based classification of Indonesian fashion development: luxury and mass production (Ministry of Tourism and Creative Economy, 2014). They can induce data from 1997 to 1998 when the economic crisis happened as stated by Setiadi et al. (2012). The classification of enterprises also reflects the two strategies of production: make-to-stock production and make-to-order production. A detailed interview was selected as the data acquisition approach. When organizing interviews as recommended by Cunliffe (2008) for social constructive study, researchers focused on the surrounding participants found during the sensemaking process. The results of each interview relate to other results, as social constructionism stresses collective bargaining of meaning. There are also several documents examined to assist the data collected from the interviewees. The basis of conducting documentary analysis should be the social reality so it can be traced through artifacts and stories. Conducting documentary analysis to complement in-depth interviews is taken into consideration suitable for the paradigm chosen. Both reflect the occasions experienced by participants and allow the text and interactions’ analysis, practices in the organization, and symbolic materials. The researchers also examined several documents in this study such as the company/organization documents, including company/organization profile and procedures; government documents, including regulation, policy, reports, law; creative fashion industry’s news articles; and blog posts, social media, as well as online videos. During the interviews, the major language used is Indonesian. However, few participants mixed it with the local language used in the Bandung area, Sundanese language. The result of the interviews was recorded in audio form with participants’ permission. This permission was gained at the same time the interviewee signed the form of consent before the interview began.

The truth of the research results means the validity of the research based on the interpretation. This shows that the findings accurately represent what is happening in that situation (Saunders & Lewis, 2018, p. 134). Because this study uses case studies as a method, three validity tests are often used for quality assurance: internal validity, external validity, and construct validity (Yin, 2014, p. 45). Three tactics can be used to increase the validity of the construct when conducting a case study. First, researchers used multiple sources of proof, namely documents, archive records, interviews, and physical artifacts, as described in Yin (2014, p. 104). Second, researchers built a chain of proof. The majority of the proof is cited and treated like books and scientific articles. These proofs are sorted in the bibliography. To manage the references, researchers utilized and created them with a bibliography software named Mendeley. Therefore, the proof is recorded and stored in Mendeley in the PDF file form. As the last step in construct validity, the third tactic is to get the main informants to review the draft report. The final step to test the validity in this research is external validity. Since this research uses multiple case studies, the researcher chose the replication logic as the tactic to increase external validity. This is reflected in the participant selection process for this survey. Moreover, this research did not utilize internal validity. It is known that interval validity can only be used for descriptive or causal studies, while this research is an exploratory study.

As mentioned by Yin (2014, p. 240), "consistency and reproducibility of the research methods used in the case study" is the definition of reliability. This ensures the reliability of the results using a consistent approach. This study is as follows Yin's (2014, p. 85–86) suggestions for using case study protocols by providing study summaries, data collection procedures, interview questions, and guides to reports. This study organized and
recorded the primary data gathered using software named NVivo version 11 and the secondary data is organized by Mendeley.

Tracy (2013, p. 188) mentioned that the process of iterative analysis begins with the immersion of data. Researchers delved into the data later in the process of data acquisition. Second, researchers posted the data and confirmed the posting. The complete transcription of the interview was originally written in Indonesian. Then as the third step, these transcripts were translated into English. The writing record was translated carefully by researchers and reviewed by two experts. Before the coding process, the data was then organized and stored in NVivo. After this, primary cycle coding was conducted and involves the identification of data that belongs to or represents a phenomenon. To infer the meaning of the data, a circular reflexive trial process was used in the data analysis. To assist the data analysis process, a computer-aided approach was selected for this study. This research uses NVivo as software for storing the data as well as coding the data.

This process continued to develop a systematic codebook containing a list of keycodes and a definition for each code. Then a second coding cycle was organized. Researchers have used earlier identified codes to classify them into interpretation concepts. Then the researchers ran the composition using the analytic memo. The analytic memo is useful to understand the codes’ relationships. In the last step, creating a working hypothesis is the focus of the analytical process. Researchers then identified the impacts found, whether or not they answered the research question.

IV. RESULT AND DISCUSSION

A. Result

After analyzing the data collected from 15 participants, the results of this study show the underdeveloped institutional environment, bottom-up approach to the Bandung creative industries’ development, and the cultural-cognitive pillar as the basis of Bandung’s creative economy development. An important community’s role in making it an institutional entrepreneur has also been found in the development of Bandung’s creative economy.

The condition for the underdeveloped institutional environment was the lack of access to the government’s creative industrial policy. This condition happened ten years after the economic crisis in the year 1997-1998. As government officials stated and emphasized, it is known that there were no concrete policies for Indonesia’s creative industries in the mid-2000s (Simatupang, 2007). "We are still seeking the political will of the government to support our actions," said a community representative, while since the economic crisis in 1997-1998 some creative industries have run their businesses. The first Indonesian Government document on creative industries was the 2007 Indonesia Creative Industries Mapping Report as stated by the Ministry of Trade (2008). On the other hand, the creative industries concept has been recognized in developed countries since the mid-1990s. When the report of "Creative Nation" was published in Australia in 1994, it was considered as the emergence of the creative industries concept (UN, 2008). Development continued in the United Kingdom in 1997, when the UK DCMS established the Creative Industries Task Force (Flew, 2011, p.9). Furthermore, the underdeveloped institutional environment experienced in Indonesia headed to the institutional void revealed in this research. It is proven that the underdeveloped institutional environment could be a challenge as well as an opportunity for stakeholders. The void is associated with the development of creative industries.

It turns out that the development of Bandung's creative industries is institutionalized with an approach of bottom-up. The communities initiated it before it was further advanced a few years later by the government. The development of the creative industries at the local level took place before the issuance of Presidential Decree No. 6 of 2009. This was related to the creative economy as national regulation. There were 50 independent creative organizations united and established a forum named the Bandung Creative City Forum (BCCF) in 2008 (British Council, 2014). BCCF was founded to establish a city, Bandung, as a leader in urban creativity. Moreover, it is known that the creative economy concept was also endorsed in this mission. It was expected that BCCF could encourage the community at most and deliver the creative economy concept to the community as mentioned in Bandung Creative City Forum (2011a). "The original motive of BCCF was the government, especially the city government at the time, and it didn't look like it was on the side of the community," said a representative of the community. This statement is also supported by the testimony of government officials
recorded by Detik (2009). It is found that the city government’s role in endorsing creative economy development is smaller than the role of communities. The initiative of BCCF was legitimized by a Bandung City Government’s top official, the Mayor’s Assistant for Economy, Development, and People’s Welfare. This legitimation has given when BCCF offered the Bandung City Government 10 featured programs of Bandung’s Asia Creative City in 2008. The existence of BCCF was also admitted by a Vietnamese creative industries actor. He found that the communities’ empowerment was supported by the more neighborhood-like creative scene in Bandung. He desired to apply this in Hanoi, Vietnam too as reported by the British Council (2014).

Initially, BCCF needed to inform Bandung’s community as much as possible about its existence and goals. BCCF also transfers the creative economy understanding to the communities. Recognizing the development and importance of the creative industries around the world, the founders of BCCF have encouraged many of Bandung’s relevant communities to incorporate local elements to develop their creative industries. BCCF co-founder, Ridwan Kamil, saw and observed how the British grows its creative industries in 2006. In addition, in 2007, the British Council selected Bandung as a pilot project for the creative industries development in East Asia as mentioned in Bandung City Regulation No. 3: Medium-Term Development Plan 2013-2018 (2014). This project was not international cooperation, but an initiative of an international creative network (Fahmi, 2014). BCCF attracted and motivated local communities to drive the creative industries with these two international experiences. However, the BCCF faced limitations such as the rigor of the Bandung City Council's bureaucracy in adopting some of the BCCF’s ideas. Despite evidence through conferences, lobbying, events, and activities, it was difficult to intervene in government policy (Fitriyana & Sofhani, 2012).

Moreover, BCCF sought to promote Bandung's creative economy and find creative solutions to many of Bandung's problems by hosting 126 creative events between 2008 and 2013 (Yudiman, 2013). These events create government awareness about the importance of the creative economy, as noted by the former BCCF Commission. BCCF, as a group of communities at the city level, successfully presented the Minister of Tourism and Creative Economy in 2012 for joining a discussion in Bandung (Bandung Creative City Forum, 2012). A year before, BCCF has also presented a team from the British Council to its office and paid a visit to the Creative Village of Bandung (Bandung Creative City Forum, 2011b). These activities prove BCCF's capabilities and reputation at the national level as well as international. The role of this community has also been recognized by the Indonesian government, stated by a senior official of the City Government of Bandung.

The creative economy was developed by BCCF based on a cultural-cognitive basis. BCCF’s initiative to promote the development of the creative industries was carried out without violence or punishment against those who refused to follow it. Therefore, this can be categorized as a cultural cognitive process. The BCCF program is in contrast to the Government Development Program, which begins with a regulatory perspective and gradually moves towards a cultural awareness perspective. BCCF was not able to force creative economy development in the region. They were seen developing the creative economy by launching events and inviting other local communities to participate. Instead of leading others, they encouraged them to work with others to develop a creative economy. A former BCCF secretary said he wanted to convince the government that BCCF could carry out the development of a creative economy without a huge investment, complex bureaucracy, or large infrastructure. BCCF also recognized the potential of Bandung's youth. Therefore, the BCCF used it to promote a creative youth movement and encouraged youth and the community to participate in persuasive manners.

BCCF has led the development of Bandung's creative economy with three major strategies: encourage creative culture, nurture creative businesses/entrepreneurs, and create responsive city planning/designs. These events and activities are initiated and organized by BCCF to help society. Therefore, the concept of the creative economy and its further development was undoubtedly accepted in many respects. These three strategies have been implemented through several actions. To promote a creative culture, BCCF held events, gathered media, organized communities, and organized several educational programs. To nurture creative businesses/entrepreneurs, BCCF activated the business incubators, extended networks, proposed creative economy councils and economic policies. Finally, in the development of responsive urban design and planning, BCCF has begun to enhance creative public spaces, creative clusters, neighborhood regeneration and architecture.
What the BCCF has done to develop the creative economy in a cultural-cognitive way is associated with Indonesia's National Creative Economy Medium-Term Development Plan, which has not been fully implemented in the region. It is known that some actors from the local creative economy participated in drafting this document. However, many local governments did not yet understand this, but they already know the importance of creative economy development. Was there. This situation is highlighted by scholars who have been actively involved in the early stages of the development of the creative economy.

In addition, the process of developing the creative industries initiated and carried out by BCCF can be seen as institutional work. Therefore, BCCF is an institutional entrepreneur in the development of the creative economy in Bandung. BCCF spanned the institutional void, the lack of a comprehensive program for the development of the creative economy. BCCF promoted the creative economy concept and encouraged everyone involved to develop the creative economy. This action is conducted by managing and holding many events to promote the concept. BCCF’s efforts have been acknowledged not only by the local and central governments but also by some international organizations such as the British Council and Vietnamese creative industry activists. The breakthrough moment was indicated before the publication of some government policies. BCCF is also the representative of the fourth helix of the four helices, the community. In addition, an assessment of the results of this study and a presentation of its relevance to literature reviews and study questions are presented in the next section.

B. Discussion

The lack of appropriate policies led to the absence of a comprehensive program for creative economy development. This example identifies several favorable rules in the early stage of the development of the mentioned Indonesian creative economy (Setiowati et al., 2015; British Council, 2014; Ministry of Tourism and Creative Economy, 2014). The lack of comprehensive programs for creative economy development can be explained by the underdeveloped government and regulatory infrastructure (Marquis & Raynard, 2015). Eijdenberg et al. (2019) and Kshetri (2014) noted that the fuzzy rule is a major institutional constraint in emerging markets due to political factors. This condition confirms the weak institutional arrangements and institutional uncertainty typical of emerging markets (Tracey & Phillips, 2011).

It is found that Indonesia's social capital score supported the institutional work practices found in this study, which ranked 10th in the World Economic Forum (2018). Reflecting the social capital’s bridge categories as stated by Keely (2007), the relationships between actors executing institutional work in creative economic development go beyond a shared sense of identity. The cohesion between participants that has been shown to fill some voids is strong evidence for the use of social capital, as demonstrated by Carney et al. (2008).

The community is recognized as a major player in institutional entrepreneurship in Bandung's creative industries. The community analysis of this study also details Battilana (2009), who suggested that community-level analysis, especially local communities, should be paid attention to in institutional entrepreneurship studies. To explain the BCCF’s role in the development process of the creative economy, the importance of the community in the creative economy as stated by Pahlevi (2018) was confirmed by this study. This finding supports a study by Fahmi (2014) who discovered that Bandung's creative economy discourse was introduced by the BCCF members who are scholars and creative entrepreneurs. The role of the community has demonstrated that regional institutions and circumstances influence the success of policymaking (Fahmi, 2014; Jennings et al., 2013). The characteristics of BCCF are consistent with what was Liljemark (2004) explained, saying that the Quadruple Helix system’s fourth element is a non-profit, member-based, independent organization capable of integrating private and government sector capital. It can also make links between the entities of the triple helix. Thus, this study also confirms the findings of Fuzi (2013) that communities, as the fourth helix of the quadruple helix model, demonstrate an active role in knowledge generation.

This study also found significant contributions from less powerful actors as found in Mair & Marti (2009), Jolly et al. (2016), and Yavuz et al. (2014). Here, BCCF can be classified as an institutional entrepreneur with limited resources and a less powerful actor. This research enriches the latest research on institutional topics in emerging market networks (Onsongo, 2019; Eijdenberg et al., 2019; and Webb et al., 2019), although they have been carried out in different industries. Nevertheless, only Onsongo (2019) and this study analyze the actors’ activity developing institutions using strategies to span institutional voids. The other two studies (Eijdenberg et al., 2019; Webb et al., 2019) analyze the relationship between entrepreneurship and institutional theory. They do not focus on institutional entrepreneurship.
By focusing on previous studies of institutional entrepreneurship in emerging markets since 2001, this research enhances the discussion of prior research on institutional building in addressing institutional voids (Almeida et al., 2014; Li et al., 2006; Carney et al., 2008; Liu, 2011; Mair & Marti, 2009; Onsongo, 2019; Rao-Nicholson et al., 2017; Tracey & Phillips, 2011). This research equips Liu’s (2011) study that portrays institutional entrepreneurship in the creative industries of emerging markets. This study also complements and expands Indonesia’s institutional entrepreneurship study. Prior research in Indonesia over the last nine years have emphasized exclusively the tourism (Dahles & Pravawa, 2013); marine sector (von Heland et al., 2014; Rosen & Olsson, 2013); economic development (Spranz et al., 2012); governmental aspects (Wahid, 2017; Wahid & Sein, 2013); and urban development (Dieleman, 2011; Carney et al., 2016). This study offers different perspectives and discusses institutional entrepreneurship by considering the creative economy as a subject in the Indonesian context.

This institutional work carried out by BCCF to promote the development of Bandung’s creative economy could be considered a form of advocacy as classified by Lawrence & Suddaby (2006). The BCCF was able to receive regulatory support from the central and local governments and mobilized political support from various communities in Bandung. In its advocacy, resources from multiple parties can be sought by BCCF to promote its agenda in focusing on Bandung as a creative city, run the event, and propose the Bandung City Government to develop the regulation of the creative economy. The creative economy development has been introduced bottom-up by BCCF but has been developed by the UK government in a top-down way (Flew, 2011).

Institutional work carried out by BCCF can also be evaluated as effective open advocacy because it meets two requisites, as Li et al. (2006) stated. First, governments should be tolerant of criticisms of existing regulations, policies, and laws. This aspect was evidenced by the local government’s approval of BCCF’s creative city proposal. Second, the changes proposed by institutional entrepreneurs should benefit the majority of the population, not just individual entrepreneurs. Here, BCCF has spanned the institutional voids associated with the development of Bandung’s creative economy, not only for the individual parties.

The explained void can be categorized as policy void. This term was used by Onsongo (2019) to indicate that there is no relevant law or policy associated with a regulatory agency. According to Webb (2019), this void found is a formal institutional because the government’s economic, legal, and political or regulatory institutions have not been able to provide the property rights protection, governance, basic systems of infrastructures, and/or rule of law. In addition, evidence of the development of Bandung’s creative economy supports Pratt’s (2009) research, which points to the failure of common policies such as cross-border and cross-sectoral policies. Each country and industry have its unique conditions that require devoted policymaking. The British Council helped develop Indonesia’s creative industries by giving technical support to the creative entrepreneurs with some scholars (Fahmi, 2014), but the community developed Bandung’s creative economy strategy at first. This finding also enhances the claim that creative economy policy cannot be completely delivered from a developed to a developing country (Aritenang, 2013; Cohen, 2015; Fahmi, 2014; Kong et al., 2006).

BCCF’s activities for the development of the creative economy represent the activities conducted by Gard et al. (2007) and Hardy & Maguire (2017) which is said to be the paradox of embedded agency. Commonly, the main actor in the development of the local creative industries must be the Bandung City Council. Nevertheless, the local government’s role in the early development of Bandung’s creative economy has been replaced by BCCF. The BCCF was encouraged to do an important role but had no power to intervene in politics. This situation indicates that the BCCF has broken down institutional barriers by establishing a creative economy development program in Bandung, as the government was the most responsible party for shaping economic policy. Conduct to break institutional barriers has been proposed (Li et al., 2006) as an institutional entrepreneurs’ characteristic.

This study also enhances what Fahmi (2014) found that BCCF is an initiator in the development of Bandung’s creative industries, as it comprehensively explains the important role of BCCF. This research further elucidates the transforming local institutions’ process towards the ideas of creative economy policy mentioned in Fahmi’s study. In addition, the nature of the process of creative economy development led by the BCCF is cultural-cognitive as this initiative is embraced and voluntarily pursued by its members and Bandung society. According to Scott (2001, pp. 51–58), the basis for sticking to the pillars of cultural-cognitive is taken for granted. The BCCF initiative in this research updates the results of Fahmi et al. (2017) that wrote about how the creative communities institutionalize the creative economy. The role of the community in the study by Fahmi et al. was not supported by a comprehensive description of the actions they took and the use of resources to institutionalize the creative economy.
V. CONCLUSION

The process of developing the creative industries in Bandung is an institutional work conducted by a community, BCCF (Bandung Creative City Forum), to directly resolve certain characteristics of Bandung’s underdeveloped institutional environment: the unavailability of creative economy policies. This situation made the comprehensive creative economy development program, which has been regarded as an institutional void related to Bandung’s creative economy development, unavailable. This gap has directed one community, BCCF, to begin the process of bottom-up creative economy development. BCCF has undertaken various activities to fill the institutional void faced by those involved in the creative economy.

As a party that conducted institutional work to develop the creative economy to a larger audience, BCCF engaged with many communities from different backgrounds, held academic events and talk shows to discuss the concept, met with and lobbied the government, gained media exposure, and made icons and creations that is easily recognized by the general public. BCCF has also added a local element to the city’s independent events and activities.

In addition, BCCF pushed society to get involved and actively participate in the activities. Events were held to solve the city’s problems, especially to achieve better results. These undoubtedly embraced and recognized the importance of the concept of the creative economy, as society was initially able to benefit from the event. BCCF also participated in national and international events. Then, BCCF publicized these participations locally to get the attention of many stakeholders. The final task was to establish cooperation with some higher levels of government such as provincial government, central government, and international organizations. This was done in parallel with seeking help and putting more pressure on local governments to notice this movement.

This research is one of the first research on institutional entrepreneurship in emerging markets focused on the creative economy. This research also facilitates the study of institutional work and institutional entrepreneurship in emerging markets context. It provides a subtle contextual comprehension of the way of the creative industries in Bandung dealt with the underdeveloped institutional environment. They did not only deal with the institutional environment but also conducted institutional work practices. They made arrangements to span the institutional void. Hence, this research shows the parties who have become institutional entrepreneurs and other parties who have just supported the practices. This research also found the less powerful actors as the institutional entrepreneurs, so the lack of research of institutional entrepreneurship in less powerful actors and their resource mobilization processes was filled by this research. The research proves the embedded agency paradox within the institutional theory. This research shows a community, BCCF, as a marginal actor contributes to the creation and promotion of new practices even it often lacks the power to change the institutions.

The possibility of further research development is extending this study by utilizing the Penta helix approach since this study has only utilized the quadruple helix one. There should be a more interesting finding after analyzing the fifth entity of the Penta helix approach, the media.

REFERENCES


