

THE IMPACT OF KASONGAN CREATIVE INDUSTRIES MARKETING FOR LOCAL COMMUNITY

Prihatno,

Lecturer, Departemen of Hotel
Administration, Tourism Institute of
AMPTA Yogyakarta, Indonesia

Ali Hasan,

Lecturer, Departemen of Tourism,
Tourism Institute of AMPTA
Yogyakarta, Indonesia

ABSTRACT

Kasongan Creative Industries Marketing (KCIM) has a potential attraction for domestic and international tourists. This writing is based on an exploration study using a questioning method to obtain information from respondents relating to the multiple effects of its existence.

The respondents' replies that KCIM has a positive impact on job, business opportunities and the improvement of the local income (*economic income*). The social aspect (*social impact*) is the ability to change the consumptive pattern and social behaviour of the traditional culture of Yogyakarta into individualistic and consumptive foreign culture. KCIM supports tourism to find what they need. The business opportunity based on the tourist' satisfaction that makes KCIM indicator to measure quality aspects, like number of visitors, length of stay and the tourists' expenditure.

The results of the research shows that local community's expectation towards their quality of life improvement as the impact of KCIM is very high. They consider that KCIM can improve their local economic growth and it will not give negative impacts toward the quality of social aspects. Therefore, the building of KCIM based on tourism is one of the effort to improve the role of local community to build their life, and enlarging the the local the local industry and support the social and economic preservation. The approach used in development which based on attraction is market driven

Keywords: socio-economic effects, creative industry based on tourism.

INTRODUCTION:

Marketing always has a mutual impact on economy – despite it is weak or strong. Interestingly, marketers may be positively or negatively affected by a strong or weak economy, and every on the contrary. Making lemons to be lemonade can be a type certain benefit of businesses in a weak economy--a strong economy can be negative for others. The bottom line: it pays to understand the market and the effect of the economy for them (Ali Hasan, 2015). It seems to be a standard of some communities that change must fush the new changes. The change of social lifestyle (either group or individual) is influenced by the development of knowledge and technology. This lifestyle has impacts in the change of social and economic behaviour both close to home and farther away. This behaviour is a spirit of the growth of tourism and rapidly developing along many interests such as business, education, tourism and social activities.

The development of the Kasongan Creative Industries Marketing (KCIM) can influence the growth of other small businesses which produce goods or services related both directly or indirectly to local community. Small businesses which are related to tourism are: home industries, restaurants, food stalls, hotels, travel bureaux, transport, money changers, cultural attractions and other entertainment, individual services, households and tour guides

Tourism is a new style of industry which is able to provide fast economic growth in job opportunities, income, living standards and activate other production sectors in the country being visited, in addition to having a social impact, such as knowledge transfer, technology improved, lifestyles, family patterns, etc.

The tourism sector carries an extensive scope for activity, therefore the contribution of tourism can be optimized by increasing the multiple effects or job, business opportunities and income distribution. The tourism sector has grown into an alternative sector which is capable of driving local construction when there are no other choices. The tourism sector, as a sector based on local potential (nature, culture, and service), growth 4.19%, or above the PDB growth average during 2009-2013 (Ardhika: 2014).

Experts have formally divided the economic impacts resulting from tourism activities into three categories: Direct effects. Indirect effects and Induced: effects, with the direct effects sometimes referred to as primary effects and the indirect and induced effects known as secondary effects. The total economic effect of tourism is the amount of all these effects, where each of them can be measured as gross output or sales, income, employment and value added.

In fact, tourism produces benefit for sales, profits, job fields, taxed earnings and the income of an area. The direct effects occurring in the sub sector of the primary tourism are; inns, restaurants, transport, entertainment and retailing. The second level happens in the secondary sub sector mostly influencing the economic sector. Therefore, the main problem this research is how will be kasongan creative industrial marketing impact to local community.

The analysis of the economic effects of tourism activities focuses on the change of sales, income, and job placement in the areas which are subjected to tourism. This research studies the teal effects of the tourism shopping area of KCIM; how multiple economic and social variables happen in this ‘home industry’ area. However, the situation of KCIM as a tourism area especially as a provider of souvenirs which are quite famous among non domestic tourists and can be seen in these images.

The importance of paying attention to the tourism sector attention which given is to tourism is exyensively spreading extensively due to an awareness of the benefits for the countries receive tourists at least in two effect in the following :

Type effect on local community		Practice distribution of impact	
Economic	Direct Effects	1	Local recruiting, training and promotion of staff enterprise areas
		2	Linkages with SEMs producing tourism products or service supply
		3	Encouragement and assistance for guests to enjoy activities in the local economy
		4	Joint ventures, profit shares, regular channels for donations to local people
		5	Becomes a source of foreign currency income services and goods related to tourism.
		6	Income flows quickly and directly, spreading widely into the national economy, increasing and circulating among big traders, retailers, transport companies and many other components of the tourism sector, the needs and the business based on consumer expenditure.

Type effect on local community		Practice distribution of impact	
		7	A continuing market, parallel with the rapid increase of surplus family income, especially in those countries with advanced industries.
		8	Compares to other industries, including small investment industries, and is balanced with possible income flow.
		9	Provides an export market the place for consumer appointments for product checking.
		10	Selling product, especially services and intangibles, like cool air, beautiful nature, historical places or something potentially unfinished, should submit only to the imitations imposed by sales and promotion efforts.
	Indirect Effects	1	Linkages with local and/or small businesses supplying and other goods and services.
		2	Development of new infrastructure in ways that complement or help fulfill local needs (e.g. water, transport, and electricity)
		3	Supporting small enterprises and cluster to take advantage of growing markets and economies of scale provided by tourism
		4	Planning and support for local economies in case of natural disaster
		5	Support for local business associations and other local institutions such as universities and training centers
		6	Investment in human resource skills that can be transferred from tourism to other areas
	7	Mentoring local businesses to meet procurement standards with the market request (market driven oriented)	
Social	1	Recognition of and action to address specific barriers to women in employment and enterprise	
	2	A great and effective means for developing the wisdom of the public to create the social and cultural unification at national or international level	
	3	Develop tolerance and understanding among neighbouring countries and the world generally.	
	4	Usage of natural in ways that respect local traditions and needs, and involvement of local residents in joint planning	

Source: Adaptation from Caroline, Brine, Lehr, and Wild, 2007: 8-10

A specially, according to Ali Hasan (2015) that direct effects of tourism creative industries for local communities as follows:

1. tourism becomes a source of foreign currency income services and goods related to tourism;
2. the income flows quickly and directly, widely spreading into the national economy, increasing and circulating among big trades, retailers, transport companies and many other components of the tourism sector, the needs and the business that are based on consumer expenditure;
3. tourism is a continuing market, parallel with the rapid increase of surplus family income, especially in those countries with advanced industries;
4. tourism compares to other industries, including small investment industries, which is balanced with possible income flow;
5. tourism provides an export market, the place for consumer appointments for product checking
6. the product which is sold, especially services and intangibles, like cool air, beautiful nature, historical places or something potentially unfinished, should submit only to the imitations imposed by sales and promotion efforts;
7. tourism can be great and effective for developing the wisdom of the public to create the social and cultural unification at national or international level to develop other industries as a mean to improve tolerance and understanding among neighbouring countries and the world.

The model multiplier effect (figure 1) in the shows that the tourism not only creates jobs in the tertiary sector, it also encourages growth in the primary and secondary sectors of industry. This is known as the multiplier effect

which in its simplest form is how many times money spent by a tourist circulates through a local economy. Money spent in a destination area helps to directly create jobs in the local community, but it also indirectly creates jobs elsewhere in the economy. The demand for local products increases as tourists often buy souvenirs, which increases secondary employment. The hotel, for example, has to buy food local, tourist may spend some of this money for fertilizer or clothes. The multiplier effect continues until the money eventually ‘leaks’ from the economy through the purchase of goods from other local communities. Tourism as a trigger for multiple effect, this illustration can be explained below:

$$K = \frac{1}{1 - (\Delta C / \Delta V)}$$

- K = multiple coefficient
- ΔC = marginal propensity to consume
- ΔV = marginal propensity for income

In Indonesia, tourism brings a huge opportunity as an applicative and effective medium to overcome many of the economic and social problems felt by the community. But a question still remains the solution of the problem. i.e whether it is seen from empirical facts that tourism activities and programmer have not be able to the problem of poverty functionally despite the huge potential for doing the same thing.

One piece of empirical evidence called *putting the poor first strategically*, by application in developing countries concluded that there are 4 (four) important strategies which need to be considered to overcome poverty. They are; a broadening of the opportunities for employment, a reduction of the negative effects on the environment, reduction of the negative socio-cultural effects of tourism and the development of institutions (Damanik; 2005).

The broadening of job opportunities for the poor can be achieved by providing goods and services in the tourism area. This can be done by recruiting poor workers in the tourism industry. A reduction of the negative impact on the environment means the use of local potential for tourism interests which are not detrimental for society. The reduction of the negative socio-cultural effects of tourism means that the development of tourism in a particular area must be achieved with consideration for the real social needs in the society.

Development of institutions that strive to overcome poverty can be done by the formation of NGOs which provide a place for the poor. The effects of tourism area development comprises many components such as hotel building, department stores, tourist attractions; roads etc plus other activities which are undertaken within the confines of hotels, tourists, beaches restaurants, streets and other environments. All these activities can cause changes in surrounding areas. The presence of tourists is exemplified by the differences between their habits and those of the locals.

These things have effects in many areas of social life, both beneficial and some not. Some effects not seen only in the physical development tourism which has tourists as the main component also has social and economic influences, from the tourist attraction being visited to the community in the area. Therefore it is necessary to observe the influence on the development of the socio-economic effect, not as a matter of social control, but to guarantee a better living standards.

RESEARCH METHODOLOGY:

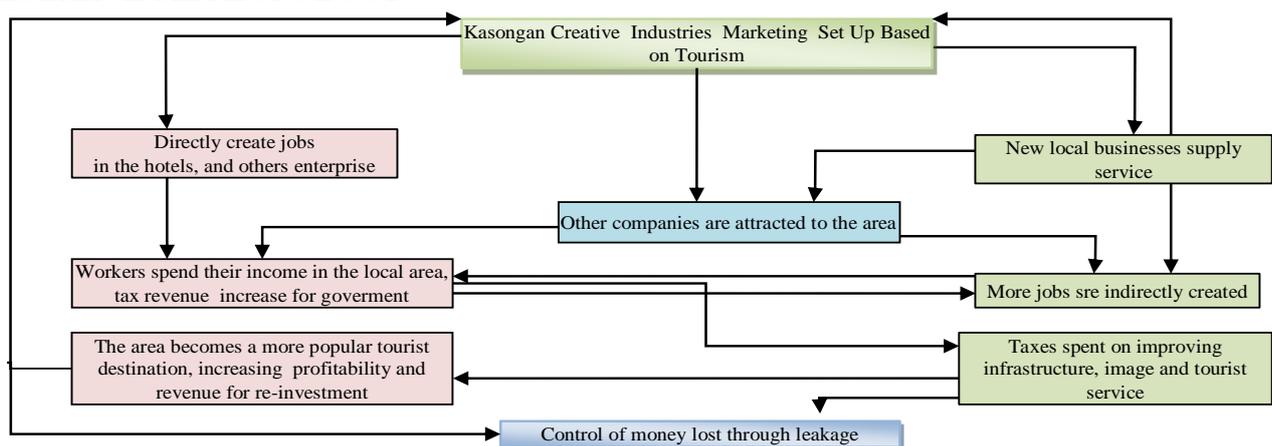


Figure 1. Multiplier Effect Model of Kasongan Creative Industries Marketing

Basically, the method used is the means of reaching the goal. Therefore the choice of method depends on the purpose of the research or the problem study. Because the general purpose of this research is to solve the problem, the steps taken have to be relevant to the problem formula.

This research analyze effects which may result from developing KCIM from a social and economic point of view for the local population. This research comprises both social and economic variables. The social effect on society is measured using many kinds of indicators such as the involvement of community In the tourist service sector, industrial activity, social behaviour and the tolerant character caused by the home industry of KCIM as a shopping and educational toirism area. The economic variable is measured using Indicators such as business and job opportunities, public income and public economic capability.

The data is performed using survey and research, with the quesionairre instrumental in finding data relating to social and economic occurrences in the society. According to the descriptive research, the description understanding and explanation from a large amount of data concerning the responses of community in relation to social and economic effects, are reduced in accordance to the facts found in the field.

This research was designed to acquire information about the indication status when the research was taken. The sample of the social group involved was that portion of the population which felt the social and economic effects of the existence of KCIM. They are the community of KCIM done by random sampling technique, which means that every individual has the opportunity or the right to be chosen as a research sample for the number of 500 respondents.

In this study, economic impact analysis was used to trace the flow of economic activity associated with concession creative industries within the local community in order to estimate their contribution to income and jobs in the area. Multipliers estimate the ratio of change generated by an extra rupiah (IRD) of spending or an extra job created. Type multipliers measure the direct and indirect change, including the induced changes and the flow to effect of others business activity. This study provides multipliers reflecting the collective concession activity owing to issues of commercial sensitivity

The variable used in the research included social and economic variables which are affected by the impact of KCIM. This research was conducted to: (1) analyze the impact of KCIM toward, the socio-economic condition of the local community; and (2) to recommend KCIM development for supporting attract tourists to improve the quality life of the local community. The method of this research is surveying into statistic data analysis. The variables of economy impact used as indicators in the research are: income level, and employment rate. While the indicators of social impacts are the alteration of behavior, ethics, thinking pattern and values.

The respondents are ask to fulfill some statements about the expectation and the real condition of social and economic aspect today, with a *Likert Scale Quisionaire* (in Krosnick and Presser, 2010) consisted of : 1 (strongly disagree), 2 (dissagree), 3 (quite agree), 4 (agree) and 5 (strongly agree) for each categorized the operational variables in this research indicators (see table 1).

Table 1: Operational Variables of Research

Variable	Dimentional	Indicators		Scale				
				1	2	3	4	5
Economy	Job opportunities	1	Level of employment rate					
		2	The shifting of people’s occupation					
	Products	3	The utilization of local product in tourism sectors					
		4	The varieties of product or services					
		5	The increasing demand of local products					
	People’s income	6	The increasing income of the local people					
		7	The level of people’s welfare					
Social	Social life	1	Traffic jam					
		2	The level of criminality					
	demographic aspects	3	The number of migrants					
		4	The number of labors in tourism sector who migrate from other places					
	value transformation	5	The changing of people’s ethics					
		6	The changing of people way in using language					

THE RESULTS OF THE RESEARCH:

Tabel 2 show the resume of the result of the analysis of economic and social variable, the average value for the economic variable is 32,20 and the social variable is 23.45 that the economic factor is considered more important than the social factor by KCIM community. It proved that the economic variable has a prater role than the social one in the society.

Table 2: The Result of the AnalysisNo

	Variable	Value	Std. Error of value	Std. Deviation	Variance	Kurtosis
1	Economic	32.20	0.683	4.778	22.832	0.556
2	Social	23.45	0,448	3,136	9,836	1.513

Based on research in the field, it was found that the existence of KCIM has raised living standards through an absorption of manpower, increasing incomes, increasing the community's consumptive pattern (direct effect), job field, an increase in the level of education for children of school age and ownership of communication and transportation equipment (indirect effect).

Standard error of mean estimates of the average population of the sample. Through certain standard mean in the trust level of 95% so the average of standard error of mean is ± 2 (Singgih Santoso, 2004), so the average effect in KCIM is 23.45 - 2 for the social variable, and 30.20 for the economic variable. Based on variable analysis, the economic aspect has greater effect than the axial aspect, but not everyone agrees with the value of standard error of mean, the economic variable has a greater effect than the social aspect, but not everyone agrees with the value of standard error of mean, the economic variable has a greater value compared to social variable (0,448 for social aspect and 0.683 for economic aspect).

Deviation standard to evaluate the distribution (data spreading) from research respondents to the population researched. This equipment best illustrates the data spreading compared to others (*average deviation, variance*). With the trust level of 95% or equivalent with the value of 2 as a standard so the economic effect of the tourism is :

1. The value of economic effect is 32.20 and the value of social effect is 23.45. This number falls between minimum and maximum value so this method of spreading data is well considered.
2. Kurtosis is used to analyse the normality of data distribution. Seeing the normality of data spreading the number of the kurtosis value is changed to a ratio number through the formula: kurtosis value/standard error kurtosis. Kurtosis analysis shows that the social variable has undistribution because the ratio value is outside of the range of -2 and +2, while the economic variable is within the distribution falling in the range -2 and +2.

Based on research in the field that the social effect not only has a positive effect on the industrial of KCIM but also has a negative effect. In the teenage area, moral attitude starts with materialistic and individualistic action, they begin to copy the tourist lifestyle becoming a tourist in appearance, consumptive patterns and peer communication. Many kinds of economic and social power in the industrial of KCIM is shown by establishing many micro financial boards or many social activity facilities from government or private companies which have the role of providing investment or marketing networks abroad.

DISCUSSION:

Kasongan Creative Industries Marketing is applied to a much wider productive set, including goods and services produced by the industries that depend on those innovation. The specific mechanisms are needed to create of creative industries to provide meaningful pathways to development at the local level. The specificity of these mechanisms is tied to issues of scale and form of investment, as well as practical opportunities and instruments. These include community initiatives, profit-sharing schemes, brokering roles and domestic scale enterprises, as well as participatory methodologies for assessing opportunities.

Exactly the scale of enterprise suits local aspirations is a matter of careful exploration. Unrealistic plans and ambitions can create undue risks. In many cases, successful workshops have remained small, and have resisted entering into debt to upscale production. High prices for carefully crafted goods depend on rarity value – to upscale production otherwise for market floods the and undercuts high margins.

In addition, to increase production volumes require more credits, advertising, and higher wage bills. Small production units can be run by one or two people, thus for lowering overheads and risk. For products and services in wholly electronic format, digital platforms and social media make it possible to access wide markets even from enterprises (or individuals).

In other instances, growth for its own sake can prove problematic. Take the case of community owned enterprises drew on the strength of kinship relations to establish production networks. The workers concerned, who moved to the city, working for low wages while acquiring machine-sewing skills. The domestic scale of enterprise was critical here because some producers appeared to expand their businesses, rather they preferred to remain in charge and keep the business in the family. Besides, by confining expansion to the physical limits of the homestead both men and women were able to spend more time with their children.

A local community economy carefully calibrated with kinship networks was supplanted by growth-based loan programmes increased and offered more when early loans were successfully paid off, new free trade agreements and customs laws tightening trade of "fake" brand label exposed the micro-enterprises to risk, which was amplified by new levels of indebtedness, adding greatly to the social and economic in Kasongan. People want to use crafting skills at a level that sustained livelihoods and brought sufficient incomes to improve domestic environment and quality of life, instead become part of a risk cycle of led growth.

In other cases, scale necessarily requires substantial investment because of the labour requisite or capital intensity, infrastructure or space product requirements. Developing countries stand at a distinct disadvantage when large-scale investment in cultural enterprise is needed. Where the latter is deemed to be a priority, its promotion needs to be considered into integrated whole-of-government industry development plans, as well as the development aid plans of nations, rather than be treated as a discrete initiative.

Critical mass can be attained by treating creative work as a distinct category requiring widespread participation (*through for instance, income support*), that recognize the intrinsic cultural value of widespread participation in cultural life. The goal is to develop local industries for a range of local economic development and intrinsic reasons, rather than investing hope for massive export returns. Here, individual cities or regions could be fruitfully imagined as experimental spaces for the cultivation of grassroots Kasongan Creative Industries. As the example shows, it is no longer benefactors that provide the most lucrative markets, local people with less disposable income may buy fewer cultural products on a weekly or monthly basis, but paradoxically sustain the market for more expensive items, typically bought for special occasions, such as weddings, gifts, anniversaries and important visitors. In some sectors a smaller number of local customers expensively purchasing, high-value items can be a pathway to more meaningful and sustainable forms of development than seeking high volume export markets, as reflected in the case of handicraft production, and visual arts.

In addition, a lot of many companies create market products that have no application on the level of the individual customer, so their tourist will be other businesses. A company that makes small-scale machinery, for example, either unlikely or unable to sell that machinery to private individuals because those customers are unlikely to be able to afford it or won't need equipment of such size. The machinery would have to be sold to another business that has both the resources and need to produce small quantities of their own product, such as a nicher market toy factory that needs to create more units of the same toy each year

Many consumer product companies develop marketing specifically actions for a tourist. This typically happens when the manufacturer's business grows to a large enough scale to accommodate larger orders. Service providers also occasionally expand to industrial to take advantage of more lucrative contracts. A legal practice specializing in contract law, for instance, it could expand its scope from representing only individuals to helping businesses to develop their own contracts.

Local economic expectation of the tourism has a positive effect as an industry : Tourism can create employment opportunities and increase community's income as a multiple effect resulting from high tourist expenditure. It increases government tax revenue and local tolls, increases *gross domestic product*, pushes an increase of investment from the tourism industry and other economic sectors and strengthen the balance of payments. Tourism also has negative effects such as an increasing of the prices of land and beach plots, which often leads for price speculation and an increasing of surrounding land prices, and also difficulty in finding natural resources which would cause Indonesia to lose its long term attraction, population of migration to the city, where people move to the big cities to find jobs and a busier flow of tourist traffic which would facilitate the smuggling of contraband and narcotics.

The benefits of tourism economically contribute to foreign exchange, increasing incomes, job opportunities, and economic structure and give a boost to small holder companies. Tourism has positive beneficial effects, but also some negative effects. Some of the known benefits are: the contribution of tourism to the country's foreign exchange, producing income for community, enlarging the employment field. Increasing the economic structure, opening opportunities for investment and promoting entrepreneurship. Experts have formally divided the economic impacts resulting from tourism activities into three categories: Direct effects, indirect effects and induced effects, direct effects sometimes referred to as primary effects and the indirect and induced effects

known as secondary effects.

Direct effects of production change relation to the direct effect on the change of tourist expenditure. For example, the increase in tourist numbers, an increase in the number of tourist staying in hotels will directly give an increase in sales in the hotel sector, Additional sales made by hotels and the changes reflected in payments by hotels for employee's salaries, tax and the need for goods and service are a direct result of increases in tourist expenditure.

Indirect effects of production, changes resulting from the expenditure of the next step of the transfer of the income of hotels to supply industries, i.e the goods and service suppliers to hotels. For example: the change of sales, job field, and incomes in the linen industry (bedsheets, bed-covers, blankets, towels, table clothes, etc) are indirect effect from the change in sales made by hotels. The business of the goods and service supplier to the linen industry is another step in the indirect effect, retaining a connection from the hotels to other economic sectors in that area at several levels.

Local community expectation has great influence to the economy sector of certain territory. Since the tourists have to buy something for their primary or consumptive needs, therefore it leads the local community to provide small or large scope of commerce, which enforces the economic growth. The negative impacts of tourism are: the growing number of immigrant citizen from other places, consumptive style of life, the damage of the alteration culture values. The local community have an awareness of the positive and negative impacts of tourism. It can be seen from the survey results. Most of the respondents have high expectation toward the KCIM development. The parameters used to assess the local community's expectations are economy and social aspects.

The community's expectation of the KCIM can give them positive impact. The development of KCIM can give positive impact toward economy aspects. They also hope that the positive impacts can increase the employment rate, and also increase their income and prosperity. Furthermore, they hope that the management can be done by them selves, without involved by other side. Their hope to get a better life through tourism shows tourism is already considered as beneficial sector.

The social aspect is one of the important aspects in tourism. The issues of human right, social inclusion accessibility and the protection of host communities become the main focus in committing KCIM. This research has investigated the certain social aspects. Most of the local community hope that tourism can also preserve the local culture, so that the culture will be learned by more community and attract visitors to learn it too. They also worry that culture commercialization will make excessive exploitation. Tourism is not considered giving impact toward criminality rate and bad behavior of teenager, but they believe that tourism is a trigger toward learning more knowledge, so they will behave more friendly in welcoming tourists in the KCIM. Tourism can also give negative impact to the environment, such as: increasing the pollution like trashes, vandalism, the damage of certain flora and fauna, water, air and soil pollution. Based on the survey to 500 respondents, most of them do not agree that tourism can cause social and economic damage

The local community hope that the tourist arrival will not cause air pollution, increasing number of trash and the extinction of flora and fauna. They also hope that the tourism development in KCIM area will be friendly to environment so it will get minimal impact to the environment. However, they think that the pollution of liquid waste, noise, and land function shift are likely to happen. Specially, the community aware that the shifting of function is possible there are a lot of establishment of tourism facilities and infrastructure. The result of survey shows that the local community's expectation toward tourism development is high, since they wish for the positive impacts of it. Tourism is considered as a sector to improve their life standard and quality. Because of that high expectation, they consider the negative impact will below. Obviously, it shows that their expectation toward tourism is so big, and it can cover the possibility of negative impacts that might happen.

The social effect addition to the many economic influences of tourism in tourist destination areas, there is also an influence for community, which results from interaction between land lord and guest (1) tourist density on certain occasions a large number of tourists may gather at a particular time. In addition to which the tourist season aspect means that for many tourist destination areas, the tourist population is concentrated in those areas for several months of the year only; (2) demonstration effect given when local community practice the ways and their behaviour, (3) migration benefit from tourist visits, community from unpopular destination areas leave their homes, (4) consumption habit together with the increase of tourism, local business community import goods to attract tourists. They may see the imported products as being of a higher quality than home industry produce. Some community think of this as 'development' but in reality this practice only services to increase imports which in turn increases financial leakage, thereby negating the benefits of tourism, (5) moral attitude it is often said that the tourism brings prostitution, crime and gambling to tourism areas. However, no clear link

between tourism and prostitution has been established. Nevertheless it is acknowledged that a number of tourist destinations sell four things i.e sun, sand, sea and sex, (6) the social effect at this level the effect of the development of tourism in their community makes community feel very happy a long with the growth of tourism, the arrival of tourists taken for granted according to local community, beyond a certain point in the growth of tourism, visitor number cannot be handled. Roads become jammed, restaurants and cafes are full. If community begin to feel that tourism is responsible for increases in pollution, crime, taxes and other problems affecting their community, then public opinion can quickly become openly opposed to tourism, and (7) the final level community of the local community forget that tourists' primary reasons for visiting their community. The synergetic effect between economic and social components are several important factors which determine the social and economic components, which are (1) the pattern of the inhabitant's development (number, age, sexual ratio, etc), the pattern from the past to the present needs to be known, (2) the transfer/migration pattern: this pattern is closely related to the development of the inhabitant. The pattern which needs to be understood is the migration into and out of an area in general, it is also important to distinguish between seasonal and constant migration, and (3) the economic development pattern: this pattern also follows the inhabitants' development pattern, the migration of the available natural sources and the available of job sources.

The social and economic components as social and economic indicators of society are tied to those patterns. To choose other components we need to prioritize the components which are critical or important and which determine local society life. For example, something judged as critical for a developing country is (1) the absorption of manpower: Unemployment is a general problem, severe and developing countries also present in developed countries, (2) developing the economic structure: economic structure here means the emergence of other economic activities initiated by that project so that there are new areas of employment which often absorb more manpower. For example: hotels, house and room rental, restaurant, stalls, public transport, shops and others (3) the increase of community's income; the general situation for community in developing countries is low personal income, (4) the change of job field: From the emergence of new job fields which are either directly or indirectly caused by the economic structure, development needs to be monitored because the change does not always be benefit the community in general (5) Public health; this is closely related to living habits, not example the daily need for food and drink, bathing, washing, and the reliance on the use of river water (6) other critical components are resources which are scarce vital: for example, water in areas where river water is limited and where the community are dependent on that water for their living.

The positive effect of the existence of the KCIM is shown in the economic variable. i.e it has created job and business opportunities for local community (1) the negative effect is demonstrated of the social variable, i.e the change in community's lifestyle. They will often abandon local culture and lifestyle in favour of the lifestyle of the foreigner; in appearance, consumptive pattern, and (2) KCIM is suitable for development as a tourist attraction which will incorporate both shopping and educative tourism, it was proved by the results of the research that it has a positive effect on the economic society the benefits of which out weigh the negative effects that occur.

The concept of creativity based on tourism uniqueness anymore. When that situation interfered the socio-economy life, the community realized that they need to be autonomous in their own territory. They did not want to be dependent for the tourists. They did not want to be a server, but they want to be involved as an organizer who has equality with the tourist. They also need acknowledgment of their work and creativity. This firm and mutual interaction between tourist and local community trigger the creativity and uniqueness of territory. As a result, some unique places appeared and they are different compared to other places.

The important concept of KCIM development should be based on five main issues included in the target of national tourism development, nation's character, poverty, environment damage, growth, level of competition and even distribution of the development. Then, it underlies the sustainable tourism development, nature-preservation based and the power of local community. The tourism products, which are based on nature and local, are more preferred because it gives the sense of knowing new knowledge and gaining new experience. Besides, this kind of tourism product can actively involve the local community, since it is developed based on their local lives. In the beginning, when tourism develops in one area, the community welcomed the tourists as respected guests. But then, their motivation was changed, when the community noticed that there were economy opportunities from the tourists' visit.

KCIM has main potential should be used as the main concept of creative industry based on tourism. KCIM can be most obviously, it makes eager people to open up their wallets. This research shows that 80% to 90% of people are willing to trade off or trade down when it comes to shopping. Moreover, marketing strategy, many of those customers might not bounce back with the economy and like the effect of one-way membrane is not

like everyone going to go back to work and become much less value sensitive. This concept begins from the potential of the micro will support for local community. Then, KCIM for tourist package is design based on the process and products of market driven.

The tourist are invited to enjoy and learn the process of making cultural, including the seeding, maintaining, planting, and art activities like stringing up the cultural and landscaping. This process produces a kind of tourism which is developed based on the quality, where the tourists get new experiences through learning, enriching, adventuring, and rewarding plants. Then this tourism development will make the brand of **Jogja Istimewa** becomes more popular. However, this concept will not run well if it is not supported by other important stakeholders. The government should also make some policy to provide facilities and infrastructure, and to promote local products. Besides that, the participation from creative community and education institute are also needed. Many examples shown that the support from other will improve the local creativity and enrich the skill of local community.

Therefore, it can be recommended that the development of creative industry based tourism concept in KCIM will give several benefits, as follows: (1) *learning destination*, KCIM will become a creative based tourism through its living culture and KCIM products. The tourists can get new experiences by interacting directly with local community, learning and also observing the KCIM activities, (2) *brand destination*, living culture, creativity space and local products will distinguish one tourism destination and others. The KCIM activities will be unique, through the experiences of learning the KCIM process and the life of local community, and (3) *local creativity*, the strenght of interaction between tourist and local community will enrich the process of emerging new creativity, which will be still based on local creativity of KCIM based tourism will enrich the pattern of local community life.

The vital importance for marketer KCIM, where takes time to think about how to provide a benefit for tourist and what he really wants, is something that you have to keep in mind when developing product even though feeling like have gotten a lot of considered feedback from tourist. Given the challenges brand managers are facing now, we have to maintain a distinction between what is legitimate information and what is nice to know information, and focus on what is actionable for tourist.

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