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THE INFLUENCE OF PRODUCT, PRICE, PROMOTION AND DISTRIBUTION OF THE PERFORMANCE OF THE CREATIVE INDUSTRY IN INDONESIA

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Abstract: The study aimed to examine whether factors such as product, price, promotion and distribution may affect the performance of the creative industries located in the municipality of Makassar, Toraja Toraja Regency North and South. The population in this study is the group of businesses that fall under the category of creative economy industry and a product image featured tourist destination, while samples were used as respondents are entrepreneurs product group creative economy industry is a mainstay and can lift the image of a tourist destination the number of samples to be use as many as 169 samples. The method used in the retrieval of samples through purposive sampling technique. While the methods of analysis used to answer the research hypothesis is multiple linear regression analysis. The analysis showed that a significant difference between the product, price, promotion and distribution may affect the performance of the creative industries with a variable price becomes the most dominant variable.

Keywords: creative industries, production, price, promotion, distribution, regression analysis

1. INTRODUCTION

The term Creative Economy arose to be discussed since John Howkins, wrote the book "Creative Economy, How People Make Money from Ideas". Howkins defined the Creative Economy as an economic activity in which the input and the output is a thought. Or in one short sentence, the essence of creativity is the idea. Then, it is conceivable that capital from only ideas, a creative person who can earn a relatively high income. Surely, the thought here meant as an original work and may be protected by intellectual property rights.

The concept of Creative Economy is an economic concept in the new economic era that intensifies information and creativity by relying on the ideas and stock of

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knowledge from the Human Resources (HR) as the main production factor in their economic activities. The structure of the world economy undergoes a transformation rapidly along with economic growth, from which was based on Natural Resources (SDA), is now followed by Human Resources-based (HR), from the era of genetic and extractive to manufacturing and service information era as well as the latest developments to enter the era of economic creative. In fact, Mari said that the creative economy has a significant contribution to the economy of Indonesia today. Just this year, creative economy accounts for about 7% of the total national GDP with a value of Rp. 642 trillion. The coverage area of the creative economy, most are the economic sectors that do not require huge production scale quantities. Unlike manufacturing industry that oriented at product quantity, creative industries are more reliant on the quality of the creative human resources. Creative Industry more precisely emerges from small or intermediate industry groups. For instance, the creative industry that takes form of a distro intentionally produces smaller quantities of design products. This creates an impression of exclusivity for the consumers that the product distribution becomes eligible to be purchased and even collected. The same also applies to other creative garment products, such as Dagadu Jogja or Joger of Bali. Both the creative industries are not producing in large numbers but their exclusivity and creativities in their design products are popular amongst consumers (Christopherson, 2004)

Although it does not produce in large quantities, the creative industry is able to provide significant positive contribution to the national economy. Department of Commerce (2008) noted that the contribution of the creative industries to GDP in 2002 to 2006 is within the average of 6.3%, equivalent to 152.5 trillion if converted to rupiah. Creative industries are also capable of absorbing the workforce to 5.4 million with a participation rate of 5.8%. In terms of exports, the creative industries have recorded total exports of 10.6% between 2002 and 2006.

Referring to the figures above, the creative economy is potential and prominent, in need to be developed in Indonesia. The world has known Sulawesi Selatan as one destination of a tourism, in Indonesia, especially the cities of Makassar, Tana Toraja, Wajo, and Bulukumba, where all four of the area is very popular with local products as well as the diversity of creative industry products. Creative industries sector in Sulawesi Selatan create many jobs for the people in the tourist destination, with a unique local products, each uplifts the traveling value of the destination.

Based on the background above, The study aimed to examine whether factors such as product, price, promotion and distribution may affect the performance of the creative industries located in the municipality of Makassar, Toraja Toraja Regency North and South. Originality for this paper shows: (1) influence of product, price, promotion and distribution of the performance of the creative industry, (2) Most Outstanding Cooperatives in Makasar, South Sulawesi, Indonesia.Therefore, an assessment of the depth of the factors that affect the performance of the creative industries is necessary in order to form a strategy that needs to be done in pushing the industrial growth of the creative economy, so it can serve as the backbone of economy based on democratic economy capable which uplifts the welfare of the communities, creating jobs, lifting a positive image of a tourist destination and the PAD receiving in local government.

2. LITERATURE REVIEW

2.1. Creative Economy

The definition of creative economy is yet to be formulated clearly. Creativity, which became a vital element in the creative economy itself is still difficult to distinguish whether a process or human's innate character. Ministry of Commerce of the Republic of Indonesia (2008) formulated the creative economy as an effort to sustainable economic development through creativity and competitive economic climate and has reserves of renewable resources. A clearer definition is submitted by UNDP (2008), which formulated that the creative economy is an integrative part of the knowledge that is innovative, creative use of technology, and culture.

Creative Economy and Tourism Development are defined as activity trips taken temporarily from their original places to the area of interest for reasons not to settle or make a living, but just to have fun, satisfy curiosity, to spend free time or time off and other goals (UNESCO, 2009). Meanwhile, according to UU No.10/2009 on Tourism, which defined tourism as a wide range of tourist activities and is supported by a wide range of facilities and services provided by the public, employers, the Government, and the local Government? One or more who travel and perform activities called is called tourist. Tourists associated with travel can be grouped into two categories, namely domestic tourists and international tourists. Domestic tourists are Indonesian citizens who travel while international tourists are for foreign travelers who travel (Evans, 2009; Can, 2006; and Orhan, 2010).

Implementation of the strategy of creative economic development through the tourism sector has been applied in several areas. Some of them are fairly successful and popular which is Kanazawa (Japan), New Zealand, and Singapore. In Kanazawa, Japan is offering travel packages to the making of handicraft of local residents. Handicraft products in Kanazawa are a form of traditional crafts, such as ceramics and silks. The artisans worked simultaneously to sell and show case their products around the castle of Kanazawa (Kanazawa Kanazawa City Tourism Association, 2010). In the development of creative economy through the tourism sector is explained further by Yozcu and Ýçöz (2010), a creativity will stimulate tourist destination to create innovative products that will add value and higher competitiveness compared with other tourist destinations. In terms of the traveler's point of view, they will feel more interested in visiting tourist areas that have a distinctive product then take them home as a souvenir. In addition, creative products indirectly will involve individual and enterprise close to the cultural sector. The

contiguity will bring a positive impact on efforts to preserve the cultural and economic as well as aesthetics of the tourist sites.

The potential development of creative economy as a driver of tourism sector in Indonesia is still not implemented optimally. When compared with the pattern of overseas tour packages as described above, Indonesia adopted a form of the travel package into a tourist village. Until now, there are many villages that have sprung up, but only a fraction is successful (in the sense of which could bring tourists regularly and improve the economy of its citizens). The phenomenon of many tourist villages in Indonesia often occurs not as a form of creativity, but rather on common prestige. It is still likely to find tourist village in which the infrastructure is not prepared for tourists to visit. The disadvantage of the tourist village concept further is the lack of promotional efforts and the absence of links with the creative industries to souvenirs production. Tourists just come and go back to home without buying something to remember by (memorabilia) or to promote to other potential travelers. In other words, it can be said that the creative economy and the tourism sector in most cities in Indonesia are run separately. There is still a lack of linkage between the creative economy and the tourism sector, which can be seen from the absence of a typical souvenir sales area. If anything, in the souvenir store, the souvenirs are sold have the impression of "okay" quality only, and can easily be found in other areas. Or, in some cases, the souvenir stores can be located too far away. Gabusan market of Yogyakarta is one example of a creative economy that are too far away from tourist attractions, less promoted, and with design product that is "okay" so that it becomes a project that failed to bring in more tourists.

2.2. The development of the creative industry in Indonesia

A creative economy development model that was developed to Indonesia is in the form of buildings consisting of the foundation components, 5 pillars and roof that are mutually reinforcing in accordance with their respective functions. The explanation of building components creative economy is as follows:

- **FOUNDATION**: People (Human Resources) are the main asset of the creative industries that characterize almost all sub-sectors of the creative industries.
- **5 MAIN PILLARS**, which must be strengthened in developing creative industries:
 - 1. Industry is a collection of companies engaged in the field of creative industries
 - 2. Technology is an enabler to actualize individuals' creativity in the form of real work.
 - 3. Resource is the input in addition to creativity and individual knowledge needed in the creative process, e.g. natural resources, land.
 - 4. Institution the social order (norms, values, and laws) that govern the interactions between economic agents, especially in the field of creative industries

- 5. Financial Intermediary is a finance-channeling institution
- **ROOF:** Building of creative economy is housed within the interaction of triple helix composed ofIntellectuals, Business, and Government as economics agents.
 - 1. Intellectuals who are in formal, informal and non-formal educational institutions which play a role as a driver of the birth of science and ideas which is a source of creativity and the birth of the creative potentials of the Indonesian people
 - 2. Business, business operators who are able to transform creativity into economic value
 - 3. The government, as a facilitator and regulator so that creative industries can grow and thrive.

2.3. Destinations of Tourists Village

The efforts of Ministry of Tourism and Creative Economy (Kemenparekraf) in stimulating small and medium micro enterprises is conducted by the government through the development of creative centers in a number of regions in Indonesia. Director of Development of Visual Arts, Directorate General of Creative Economy Based on Cultural Arts (Kemenparekraf), Watie Moerani explains a destination tourists village becomes the goal to encourage the competitiveness of small businesses. "They chose the area for a tourist destination is part of a target destination program in Indonesia, among others, Pacitan, Batang and Magelang (Central Java), Tana Toraja (Sulawesi Selatan), as well as the West Manggarai (Nusa Tenggara Timur). Centers of creative development have the potential to evolve, as well as a pilot project industrial centre, especially in Pacitan with batik production and gem industry," he said during a visit to Pacitan, East Java (East Java). According to him, the development of creative centers should be based on the spirit of the crafter itself. It is where creative attitude determines the level of competition with similar products competitively. Namely, it is started from the design, which is dynamic with traditional motifs typical of each city. "Creative centers of the government program to accommodate small medium businesses will continue in effect until 2015. Thus, the ability of the crafter in these areas would continue to be skilled. It is because traditional motifs should always be maintained, preserved and developed extensively," he said. Not only had that, for instance, the mayor of West Manggarai, begun producing their won batik headband, previously imported from Solo (Central Java). This proves that the civic potential can grow so extensively, especially in the district of West Manggarai, where there is also a Komodo sailcloth, which is their specialty. Nonetheless, according to Moerani Watie, it still needs many improvements, such as the selling price of the product. She pointed it out, that batik with natural coloring produced in district Pacitan price is quite expensive. So to some extent, that will affect the consumers to buy. In the Smesco exhibition, the price of that batik is above Rp. 500.000. Not all of citizens of Jakarta can afford to buy one. "It means that the community's understanding of the world of the

creative industries is quite expensive in terms of production. For it requires tenacity and special craft processing to a finished product ready for sale in the wider community,"

2.4. Challenges of Creative Economy Development as a Driver for Tourism Sector

The development of creative economy as a driver of tourism sector, although sounds very promising, but still has a number of scattered challenges. These related to the sustainability of creative industries to drive the tourism sector itself. A Trend tends quickly change so that crafters are required to be able to create creative and innovative products. On the other hand, they also cannot be stuck on the taste of the market because it can eliminate the originality and uniqueness of their product (Syahra, 2000). Ooi (2006) identified a number of development challenges as follows:

a. Product Quality

By relying on tourism development, the product of the creative economy will be more oriented to the tastes of tourists and produced in considerable amounts as a souvenir. This may result in the loss of uniqueness or uniqueness value of the products of the creative economy.

b. Social conflicts related to the issue of commercialization and commodification

Creative economic development through tourism can "commercialize" social spaces and social life to display for tourists as a tourist attraction. If it is not managed to involve the local community, it can develop into social conflicts, because in some communities there are social spaces that were sacred and not to be shown on tourists.

c. Management of the creative economy

Creative economy often presents products that related to political issues or social issues, which are very sensitive (e.g. racism). To overcome this, it takes a creative good economic management, with one function of determining "guideline" creative economy, which should be developed and not be developed.

3. METHODOLOGY

The design of this study aimed to examine whether factors such as product, price, promotion and distribution affect the performance of the creative industries. The research location is The cities of Makassar, Toraja North and South Toraja, on the basis of the consideration that the region is a tourist destination (DTW) the which has a unique product of developed creative economy and has a sale value in every tourism destination. The data coming from the Internal Competence Research funding (Payangan, *et al.*, 2014).

The population in this study is the group of businesses that fall under the category of creative economy industry and a superior product image of a tourist destination,

while samples used as respondents are entrepreneurs' groups of industrial products the which is a Main Stay of the creative economy and can lift the image of tourism destinations. The number of samples the which will be used is as many as 169 samples. The method used in the retrieval of samples through purposive sampling technique. While The analytical method used to answer the research hypothesis is factor analysis and multiple linear regression analysis with the details of the variable and its indicators as well as a conceptual diagram is presented in the table and figure below:

No.	Variable		Indicators	Measurement Scale	
1	Product Factor (X1)	1.1.	Product quality	Likert scale	
		1.2.	Nice design size		
		1.3.	Product innovation has always done		
		1.4.	Has a unique local		
		1.5.	Able to lift the image of DTW		
		1.6.	whether local products are also exported		
		1.7.	if there is demand from outside		
		1.8.	Is there a concern of local governments		
		1.9.	Has a unique local		
		1:10	Able to lift the image of DTW		
		1:12	Able to compete		
2	The Price Factor (X2)	1.1.	An affordable price	Likert scale	
		1.2.	In accordance with the size of the product		
		1.3.	Can a price cut		
		1.4.	In accordance tourist arrivals		
		1.5.	In accordance with the quality standards		
		1.6.	There is a local government intervention		
		1.7.	charges restribusi		
		1.8.	Is there an entry fee to DTW		
3	Promotions factor (X3)	1.1.	Products can be obtained anywhere	Likert scale	
		1.2.	Have a Network Marketing		
		1.3.	Well-organized		
		1.4.	Can be ordered directly		
		1.5.	Is a well-organized network		
		1.6.	Is there a middleman marketers		
		1.7.	Is there a local distribution network		
4	Distribution factor (X4)	1.1.	Products can be obtained anywhere	Likert scale	
		1.2.	Have a Network Marketing		
		1.3.	Well-organized		
		1.4.	Can be ordered directly		
		1.5.	Is a well-organized network		
		1.6.	Is there a middleman marketers		
		1.7.	Is there a local distribution network		

Table 1 Variable Name and Indicators Research



Figure 1: Conceptual Framework

4. RESULT AND DISCUSSION

4.1. Instrument Test

The complete results of testing the validity and reliability of the questionnaire can be seen in the following table. The data in the above table shows that all the indicators used in this study considered valid because it has a correlation coefficient value above the standards set (r > 0.30). Then according to the Cronbach Alpha value generated for each variable (α > 0.60), it can be said that the variables used are included in the category of reliable. Therefore, it can be said that the data collection instruments / questionnaires used in this study is valid and reliable.

4.2. Analysis Result

In the factor analysis, there are several requirements that must be met first. First, is the value of Bartlett Test of Sphericity. This indication is measuring sphericity of factor analysis, where the requirements are met if the Sig value is less than 0.05. Second, is the magnitude of Kaiser Meyer Olkin Measure of Sampling (KMO) is the the distance comparison index between a correlation coefficient with the partial correlation coefficients. If the sum of the squares of partial correlation coefficient between all pairs of variables is small when compared with the sum of squared correlation coefficient, hence it yields a value close to 1. KMO Value is considered sufficient if it is greater than 0.5. Third, is the computation *Measures of Sampling Adequacy* (MSA) or indicated how well the sample size. If the MSA value is more than 0.5, then it qualifies factor analysis, otherwise if the MSA value is less than 0.5, the indicator is not included in the factor analysis. A variable performance creative industry (YG) is influenced by

Table 2 Validity and Reliability Result Test					
Variabel	Indicators	Validity	Reliabi	lity	
		Coeff	Sig	Alpha Cronbach (Sig.
Product (X ₁)	1. X _{1.1}	0,377	Valid	0,833	Reliable
	2. X _{1.2}	0,601	Valid		
	3. X _{1.3}	0,424	Valid		
	4. X _{1.4}	0,469	Valid		
	5. X _{1.5}	0,399	Valid		
	6. X _{1.6}	0,557	Valid		
	7. X _{1.7}	0,411	Valid		
	8. X _{1.8}	0,307	Valid		
	9. X _{1.9}	0,663	Valid		
	10. X _{1.10}	0,642	Valid		
	11. X _{1.11}	0,784	Valid		
	12. X _{1.12}	0,592	Valid		
Price (X_2)	1. X _{2.1}	0,432	Valid	0,785	Reliable
	2. X _{2.2}	0,683	Valid		
	3. X _{2.3}	0,539	Valid		
	4. X _{2.4}	0,562	Valid		
	5. X _{2.5}	0,554	Valid		
	6. X _{2.6}	0,333	Valid		
	7. X _{2.7}	0,371	Valid		
	8. X _{2.8}	0,505	Valid		
Promotion (X_3)	1. X _{3.1}	0,531	Valid	0,669	Reliable
	2. X _{3.2}	0,512	Valid		
	3. X _{3.3}	0,450	Valid		
	4. X _{3.4}	0,488	Valid		
	5. X _{3.5}	0,383	Valid		
	6. X _{3.6}	0,302	Valid		
	7. X _{3.7}	0,390	Valid		
	8. X _{3.8}	0,323	Valid		
	9. X _{3.9}	0,353	Valid		
Distribution (X_4)	1. X _{4.1}	0,312	Valid	0,684	Reliable
	2. X _{4.2}	0,534	Valid		
	3. X _{4.3}	0,674	Valid		
	4. X _{4.4}	0,399	Valid		
	5. X _{4.5}	0,307	Valid		
	6. X _{4.6}	0,342	Valid		
	7. X _{4.7}	0,301	Valid		

The Influence of Product, Price, Promotion and Distribution of the Performance...

four factors: Factor, The Price Factor, Factor Promotion and Distribution Factor. The results of the factor analysis are presented in the following table:

the Creative Industry Performance					
Manifest Variabel	Communalities Value	Loading Factor	КМО	MSA	Bartlett Significant
X1	0.592	0.769	0.725	0.722	0.000
X2	0.725	0.851		0.689	
X3	0.561	0.749		0.797	
X4	0.628	0.793		0.719	
Eigen Value		2,060			

68,655

68,655

 Table 3

 Analysis Factors to Influence Factor of Production, Pricing, Distribution and Promotion of the Creative Industry Performance

From the table above, it shows that the entire MSA value for each variable has been above 0.5 so that it can be concluded that the answer to the question for each item on a fourth variable factors can be used for further analysis. The KMO value is 0.725, above 0.5. This demonstrates the suitability of the application of the model with factor analysis for these variables is quite good. Bartlett's test significance value is 0.000, less than α (0.05), it indicates that the correlation matrix between variables manifest not the identity matrix (matrices possibility = 0). It concluded that answers questions for each variable can be used for further analysis. On the results of the Factor Analysis with Principal Component Analysis extraction method, the result is significant 1 eigen value (> 1.0) so it can be said that the four variables: product, price, promotion and distribution affect the performance of the creative industries. To determine which variables are the most dominant influence on the performance of the creative industries, can be seen through the loading factor of the highest value. Based on the results in Table 3, it is known that the highest factor loading values is obtained at variable of price, so it can be said that the price factor is the most dominant factor that determines the performance of the creative industries.

Before the regression analysis can be interpreted, first performed classical assumption test which includes the assumption of normality, multicollinearity, heteroscedasticity, and linearity. For the assumptions of normality, testing can test using Kolmogorov Smirnov test. If the test results show the Sig > 0.05, then the normality assumption is met. Conversely, if the value of Sig < 0.05, then the normality assumption is not met. The test results obtained by the Sig Kolmogorov Smirnov of 0.708. Because the value of Sig> 0.05, then the normality assumption is met. Furthermore, the assumption multikolinieritas tested by calculating the value of VIF (Variance Inflating Factor). If VIF < 10, it can be concluded there is no autocorrelation. The test results are shown multicollinearity assumptions in Table 3 below:

Total Variance

Cumulative Total Variance

Tabel 4 Assumptions Non-Multicollinierity Results				
Independent Variable	VIF	Decision		
Product (X1)	1.075	Non multicollinierity		
Price (X2)	1.120	Non multicollinierity		
Promotion (X3)	1.266	Non multicollinierity		
Distribution (X4)	1.206	Non multicollinierity		

Table 3 shows that the VIF completely under 10 so that all independent variables are not containing multikolinieritas (non multicollinearity). This means that the four independent variables studied are not interconnected so aptly used as independent variables in the model. To test Heteroscedasticity Gletjer tested using a test that is regressing between absolute residuals with all the independent variables. If the value Sig (probability) > 0.05, indicating not happen heteroscedasticity, otherwise if the Sig > 0.05, indicating the occurrence of heteroscedasticity. The following table is presented non-heteroskedasticity test all variables:

 Table 5

 Assumptions Non-Heteroscedasticity Results

Independent Variable	Sig	Decision
Product (X1)	0.588	Non heteroscedasticity
Price (X2)	0.631	Non heteroscedasticity
Promotion (X3)	0.964	Non heteroscedasticity
Distribution (X4)	0.455	Non heteroscedasticity

From Table 4 shows that the variables tested did not contain heteroskedastisitas, since the entire value Sig > 0.05. This means that there is no correlation between the amounts of residual data so that when data is magnified does not cause residual (error) greater. Last is the assumption of linearity testing using the Curve Fit, calculated with SPSS. References used is the principle of parsimony, ie when the entire model used as the basis for testing a significant or nonsignificant mean the model is said to be linear. Specifications of the model used as the basis of the test is a model of linear, quadratic, cubic, inverse, logarithmic, power, compound, growth, and exponential. Results of testing the linearity of the relationship between variables are summarized in Table 5 below:

Relationship Testing Results Decission Product (X1) Performance (Y1) Model linier significant Linier Price (X2) Performance (Y1) Model linier significant Linier Promotion (X3) Performance(Y1) Model linier significant Linier Distribution (X4) Performance(Y1) Model linier significant Linier

Table 6 Assumptions Linearity Results

The data in Table 5 shows that the linear model showed a significant result that the assumption of linearity met. Table 6 is the calculation of the multiple linear regression model of the effect of Products (X1), Price (X2), Promotion (X3) and Distribution (X4) on the Performance of creative industries (Y), with SPSS version 15. Based on Table 6, the value of the coefficient of determination R *Square* showed a value of 0763, or 76.3%. This means that the variable performance of creative industries by 76.3% influenced by Product (X1), Price (X2), Promotion (X3) and Distribution (X4) while the remaining 23.7% is influenced by other variables outside of two independent variables which were examined in this study.

Table 7 Regression Testing						
Var	riabLE	Coefficient	Beta	Т	Sig t	Result
Const		-58.733		-10.768	0.000	
Product (X1)		0.250	0.241	5.521	0.000	Significant
Price (X2)		0.332	0.266	5.966	0.000	Significant
Promotion (X3)		0.304	0.272	5.730	0.000	Significant
Distribution (X4)		0.312	0.271	5.846	0.000	Significant
t	= 1.977					0
R Square	= 0.763					
F _{stat}	= 61.332					
Sig F	= 0.000					
F _{table}	= 2.079					

In Graphics, testing the hypothesis can be presented as follows:



Figure 2: Regression Result

To test the hypothesis of the influence simultaneously, the independent variables are product, price, promotion and distribution of the dependent variable which is the creative industries' performance used F test. From the calculation results, it is obtained hat the test statistics F is 61.332 (significance F = 0.000). So test statistics $F > F_{table}$ (61.332 > 2,079) or Sig F < 5% (0.000 < 0.05). This means that, simultaneously, the independent variables consist of Product, Price, Promotion and Distribution have significant effect on the dependent variable which is the performance of creative industries. This means if Product, Price, Promotion and Distribution were to improve together, it will impact on improvement of the performance of creative industries and vice versa. Thus, the hypothesis that suspects variable Product, Price, Promotion and Distribution simulatenously have significant effect on the performance of creative industry variable is proven true. So, alternative hypothesis is accepted.

To test the hypothesis partially, this research used t-test to test partially independent variables on the dependent variable. Here is presented a hypothesis test involving three variables in this study:

- 1. Test the effect of Product influence variable (X1) on the Performance of creative industries (Y). In the variables of product, a value is obtained with test statistic t is 5,521, and sig t of 0000. Because test statistic t is bigger than t-table (5.521 > 1.977) or sig t sis less than 5% (0.001 <0.05), then, partially, the variable of Product (X1) significantly Affects the performance of creative industries (Y) variables. Based on the regression coefficient standardize (0.241), which is positive, it indicates a positive effect. This means that the higher the product (X1), the higher the performance of the creative industries (Y). Conversely, the lower the product (X1) is, the lower the performance of the creative industries (Y) would be.
- 2. Test the effect of Price influence variable (X2) on the Performance of creative industries (Y). Price on variable values obtained t statistic test is 5.966 with a significance statistic test of t is 0.000. Because test statistic t larger than t-table (5.966 > 1.977) or t significance is less than 5% (0.000 < 0.05), then the partial variable Price (X2) significantly affects the performance variables creative industries (Y). Based on standardize the regression coefficient (0.266) is positive, indicating a positive effect. This means that the higher the price (X2) will make higher the performance of creative industries (Y) and conversely lower price (X2) will make lower performance of creative industries (Y).
- 3. Test the effect of variable Promotion (X3) on the Performance of creative industries (Y). Promotion on variable values obtained toount of 5.730 with a significance t of 0.000. Because test statistic t larger than t-table (5.730 > 1.977) or t significance is less than 5% (0.000 <0.05), then the partial variable Promotion (X3) significantly affects the performance variables creative industries (Y). Based on standardize the regression coefficient (0.272) is positive, indicating a positive effect. This means that the higher the

Promotion (X3) will make the higher the performance of creative industries (Y). Conversely, the lower the Promotion (X3) will make the lower the performance of creative industries (Y).

4. Test the effect of variable Distribution (X4) on the Performance of creative industries (Y). On the distribution variables obtained toount of 5.846 with significance t of 0.000. Because test statistic t larger than t-table (5.846> 1.977) or t significance is less than 5% (0.000 < 0.05), then the partial variable Distribution (X4) significantly affects the performance variables creative industries (Y). Based on standardize the regression coefficient (0.271) is positive, indicating a positive effect. This means that the higher the Distribution (X4) will make the higher the performance of creative industries (Y). Conversely, the lower the Distribution (X4) will make the higher the performance of creative industries (Y).

To determine the most dominant independent variables affect the dependent variable can be seen from the standardized regression coefficient (or beta). The highest scores indicate the most dominant variable. Based on Table 4.10 concluded that the variable Price (X2) is the most dominant variable affecting the performance of creative industries, with a beta coefficient of 0.266.

The results showed that in every aspect of local products has its own uniqueness, which is capable of uplifting a tourist destination, the aspect of innovation is always done in developing local products, aspects of local products sold are made by the business product of the creative economy, and be able to compete with other products. The results also showed that there is a local product that is exported out. It can be concluded that the aspects of product marketing strategy yielded positive results in every tourist destination, which were used as samples. In many tourist destinations, product marketing strategy issues become the focus of major concern, especially for souvenir products as a symbol or logo of the local cultural tourism destination. The products of the local cultural industry are a culture and art, which allows many tourist attractions. Therefore, by developing an innovative and modern marketing, it is expected to achieve better market opportunities.

The results of the variables of price indicate the price offered in accordance with the uniqueness of the product sold, indicating that any businessperson in selling provides affordable pricing, particularly on products sold. The results of the data also showed that if the average of selling price determination reflects the popularity of tourists who visit. It is also due to the quality determination based on local quality. It can be concluded that this aspect of price gives effects to the tourists at any tourist destination. Please note that the price aspect has a high sensitivity value to consumers.

The results of the price indicators show that business people do not emphasize the aspects of the sale in accordance with the uniqueness of the products tourist destination, it means that not every businessperson in selling uses media advertising to the product being sold. The results of the data also showed that if the average network marketing is well organized, because it is inside or in locations that are organized on every tourist destination. It can be concluded that the promotional aspect is less impactful to the tourists at any tourism destination.

The results showed that in every aspect of local products, it has a marketing network in tourist destinations, also has a marketing network of other tourist destinations (DTW), well organized, there is a good marketer intermediary at any location tourist destination. It can be concluded that the aspects of product distribution strategy yielded positive results in every tourist destination. Therefore, it takes some strategy programs in marketing tourist destinations in uplifting the image of local products that is (1) Development of local branding in marketing local products, (2) Development of the diversified marketing for each of the target markets, (3) Creating a marketing cooperation in distribution network in each destination, (4) Development of local branding for marketing activities within the scope of tourist destinations, (5) Optimization of marketing to utilize and promote local products in uplifting the image of a tourist destination.

5. CONCLUSIONS AND RECCOMENDATIONS

Based on the analysis that has been done, it is concluded that there are infulence among the factors of production, the price factor, the factor of promotion and distribution factors on the performance of the creative industries. Based on coefficient value with highest standardize, it is known that the price factor has the highest coefficient standardize value. Thus, it can be said that the price of the most dominant factor affecting the performance of the creative industries.

From the research of products from creative economy industry (PIEK) contained in every destination, there are aspects that need to be considered, namely (1) The safety factor at each destination, (2) Make how tourist destination is worth visiting, (3) The direct flight path, particularly in Tana Toraja and South Toraja, (4) The friendliness of the locals, (5) The reliability of the local partners.

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