# The Effect Of Entrepreneurial Process On Digital Entrepreneurship Against Bandung City As A Creative City

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### Abstract

Bandung is a pioneer of creative cities in Indonesia and has received international recognition as the emerging creative city from international forums, and in 2015 was proposed as a UNESCO creative city. This is actually a potential in building a creative economy. Especially with the use of technology in carrying out business activities as part of a digital-based business system. Thus, it can be seen that digital entrepreneurship is combined with creative human resources who are able to take advantage of digitalization in creating innovation and creativity in every dynamic change. Based on this, this research was conducted with the aim of knowing and analyzing how the influence of digital entrepreneurship especially in terms of entrepreneurship process towards the city of Bandung as a creative city. This research was conducted quantitatively with a survey method on a sample of 314 creative industry players in the city of Bandung. The statistical method used to test the hypothesis in this study is Structural Equation Modeling (SEM) through Partial Least Square (PLS) v3.0 approach. Literature studies and observations were also conducted to collect supporting data. Research shows that Digital Entrepreneurship has a significant effect in supporting the City of Bandung as a creative city, with a total contribution of 77.2% which is dominated by the entrepreneurship process while the remaining 22.8% is the influence of other factors not examined. From the value of this contribution, it can be understood that the use of technology or digital-based business creates new habits from creative industry players in the City of Bandung by maximizing the use of technology and internet networks, without being limited by space that can be accessed by everyone, this is what changes businesses from offline. go online, so that it has a big impact on the creative industry in an effort to support the status of a creative city owned by the Bandung City.

Keywords: Digital Entrepreneurship, Creative City, Creative Industry, Entrepreneurship Process.

### I. INTRODUCTION

Since 2007 Indonesia has been trying to include the city of Bandung as one of the creative cities in East Asia through the Creative Cities International Meeting forum. The development of the city of Bandung as a creative city is an attraction for creative economy actors in the world. The city of Bandung is recognized as a pioneer of creative cities in Indonesia and has received international recognition as the emerging creative city from international forums, and in 2015 was proposed as a UNESCO creative city (Unesco, 2020).

The success of developing the image of Bandung as a creative city is highly dependent on the existing human resources, namely the creative community. Creative communities in the city of Bandung tend to be fragmented in their respective moves. In order to create a togetherness movement, a creative figure, Ridwan Kamil, took the initiative to form a creative cross-sector forum, namely "Bandung Creative City Forum" as a forum for creativity and collaboration between communities. Bandung Creative City Forum (BCCF) builds collaboration through a dynamic network in between the creative community so as to produce a potentially greater strength in developing the City of Bandung as a Creative City.

The phenomenon of BCCF as a collaborative force which is a network of creative economy actors in the city of Bandung is still not explored. Up to now, there has been no research on how the individual creative process through digital is a force for business growth. The evolution of individual strengths that are fragmented into collaborative forces with networks, will certainly have big implications in the development of Bandung Creative City. The role of BCCF through its collaborative actions is considered capable of influencing the creative community, society and the Government.

One of the advantages of Bandung compared to other cities in Indonesia is its human resources who have high creativity. This supports Bandung in becoming a city of creative culture. As one of the cities where the creative industry is growing rapidly, Bandung focuses its development on creative people, places, and ideas. In addition to the many creative people, the development of Bandung as a creative city is supported by the existence of quality creative industries. In addition, the emergence of creative products is supported by urban design that provides a public space for the exchange of ideas.

Bandung's potential as a creative city in building a creative economy, amid the phenomenon of very tight global economic competition, is supported by the use of technology used in carrying out business activities as part of a digital-based business system. Because the creative city is an attractive city for creative actors, and is inhabited by a creative class working in the new economy, or more likely in high technology and biotechnology (Charles, 2007).

One of the keys in facing these challenges is the ability to utilize digital media in creating innovation and creativity. The positive impact of digitalization on entrepreneurship also occurs in the form of promoting innovation, creating job opportunities, increasing productivity both socially and economically for the government and industry (Song, 2019). So, it can be said that the creative city of Bandung is a digital city of entrepreneurship with creative human resources who are able to take advantage of digitalization in creating innovation and creativity in every dynamic change.

Digital Entrepreneurship is a phenomenon that arises through the development of information and communication technology that is able to access the Internet of Things (IoT), to see the attractiveness, competitiveness and market development (Le Dinh et al., 2018) (Kraus et al., 2019) . Guthrie (2014) states Digital Entrepreneurship is the sale of products or services through electronic networks.

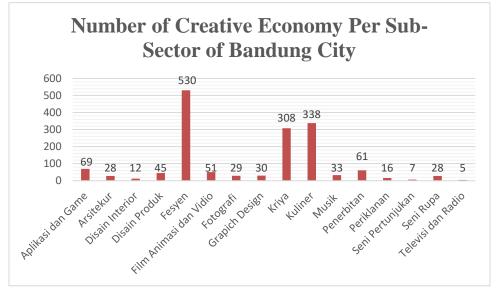
Through research conducted by Elia et al., (2020) mentions 4 (four) dimensions of Digital Entrepreneurship related to digital actors (who), digital activities (what), digital motivation (why), and digital organizations (how) are defined and discussed.

And the dimensions of Digital Entrepreneurship according to Satalkina and Steiner, (2020), namely 1) Entrepreneur; 2) Entrepreneurial process; and 3) Ecosystem . This research will focus on the dimensions of the entrepreneurial process. The determining factors that influence Digital Entrepreneurship include personal characteristics and competencies, limited decision-making and rationality, prerequisites for digitization, dynamic shifts in business transformation, digital business model innovation, regional digital business

environment, digital business infrastructure, collaboration and value. -social values.

Currently, creative cities are an important issue in overcoming problems that arise in urban areas. According to (Landry, 2008) a creative city can make all its citizens able to express their talents and potential in any field, especially art, culture, technology, architecture, design, music, and film, so that networking and creativity are mutually beneficial, because the greater the number of nodes. in a system the greater the capacity to innovate, and the most important factor in developing a creative city is the factor of human resources and the availability of supporting facilities and infrastructure.

Bandung, which consists of 30 sub-districts and 151 villages with a population of 2,404,589, has a fairly large number of creative economy actors. Based on data from (Patrakomala Department of Culture and Tourism of the City of Bandung, 2021) that the creative economy actors in the city of Bandung reached 2,139 in total with 1,465 verified actors and 674 unverified actors, and 1,593 business pentahlix creative economy actors. until 2021. The following is the percentage of the number of creative economy actors in Bandung:



### **Pictures of Creative Economy Actors by Subsector** Source: (Patrakomala Disbudpar Bandung, 2021)

Based on the picture above, the fashion subsector has the most actors compared to other subsectors with 530 players, followed by the culinary sub-sector with 338 players, and the crafts sub-sector with 308 players. great potential to develop in the city of Bandung.

This research will focus on the creative industry in the city of Bandung. The point that became the basis for selecting this subsector is interesting to be used as a research locus, which has great potential and opportunities in increasing contribution, employment economic and increasing export output in the city of Bandung. Products of creativity (outcomes of creativity cannot be separated from the aspects in the form of; social capital, human capital; structural or institutional capital, and cultural capital (Hui, D., NG, Ch-H., Mok, P., 2004) . The creative industry has problems related to business management, for example the problem of limited funds, human resource capabilities, the use of technology that has not been maximized, marketing, and others (Chaloupková et al., 2018) . Human resources and social capital in the form of social behavior arrangements are important in the development of creative cities.

In this case, why the creative industry in the city of Bandung needs to be researched in depth, because the influence of each creative industry sector has a significant contribution to the creative economy because it has the largest number of business actors, so as to create a good business climate and strengthen the image of the creative industry. and the identity of Bandung as a creative city. The expected economic condition is a sustainable economy. Sustainability in question is the ability to adapt to the current era of disruption as well as new economic challenges, with digitalization. Sustainability has become a global trend in the 21<sup>st</sup> century as well as a new paradigm that is able to solve economic, environmental and social interests (Baumgartner & Ebner, 2010).

Related to the background of this research, it is also necessary to state the state of the art (newness) of this research which distinguishes it from previous similar research. Considering that this research tries to test and explain the influence of digital entrepreneurship on the city of Bandung as a creative city. In this case we will focus on the variables involved are the entrepreneurial process and the Creative City. The emergence of competition and changes that are so fast and unpredictable, both in terms of technology, customer needs and increasingly complex production cycles in the business world, including the creative industry, are unavoidable. Companies that have made digital entrepreneurship their foundation will be based on external basic needs, wants and market demands as the basis for formulating strategies for each business unit in the organization, and determining the company's success.

Several studies that can be used as an initial description in this research, namely the study conducted by Bensaid and Azdimouza (2021) entitled "Digital entrepreneurship vs. Traditional entrepreneurship: the setting up of a global conceptual model" which attempts to introduce a global conceptual model that opens up new research pathways to compare, empirically, entrepreneurship digital and traditional entrepreneurship. The next relevant research is research from Stawicka (2021) entitled "Sustainable development in the digital age of entrepreneurship" which presents a research model that examines the dependence on aspects of corporate social responsibility (CSR), in particular, communication with stakeholders, knowledge management, and strategy. affect the development of sustainable development models in companies.

Nedumaran (2020) in his research tries to understand the circumstances and reasons that facilitate digital entrepreneurship (DE) interesting in academic research, and guide business practices, as well as public policy. Afterward, a study from Balli (2020) which examined the relationship between the personality traits of digital entrepreneurs who participated in the survey, the level of use of information technology and innovation skills. In addition, there are also various other previous studies that are relevant to the topic to be studied.

### **II. RESEARCH METHODS**

This study uses a deductive approach. The research method used is a survey research method. Research at the time of the survey used quantitative methods. The unit of analysis in this study is the clothing industry with the following characteristics:

- 1. Registered as a creative industry in the city of Bandung.
- 2. A verified creative economy actor in the city of Bandung.
- 3. Utilizing digital media in the management of the Company.
- 4. Based on the Regional Regulation (Perda) of Bandung City Number 1 of 2021 concerning the Arrangement and Development of the Creative Economy.

Based on the population criteria, referring to data from the Patrakomala Department of Culture and Tourism of the City of Bandung (2021), the total population that meets four criteria. In this study, researchers focused on all actors in the creative economy sub - sector in the city of Bandung, the total population of the creative industry in Bandung City was 1465 business units, the implementation of the research in 2021.

Sampling in this study was conducted through a probability sampling technique with a random sampling method. Considering that every member of the population has the same opportunity to be involved in the sample and the research only focuses on the creative economy sub - sector of Bandung City. Furthermore, in calculating the number of samples will use the Slovin formula.

$$n = \frac{N}{1 + Nd^2} = \frac{1465}{1 + (1465)(0,05)^2} = 314,20$$
  
n = 314

Dimana:

**n**= Sample Size;

**N**= Population;

**d**= Precision value

Based on data from the Patrakomala Department of Culture and Tourism of the City of Bandung (2021), it is known that the number of N = 14 65. Based on the 95% confidence level, it is known that d = 0.0025. The results show that the sample is n = 314.

No	Creative Economy Sub- Sector	Number of Actors	Sample Proportion	Number of Samples
1	Apps and Games	69	(69 /1465) x 314 = 14.78	15
2	Architect	28	(28/1465) x 314 = 6.00	6
3	Interior Design	12	(12/1465) x 314 = 2.57	3
4	Product Design	40	(40/1465) x 314 = 8.57	9
5	fashion	500	(500/1465) x 314 = 107.16	107
6	Animated Movies and Videos	21	(21/1465) x 314 = 4.50	5
7	Photography	29	(29/1465) x 314 = 6.21	6
8	Graphic Design	30	(30/1465) x 314 = 6.43	6
9	craft	308	(308/1465) x 314 = 66.01	66
10	Culinary	308	(308/1465) x 314 = 66.01	66
11	Music	33	(33/1465) x 314 = 7.07	7
12	Publishing	31	(31/1465) x 314 = 6.64	7
13	Advertising	16	(16/1465) x 314 = 3.42	3
14	Performing Arts	7	$(7/1465) \ge 314 = 1.50$	1
15	Art	28	(28/1465) x 314 = 6.00	6
16	Television and Radio	5	(5/1465) x 314 = 1.07	1
	Amount	1465	313.94	314

Sample Size	e Table Ba	ndung City	Creative	Industry

Source: data processed by researchers (2021)

The analytical technique used by researchers to find out how the influence of the entrepreneurial process in digital entrepreneurship towards the Creative City is to use the Structural Equation Model (SEM) with the Partial Least Square (PLS) approach.

# **III. DISCUSSION**

# A. Respondents' Responses Regarding Entrepreneurial Process

Based on the results of questionnaires from 314 respondents, the entrepreneurial process variable

will be revealed through respondents' answers to the statements submitted by researchers in the questionnaire given to respondents. Entrepreneurial process variable measured using four dimensions with thirteen items statement. To get a complete picture of these variables, responses were obtained regarding the entrepreneurial process with the following results:

No	Dimension	Items	Actual Score	Ideal Score	(%)	Criteria
1	Prerequisites for digitization	3	3471	4710	73.69%	Well
2	Dynamic Shifts in Business Transformation	4	4665	6280	74.28%	Well
3	Digital Business Model Innovation	3	3464	4710	73.55%	Well
4	Digital business affordability	3	3381	4710	71.78%	Well
Tota	l	13	14981	20410	73.40%	Well

Table of Respondents Response Recapitulation Regarding Entrepreneurial Process

Table above is a recapitulation of respondents' answers on the entrepreneurial process variable which is measured using four dimensions with thirteen items statement. Based on the table above, it can be seen that the highest score percentage value is in the dynamic shift dimension in business transformation of 74.28%, while the lowest score percentage is in the dimension digital business affordability by 71.78%. Thus, from the table it is known that the percentage value obtained in the entrepreneurial process variable of 73.40 %. The value of 73.40 % is found in the criteria classified as good.

This shows that respondents' responses to statements on entrepreneurial process variables already quite good. To make it clearer, the researcher presents details of respondents ' responses to these variables based on their respective dimensions with the following description:

No	Questionnaire Items		Alter	native	Answei	•	Actual	Ideal	(%)	
INU	Questionnaire items		SS	S	KS	TS	STS	Score	Score	(70)
7	Ability to utilize <b>F</b>		67	142	50	44	11	1152	1570	73.38%
/	digital media	%	21.3	45.2	15.9	14.0	3.5	1132	1370	15.5070
8	Able to adopt digital	F	71	127	70	38	8	1157	1570	73.69%
0	applications	%	22.6	40.4	22.3	12.1	2.5	1137		73.0970
9	Have digital facilities	F	45	181	46	33	9	1162	1570	74.01%
2	Have digital facilities     %	14.3	57.6	14.6	10.5	2.9	1102	1370	/4.01%	
Tota	Cotal Accumulation							3471	4710	73.69%

Table of Respondents' Responses Regarding Prerequisite Dimensions for digitization

Source: 2021 questionnaire data processing

The table above is a recapitulation of respondents' answers on the dimensions of prerequisite for digitizing the entrepreneurial process variable measured using three statement items. From the table, the lowest percentage score is in the 7th item regarding the statement "Ability to use digital media" with a percentage score of 73.38%, while the highest percentage

score is in the 9th item regarding the statement "Having digital facilities" with the acquisition of a percentage score of 74.01%. For these dimensions as a whole obtained a percentage score of 73.69%, the percentage score when referring to the assessment criteria is included in the good category, so it can be seen that the respondents' responses to the dimensions

Transformation **Alternative Answer** Actual Ideal (%) No **Questionnaire Items** Score Score STS SS S KS TS Using digital features F 90 139 39 34 12 10 1203 1570 76.62% in business activities 28.7 44.3 10.8 3.8 % 12.4 F 66 159 39 42 8 Feel the impact of 11 1570 74.84% 1175 using digital media 21.0 50.6 12.4 13.4 2.5 % F 52 163 66 31 2 Using the app in the 12 1570 74.78% 1174 financial system 51.9 % 16.6 21.0 9.9 0.6 competitive spirit and F 74 5 40 148 47 13 be able to lead the 1113 1570 70.89% 12.7 47.1 23.6 15.0 1.6 % company **Total Accumulation** 4665 6280 74.28%

Table of Respondents' Responses to the Dimensions of Dynamic Shifts in Business

prerequisite for digitizing the entrepreneurial process variable already quite good.

Source: 2021 questionnaire data processing

The table above is a recapitulation of respondents' answers on the dimensions of dynamic shift in business transformation on entrepreneurial process variables measured using four statement items. From the table, the lowest percentage score is in the 12th item regarding the statement "Using applications in the financial system" with a percentage score of 74.78%, while the highest percentage score is in the 10<sup>th</sup> item regarding the statement "Using

digital features in activities. effort" with a percentage score of 76.62%. For these dimensions as a whole obtained a percentage score of 74.28%, the percentage score when referring to the assessment criteria is included in the good category, so it can be seen that the respondents' responses to the dimensions dynamic shift in business transformation on entrepreneurial process variables already quite good.

No	Questionnaire Items		Alter	native	Answei	ſ	Actual	Ideal	(%)			
INU	Questionnaire items		SS	S	KS	TS	STS	Score	Score	(70)		
	Always innovating and following the	F	41	156	65	42	10			71.21%		
14	trend of technological developments	%	13.1	49.7	20.7	13.4	3.2	1118	1570			
	Improve the	F	62	145	59	42	6		1570	73.69%		
15	capabilities of digital media	%	19.7	46.2	18.8	13.4	1.9	1157				
	Knowing the risks	F	63	168	41	37	5					
16	6 associated with the business model %		20.1	53.5	13.1	11.8	1.6	1189	1570	75.73%		
Tota	l Accumulation		3464	4710	73.55%							

Table of Respondents' Responses Regarding the Dimensions of Digital Business Model Innovation

The table above is a recapitulation of respondents' answers on the dimensions of digital business model innovation on entrepreneurial process variables measured using three statement items. From the table, the lowest percentage score is on the 14<sup>th</sup> item regarding the statement "Always innovating and following technological development trends" with a percentage score of 71.21%, while the highest percentage score is on the 16<sup>th</sup> item

regarding the statement "Knowing the risks involved related to the business model" with a percentage score of 75.73%. For these dimensions as a whole obtained a percentage score of 73.55%, the percentage score when referring to the assessment criteria is included in the good category, so it can be seen that the respondents' responses to the dimensions digital business model innovation on entrepreneurial process variables already quite good.

No	Questionnaire Items		Alter	native	Answei	r		Actual	Ideal	(%)
INO	Questionnaire items		SS	S	KS	TS	STS	Score	Score	(70)
	Having partners/intermediaries	F	37	176	56	36	9			72.48%
17	to take advantage of digital media	%	11.8	56.1	17.8	11.5	2.9	1138	1570	
18	Improving the ability to develop business	F	41	154	64	45	10	1112	1570	70.89%
10	through digital	%	13.1	49.0	20.4	14.3	3.2	1113	1370	10.0770
19	Influencing the wider	F	38	165	67	35	9	1130	1570	71.97%
19	community through digital media %		12.1	52.5	21.3	11.1	2.9	1130	1370	/1.7/70
Tota	tal Accumulation							3381	4710	71.78%

Table of Respondents' Responses Regarding the Dimensions of Digital Business Affordability

Source: 2021 questionnaire data processing

The table above is a recapitulation of respondents' answers on the dimensions of the affordability of digital business on entrepreneurial process variables measured using three statement items. From the table, the lowest percentage score is in the 18th item regarding the statement "Improving the ability to develop business through digital" with a percentage score of 70.89%, while the highest percentage score is in the 17th item regarding the statement "Having a partner/intermediary" to utilize digital media" with a percentage score of 72.48%. For these dimensions as a whole obtained a percentage score of 71.78%, the percentage score when referring to the assessment criteria is included in the good category, so it can be seen that the respondents' responses to the dimensions the affordability of

digital business on entrepreneurial process variables already quite good.

Specifically on entrepreneurial process variables What is important for the creative industry to pay attention to is the dimension of dynamic shift in business transformation that has the highest score. Based on the results of interviews conducted with creative industry players in the city of Bandung, it was seen that the ability to change the shape of traditional business patterns (utilization of digital media) was transitioning to optimizing digital technology because it was influenced by several factors, one of which was the impact of the Covid-19 pandemic.

This research is in accordance with the statement (MKO Lee & Turban, 2001) which states that environmental, organizational and technological factors create a highly competitive business

environment, where these factors change rapidly, sometimes in an unpredictable way. As a result of these rapid changes, companies need to react quickly in the face of problems and opportunities resulting from the new (consumerfocused) business environment.

Hence, the dynamic shift in business transformation is very much felt by its impact, it can be seen that digitalization touches every part of life, affects business processes, shopping systems, and others. This is in accordance with the statement (Purnomo et al., 2021) which states that Digital Entrepreneurship is a sub-category of entrepreneurship where traditional organizations that are physically active are digitized, so that traditional entrepreneurs change into new forms of business in the digital era.

# B. Respondents Response Regarding Creative City Variables

Based on the results of questionnaires from 314 respondents, the variable Creative City will be revealed through respondents' answers to the statements submitted by researchers in the questionnaire given to respondents. The Creative City variable was measured using eight dimensions with nineteen items statement. To find out a comprehensive picture of these variables, responses were obtained regarding Creative Cities with the following results:

No	Dimension	Items	Actual Score	Ideal Score	(%)	Criteria
1	Creative industry scale, scope and workforce	3	3388	4710	71.93%	Well
2	Micro productivity	2	2389	3140	76.08%	Well
3	Economic attractions and attention	2	2392	3140	76.18%	Well
4	Participation and spending	2	2358	3140	75.10%	Well
5	Public support (Government)	1	1182	1570	75.29%	Well
6	Human Capital and Research	3	3544	4710	75.24%	Well
7	Global integration	3	3560	4710	75.58%	Well
8	Openness, tolerance and diversity	3	3505	4710	74.42%	Well
Tota	l	19	22318	29830	74.82%	Well

Table of Respondents Response Recapitulation Regarding Creative Cities

Source: 2021 questionnaire data processing

The table above is a recapitulation of respondents' answers to the Creative City variable which is measured using eight dimensions with nineteen items statement. Based on the table above, it can be seen that the highest score percentage value is in the dimensions of attraction and economic attention of 76.18%. While the lowest percentage score is in the dimensions of the creative industry scale, scope and workforce of 71.93%. Thus, from the table it is known that the percentage value

obtained in the Creative City variable is 74.82 %. The value of 74.82 % is in the criteria that are classified as good.

This shows that Respondents ' responses to statements on the Creative City variable were classified as good. To make it clearer, the researcher presents details of respondents ' responses to these variables based on their respective dimensions with the following description:

Table of Respondents' Responses Regarding Creative Industry Scale Dimensions, Scope and Manpower

No	Questionnaire Items		Alter	native	Answei	ſ	Actual	Ideal	(%)	
INO	Questionnaire items		SS	S	KS	TS	STS	Score	Score	(70)
28	Large scale creative	F	58	118	73	58	7	1104	1570	70.32%
20	industry	%	18.5	37.6	23.2	18.5	2.2	1104	1370	10.3270
29	Wide scope of	F	58	146	71	33	6	1159	1570	73.82%
29	creative industry	%	18.5	46.5	22.6	10.5	1.9	1139	1370	13.8270
	A large number of	F	37	166	65	35	11			
30	creative industry workers	%	11.8	52.9	20.7	11.1	3.5	1125	1570	71.66%
Tota	Total Accumulation								4710	71.93%

The table above is a recapitulation of respondents' answers on the dimensions of creative industry scale, scope and workforce on the Creative City variable which is measured using three statement items. From the table, the lowest percentage score is on the 28<sup>th</sup> item regarding the statement "Large creative industry scale" with a percentage score of 70.32%, while the highest percentage score is on the 29<sup>th</sup> item regarding the statement "The scope of the

creative industry that is area" with a percentage score of 73.82%. For these dimensions as a whole obtained a percentage score of 71.93%, the percentage score when referring to the assessment criteria is included in the good category, so it can be seen that the respondents' responses to the dimensions the scale of the creative industry, the scope and workforce of the Creative City variable is already quite good.

Table of Respondents'	Responses	<b>Regarding</b> M	licro Productivity	<b>Dimensions</b>
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No	No Questionnaire Items		Alter	native A	Answer	•	Actual	Ideal	(%)	
NO			SS	S	KS	TS	STS	Score	Score	(70)
31	Using connectivity	F	74	144	55	37	4	1189	1570	75.73%
51	virtually			45.9	17.5	11.8	1.3	1109	1370	13.13%
32	Have a good network	F	96	122	47	42	7	1200	1570	76.43%
52	and interaction	%	30.6	38.9	15.0	13.4	2.2	1200	1370	/0.43%
Tota	Total Accumulation							2389	3140	76.08%

Source: 2021 questionnaire data processing

The table above is a recapitulation of respondents' answers on the dimensions of micro productivity on the Creative City variable which was measured using two statement items. From the table, the lowest percentage score is on the 31<sup>st</sup> item regarding the statement "Using virtual connectivity" with a percentage score of 75.73%, while the highest percentage score is on the 32<sup>nd</sup> item regarding the statement "Having a good

network and interaction" with a percentage score of 76.43%. These dimensions as a whole obtained a percentage score of 76.08%, the percentage score when referring to the assessment criteria is included in the good category, so it can be seen that the respondents' responses to the dimension micro productivity on the Creative City variable is already quite good.

<b>Table of Respondents</b>	' Responses t	o the Dimensions o	of Attraction and	<b>Economic Attention</b>
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No Questionna	Questionnaire Items		Alter	native A	Answer	•	Actual	Ideal	(%)	
	Questionnan e items		SS	S	KS	TS	STS	Score	Score	(70)
33		F	69	150	53	37	5	1183	1570	75.35%

No	o Questionnaire Items		Alter	native	Answei	ſ	Actual	Ideal	(0/)	
INO			SS	S	KS	TS	STS	Score	Score	(%)
	There are interesting creative attractions	%	22.0	47.8	16.9	11.8	1.6			
	Paying attention to	F	83	148	42	35	6			
34	regional economic conditions	%	26.4	47.1	13.4	11.1	1.9	1209	1570	77.01%
Tota	al Accumulation						2392	3140	76.18%	

The table above is a recapitulation of respondents' answers on the dimensions of economic attraction and attention on the Creative City variable which was measured using two statement items. From the table, the lowest percentage score is on the 33<sup>rd</sup> item regarding the statement "There are interesting creative attractions" with a percentage score of 75.35%, while the highest percentage score is on the 34<sup>th</sup> item regarding the statement "Paying attention to

regional economic conditions" with a percentage score of 77.01%. For these dimensions as a whole obtained a percentage score of 76.18%, the percentage score when referring to the assessment criteria is included in the good category, so it can be seen that the respondents' responses to the dimensions Attractions and economic attention on the Creative City variable are classified as good.

No	Questionnaire Items		Alter	native <b>A</b>	Answei	•	Actual	Ideal	(0/)	
INU	Questionnaire items		SS	S	KS	TS	STS	Score	Score	(%)
35	Enthusiastic about	F	89	134	41	36	14	1190	1570	75.80%
33	creativity	%	28.3	42.7	13.1	11.5	4.5	1190		
36	6 Allocate funds to support creativity	F	68	151	45	39	11	- 1168	1570	74.39%
50		%	21.7	48.1	14.3	12.4	3.5			
Tota	Total Accumulation						2358	3140	75.10%	

Table of Respondents' Responses Regarding the Dimensions of Participation and Expenditure

Source: 2021 questionnaire data processing

The table above is a recapitulation of respondents' answers on the dimensions of participation and spending on the Creative City variable which was measured using two statement items. From the table, the lowest percentage score is on the 36<sup>th</sup> item regarding the statement "Allocating funds to support creativity" with a percentage score of 74.39%, while the highest percentage score is on the 35<sup>th</sup> item regarding the statement "Enthusiastic with existing creativity." with a percentage score of 75.80%. For these dimensions as a whole

obtained a percentage score of 75.10%, the percentage score when referring to the assessment criteria is included in the good category, so it can be seen that the respondents' responses to the dimension participation and spending on the Creative City variable is considered good.

Table of Respondents' Responses Regarding the Dimensions of Public Support (Government)

No	No Questionnaire Items		Alter	native	Answer	•	Actual	Ideal	(0/)	
INO			SS	S	KS	TS	STS	Score	Score	(%)
	Get government	F	79	134	56	38	7	1182	1570	75.29%
37	attention (Such as Capital Assistance)	%	25.2	42.7	17.8	12.1	2.2			

The table above is a recapitulation of respondents' answers on the dimensions of public support (government) on the Creative City variable measured using one item regarding the statement "Getting the government's attention (such as capital assistance)" with a percentage score of 75.29%. The percentage score when referring to the assessment criteria is in the good category, so it can be seen that the respondents' responses to the dimension public (government) support on the Creative City variable is quite good.

Table of Respondents'	Responses to the	<b>Dimensions of Human</b>	Capital and Research
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No	Questionnaire Items		Alter	native	Answei	•	Actual	Ideal	(%)	
INU	Questionnaire items		SS	S	KS	TS	STS	Score	Score	(70)
38	The Importance of	F	69	158	42	37	8	1185	1570	75.48%
30	Skilled Workforce	%	22.0	50.3	13.4	11.8	2.5	1105		
39	The importance of	F	68	143	59	38	6	1171	1570	74.59%
39	proper education	%	21.7	45.5	18.8	12.1	1.9			
10	The need for research	F	67	163	41	35	8	1188	1570	75.67%
40	40 and development of creativity	%	21.3	51.9	13.1	11.1	2.5			
Tota	al Accumulation							3544	4710	75.24%

Source: 2021 questionnaire data processing

The table above is a recapitulation of respondents' answers on the dimensions of human capital and research on the Creative City variable which is measured using three statement items. From the table, the lowest percentage score is on the 39<sup>th</sup> item regarding the statement "The importance of appropriate education" with a percentage score is on the 40<sup>th</sup> item regarding the statement "The need for research and

development of creativity" with a percentage score of 75.67%. For these dimensions as a whole obtained a percentage score of 75.24%, the percentage score when referring to the assessment criteria is included in the good category, so it can be seen that the respondents' responses to the dimension human capital and research on the Creative City variable is considered good.

 Table of Respondents' Responses Regarding Global Integration Dimensions

No	Questionnaire Items		Alter	native	Answei	Actual	Ideal	(0/)		
No	Questionnaire items		SS	S	KS	TS	STS	Score	Score	(%)
	The importance of international airport	F	97	133	35	41	8			
41	traffic for development	%	30.9	42.4	11.1	13.1	2.5	1212	1570	77.20%

No	Quastiannaira Itama		Alter	native	Answei	r	Actual	Ideal	(%)	
INU	Questionnaire Items		SS	S	KS	TS	STS	Score	Score	(70)
42	42 The need for a busy flow of people	F	66	147	57	34	10	1167	1570	74.33%
42		%	21.0	46.8	18.2	10.8	3.2	1107		
	Growing	F	53	175	46	38	2			
43	globalization as an opportunity %	16.9	55.7	14.6	12.1	0.6	1181	1570	75.22%	
Tota	Total Accumulation							3560	4710	75.58%

The table above is a recapitulation of respondents' answers on the dimensions of global integration on the Creative City variable as measured using three statement items. From the table, the lowest percentage score is on the  $42^{nd}$  item regarding the statement "The need for a busy flow of people" with a percentage score of 74.33%, while the highest percentage score is on the  $41^{st}$  item regarding the statement "The importance of airport traffic international for

development" with a percentage score of 77.20%. For these dimensions as a whole obtained a percentage score of 75.58%, the percentage score when referring to the assessment criteria is included in the good category, so it can be seen that the respondents' responses to the dimension global integration on the Creative City variable is already quite good.

				2110	I SILY					
Na	Questionnaire Items		Alter	native	Answei	Actual	Ideal	(0/)		
No			SS	S	KS	TS	STS	Score	Score	(%)
	The importance of	F	64	152	67	28	3			75.67%
44	44 public openness and tolerance	%	20.4	48.4	21.3	8.9	1.0	1188	1570	
45	The importance of cultural and demographic diversity	F	61	123	86	38	6	1137	1570	72.42%
		%	19.4	39.2	27.4	12.1	1.9			
	The importance of	F	70	148	52	38	6			
46	community involvement for creative cities	%	22.3	47.1	16.6	12.1	1.9	1180	1570	75.16%
Tota	al Accumulation	•	•			•	•	3505	4710	74.42%

Table of Respondents' Responses Regarding the Dimensions of Openness, Tolerance and Diversity

Source: 2021 questionnaire data processing

The table above is a recapitulation of respondents' answers on the dimensions of openness, tolerance and diversity on the Creative City variable measured using three statement items. From the table, the lowest percentage score is on the 45<sup>th</sup> item regarding the statement "The importance of cultural and demographic diversity" with a percentage score of 72.42%,

while the highest percentage score is on the 44<sup>th</sup> item regarding the statement "The importance of openness and tolerance in society" with a percentage score of 75.67%. For these dimensions as a whole obtained a percentage score of 74.42%, the percentage score when referring to the assessment criteria is included in the good category, so it can be seen that the

respondents' responses to the dimension openness, tolerance and diversity in the Creative City variables are considered good.

In particular, the Creative City variable that is important to be considered by the creative industry is the dimension of attraction and economic attention which has the highest score. Based on the results of the interviews conducted, it is hoped that it can support community activities and have a positive impact on the city of Bandung both socially and economically, especially the support from the Government which is felt to be still not optimal. Start-up entrepreneurs experience many obstacles, especially in financial resources (funding) for businesses. Then provide support, one of which is to become a forum/forum for the community in sharing information, ideas, creativity and others and is expected to have an impact on three things, namely economic, social and environmental & built environment.

According to Schumpeter and Clemence (2017) Economic growth is an increase in people's living standards caused by the increasing number of factors of production. This is related to the availability of reliable and reliable human resources also the availability of a better marketing network. Strategy creative economy development can be done by utilizing landmarks city or social activities such as festivals as venues for introduce regional specialties (Hagedoorn, 1996) . Hartley et al., (2012) suggested eight dimensions of creative cities, and one of them is the dimension of social capital in the form of openness, tolerance, and diversity. Based on this phenomenon, the researcher considers that the role of social networks is very important in the creative city of Bandung, and this uniqueness forms social capital for the creative industry players in Bandung.

The main factors that cause economic development is a process of innovation and the perpetrators are innovator or entrepreneur. Economic progress of a society can only be applied with innovation by entrepreneurs, and Economic progress is defined as an increase in people's living standards.

# C. The Effect of Entrepreneurial Process on Creative Cities

Based on the data that it is obtained that the path coefficient value of the entrepreneurial process variable towards creative cities has a positive value of 0.356 with a t-statistic value of 5.029. The t-statistic value is greater than the t-table (5.029 > 1.96) and the p-value (0.000) < 0.05 with a significant positive result. It can be concluded that the entrepreneurial process significant effect on the creative city of Bandung.

The digital environment provides entrepreneurs with a wealth of information, which can be utilized for their own business purposes. Access to this information allows Bandung City creative industry players to analyze precisely what their potential customers are looking for. This is one of the differences or perhaps the advantages of digital entrepreneurs compared to traditional entrepreneurs, who lack access to information. Like research (Lin & de Kloet, 2019) which states that by using big data and algorithms, digital entrepreneurs can identify needs before customers realize them or manipulate consumer behavior and attitudes, for example with selective and customized advertising.

Entrepreneurial process as decision makers must have clear, precise and effective ideas by carrying out managerial actions, planning, implementing, monitoring and evaluating digital business ideas (Antonizzi and Smuts, 2020). The introduction of digital technology has sparked the creation of new business models and revenue streams. Emerging technologies such as artificial intelligence (AI), cloud computing and the Internet of Things (LoT) accelerates transformation, while basic technologies such as data management and analytics are required to analyze the large amounts of data generated by digital transformation (Elia et al., 2020).

Based on the results of interviews and direct observations made by researchers, it is seen that the increase in aspects of the urban environment which is a forum for economic and social activities. To create an inspiring city atmosphere, support is needed in the form of a psychic environment and a physical environment where people can be optimally creative. The psychic environment is related to social attitudes, namely support and tolerance for creativity from the city government and the community in realizing a creative city. While the physical environment is related to facilities or spaces that accommodate creative human activities. The environment becomes a stage and a place where activities take place and develop. An inspiring environment can affect the experience of human space, where humans feel comfortable and encouraged to issue creative ideas.

In managing the business processes of an organization, digital transformation covers all levels from strategy to operations (Heavin & Power, 2018) and all its layers (resources, activities, and actors) (Pagani & Pardo, 2017). Marketing is also a determining factor in digital competition, from this a social aspect is also developed referring to continuous innovations. This is closely related to digital capabilities and is based on the organization's digital strategy, digital transformation is a fairly unavoidable process, which on the one hand can be seen as a reactive step and on the other hand is a voluntary entrepreneurial process (Kotarba, 2018).

Information technology culture and entrepreneurial innovation also have an important role in determining the success of digital entrepreneurship, that information technology culture is an important predictor for achieving digital entrepreneurial success (Lin & de Kloet, 2019). They also found that entrepreneurial innovation in information technology had a negative moderating effect on the relationship, whereas the entrepreneur's experience in information technology projects had a positive effect on the relationship (Hearn, 2020).

The potential of the creative economy also requires infrastructure that is institutional (institutional) as well as adequate physical facilities to make it easier for creative individuals to create, develop and market their creative products. Human resources and social capital in the form of social behavior arrangements are important in the development of creative cities. In addition, Landry (2006) also states the importance of a city environment that can support the creative activities of its people by providing what they need.

Digital entrepreneurship provides great potential for the business world, with the use of technology and internet networks, without being limited by space that can be accessed by everyone, this is changing businesses from offline to online. The existence of digitalization in entrepreneurship improves and develops businesses both for the promotion of innovation, creating job opportunities, increasing productivity both socially and economically, so that it is a priority for governments in various countries, especially in Indonesia to pay special attention to the development of digital entrepreneurship.

The creative city of Bandung, which is a network of creative industry players, is still not fully explored. Until now there has been no research on how the individual creative process through digital entrepreneurship is a force for business growth.

# **IV. CONCLUSION**

Based on research results related to the influence of the entrepreneurial process on digital entrepreneurship for the city of Bandung as a creative city, using the SEM-PLS analysis method, it can be concluded that the entrepreneurial process has a significant positive effect. to creative cities with a path coefficient of 0.356 or 35.6%. An important dimension to consider in the entrepreneurial process is the dynamic shift in business transformation. Overall, the simultaneous effect of the three exogenous latent variables on the endogenous variables is 77.2% which is dominated by entrepreneurial processes while the remaining 22.8 % is the influence of other factors not examined.

Efforts to maintain the status of creative cities through the development of creative industries must also be supported by the role of the government. Because the creative industry players in the city of Bandung still need a lot of support, guidance and capital from government policies. If the collaboration and synergy between creative industry players, the government and stakeholders is carried out properly, it is certain that the digital transformation process will develop quickly. So that the government's target in improving the economy in the creative industry sector and reducing poverty can be realized. Digital entrepreneurship in the creative industry of Bandung City also contributes to the economic ecosystem and is able to become a locomotive for other sub - sectors, especially being able to attract or encourage the tourism sector of Bandung City.

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