

## **Parallel Session B**

### **Business, Management & Entrepreneurship for Creative Communities**

**Creating a Village for Communities Development -  
Haji Dorani River Village**  
Robiah ABDUL RASHID & A. Ghafar AHMAD B-003

**Develop Creative Economy from Local Culture  
and Natural Potential of Lingga District Islands**  
ASTUTI B-013

**Creative Industry Issue as an Opportunity  
in Creating Better Quality Advertising in Indonesia**  
Agung Eko BUDIWASPADA B-017

**Examining the Roles and Functions of Chiayi  
Cultural Affairs Department (Taiwan) in the Communities**  
Shang-Ying CHEN B-023

**Creative Theme in Tourism:  
Inventing New Tourist Destination in Surabaya**  
Agoes Tinus Lis INDRIANTO B-029

**Development Cooperation between Public Sector  
and Private Sector in Bandung**  
Tammi Lasmini KALSID B-039

**“Creative Entrepreneurship” for Business Growth in Vietnam**  
George Surya KENCANA B-047

**Marketing Graves: Changing Paradigm of a Burial Ground  
from a City of Death to a City of Amusement  
in San Diego Hill Cemetery in Cikarang, West Java**  
Kemas Ridwan KURNIAWAN & LIANITA B-052

**Creating Sustainable Business through Creativity and  
Good Product Design: The Success Story of *Mahanagari***  
Dwinita LARASATI & Ben W. SUDARMADJI B-057

**Improving Urban Public Space in Historic Urban Area  
to Support Community and Tourism Activities  
Involving Community Participation**

Tutur LUSSETYOWATI B-062

**Creative Singapore: Image and Reality**

Can-Seng OOI B-068

**Creative Health and Medical Insight through Comics and  
Illustrated Books: *Aku Ingin Sehat* Book Series Case-study**

Indah YURIKA & Alvanov ZPALANZANI B-078

***Komikita*: A Crippled Creative Industry**

Alvanov ZPALANZANI B-083

**Creativity and Responsibility: Community-based  
Coral Reefs Propagation to Improve Jakarta Metropolitan  
Bay Area Cultural Landscape**

Rini RAKSADJAYA B-089

## CREATIVE INDUSTRY ISSUE AS AN OPPORTUNITY IN CREATING BETTER QUALITY ADVERTISING IN INDONESIA

**DR. Agung Eko BUDIWASPADA**

Lecturer - Visual Communication and Multimedia Research Division,  
Faculty of Art and Design, Institute of Technology Bandung -  
INDONESIA  
[agungebw@bdg.centrin.net.id](mailto:agungebw@bdg.centrin.net.id)

### ABSTRACT

*Advertising is marketing persuasive messages of products or services towards potential customers, the process of which encounters certain social and cultural system. Today's globalization generates intercultural mix through global hegemonic process among dominating cultures; and our culture reflected by advertising industry at best serves as a sub-culture. Globalization will inflict various events that drive community's depreciation towards national creative advertising existence especially in Indonesia.*

*Multinational advertising affiliation system with its global stereotypes infects the degradation of Indonesia's creative advertising. On one side, those companies create standards that make less divergence in creativity in advertising design process, and, on the other, they create culture shock.*

*Many academic institutions and advertising agencies' various attempts in creating advertising with cultural flavor sometimes must cope with networks and conglomeration capitals of multinational advertising agencies. Cultural assets as the core in advertising creative ideas are not fully functioned to generate creative ads that immerse Indonesian people because of lack of local taste.*

*This paper tries to depict the above dilemmas that cope with Indonesia's advertising industry. In turn, it presents alternative solution for better creative industry development especially advertising industry in Indonesia which focuses on human capital aspect. It may give a chance to uplift the quality of creativity in crafting future advertising in Indonesia.*

**Keywords:** *creative advertising, Indonesia's ads, creative industry*

### INTRODUCTION

The phenomenon of globalization, though a little outdated, remains a hot topic. In the beginning, globalization dealt with the possibility of the disappearance of borders between countries in the context of trade. That discussion gave rise to economic globalization. The effects now can be felt in all aspects of life including political, social, and cultural ones. Globalization concerns the phenomenon of the shrinking of the globe and increased awareness of the world and its issues. In other words, it refers to the global connection and understanding of it. The shrinking of the world can be seen and understood in the context of modern institutions, while the increased awareness of the world can be seen in the context of culture [1]. Even in this context the economic, political, and social dimensions can globalize if all the three are institutionalized. In other words, the trade of the three occurs if they have in themselves reached the aspect of meaning in a symbolic way [2].

Culture is comprised of meanings and practices of common people. It is daily life experience: various discourses, practices, and meanings for all people in their life. These meanings and practices are experienced not in the course that we have created although we strive to give our life a form in a creative way. Culture does not operate free of life material condition [3].

Today we live in an age of free information. Information comes from various countries, penetrating our aspects of life through all kinds of media. In that condition, culture is not anymore the monopoly of its community, but a blend of cultures of various communities. The result is that there is confusion over dualism between upholding own nation character and adapting totally to the phenomenon of globalization.

The condition of Indonesia's advertising is also in this kind of confusion. Affiliation between national and multinational advertising agencies, which now widely prevails, contradicts the government's intention to utilize the country's resources for advertising products broadcast by various broadcasting institutions. Advertising, despite originally serving to deliver commercial messages, in this age of information now is considered not effective anymore to draw the audience's attention if it does not utilize creativity. Creative ideas in advertising basically serves to bear the message of trade, which at a certain level may affect the community's behaviors. Creativity in advertising ideas makes use of cultural values considered able to draw attention. This way advertising is part of mass culture and is placed as a popular culture in this hybrid contemporary era. Now advertising creative ideas have adopted various norms from different parts of the world considered affective to persuade the audience to purchase a certain commodity product. Does this indicate that our advertising has achieved a progress equal to that of other countries due to the use of the world's hybrid culture? Or is it the other way around: our advertising is not really ours because it's somebody else's? These 2 pieces of doubt have to be discussed in depth in order that some solution can be formulated and proposed. Can the discourse on creative industry give a chance to the advertising to get out of the doubt?

### **ILLUSTRATION: PORTRAIT OF INDONESIA'S ADVERTISING**

The development of Indonesia's advertising in this globalization era can not be separated from the world's advertising that intends to penetrate countries' territorial borders. This intention rises due to the phenomenon of world trade that also tends to globalize. The globalization of advertising was started again after World War 2 by some advertising companies based in America and England after its decline during the period 1920-1950 due to the 2 world wars. Long before that, J. Walter Thomson, who had an advertising company based in America, attempted to make the company the first to ever expand its business abroad; and he then opened a branch in London in 1899. Now, according to the record of advertising from various sources, America's advertising companies have almost always led multinational advertising companies. And it is proven that 5 out of 10 World's biggest advertising companies belong to America.

Now, in Indonesia, almost all 10 big-rated advertising companies (in terms of media spending) are affiliated with multinational advertising companies. This makes Indonesia's advertising and its progress a sub-system of the world's advertising. Affiliation system causes Indonesia's advertising in the globalization era to move and look the same as stereotyped of the world's advertising. The history and development of advertising in the globalization era depends on international business interests. In this kind of situation, consumers are seen to have a homogeneous cultural background, that is, global culture. So what will become of the existence of local culture as the nation character? Indonesia's advertising should actually dig this kind of locality to produce advertising creative ideas that are not to be trapped in global stereotypes as are happening now. "As we are in our own territory, we know the way to better communicate with our own people; this way we have no reason to lose" [4].

Besides the problem of globalization, the face of Indonesia's advertising is affected by nation-specific problems. Advertising activities are still concentrated in big cities, following the national economy boom and media industry still centralized there, for example, Jakarta. Although there are good signs of the rise of regional advertising agencies, they are not yet significant to indicate

the progress of national-level advertising. Ironically, the majority of Indonesians live in villages, the consequence being that a large portion of advertising spending has to be covered by the minority in big cities especially in Java. The next problem is that there is a big gap between the purchasing power and intellectuality of the rich and that of the poor. This certainly creates a different kind of portrait of Indonesia's advertising.

From this portrait emerges a real problem to face Indonesia's advertising. At least from the perspective of institution and product of the institution, we face low quality of Indonesia's advertising.

## **ANALYSIS OF PROBLEM 1: INDONESIA'S ADVERTISING AGENCIES**

Research [5] reveals that corporate culture of some of Indonesia's advertising agencies comprising such variables as company values, cultural network, business environment, rituals, and figures simply adopts that of the multinational advertising company they are affiliated with. Ideally, the practice of affiliation facilitates the making of geographical sub-culture, that is, a new culture resulting from the geographical location where the respective company operates and influences community norms in a country such as Indonesia. Further, the dynamics of change caused by merger and acquisition at the world level also affects the patterns and behaviors of Indonesia's advertising, including the creative performance of the advertising designers. This kind of stereotypes of Indonesia's advertising may create an undefined work performance: working in a system of values, identity, and culture that are not our own.

It is identified that the corporate culture of advertising agencies in Indonesia is strongly socialized and imparted to the employees by the division heads through various organizational rituals both in a(n) formal and informal way. Knowledge of culture, set of models, and meaning system are all intertwined in the organization symbols and transmitted in a professional way as an adaptive strategy in an attempt to run the advertising business. But the implementation of the corporate culture of the advertising agencies only affirms that of the company they are affiliated with without the accommodation of local values which could actually later show the true identity of Indonesia's advertising agencies. Self-identity should not be made secondary, or subordinate to other things. Self-identity emerges out of a consistent way of thinking, behaving, and acting. And this must be started.

Low confidence on the part of Indonesia's advertising figures causes them to choose a shortcut and thus employs expatriates. This low confidence creates dependence. Dependence in turn creates a low bargaining position of Indonesia's advertising against its affiliates. The shortcut is taken only to achieve the short term goal of gaining the most possible profit in the shortest possible time. Apparently advertising spending that sky-rockets from year to year spoils Indonesia's advertising agencies and makes them abandon professionalism in advertising. To seek comfort in the shortage of qualified local resources, it seems more profitable to turn to and recruit foreign resources especially from India and the Philippines as they are willing to be paid with the local pay scheme. These expatriates are made the spearheads to gain a huge advertising budget from the advertisers. Another shortcut which jeopardizes the progress of local resources in advertising is the utilization of joint contracts with foreign resources only to increase the image of Indonesia's advertising agencies so that they will look qualified and win multinational advertisers. For this purpose, respective advertising agencies spend a huge amount of money following the pay scheme of the country from which the foreign workers come.

Like 2 sides of a coin, apparently Indonesia's advertisers of either national or multinational level tend to trust their advertising to the national advertising agencies which are affiliated with multinational advertising agencies of better quality and qualification as they are socialized to be supported by experts and multinational management system. This is not entirely true; there are some advertising agencies which position themselves as national but prove to be of good quality. This is proven by their winning some awards for their creativity in the advertising contest.

## **ANALYSIS OF PROBLEM 2: CREATIVITY OF INDONESIA'S ADVERTISING**

Research [5] shows that the corporate culture of advertising agencies affiliated with multinational advertising companies is reflected in advertising creative ideas. Corporate culture serves to guide especially the advertising designers in doing their job. If the corporate culture of Indonesia's advertising companies simply adopts that of multinational advertising companies which basically bear global stereotypes, then we can find many advertising works whose creative process of making utilizes global stereotypes too. This constitutes the implementation of the ritual of one variable of corporate culture. The formulation of Indonesia's advertising creative ideas is suspected to use the same formula, that is, the one brought by the affiliation system. This kind of mechanism creates only advertising works of parity, that is, the ones whose creative process of making instantly follows that of advertising works considered successful in increasing brand awareness. We should believe that there is no creativity when we fear to take risks; we are not a winner if we can just follow.

We can see in many forums that practitioners, academicians, and advertisers almost always discuss how we can catch up with other countries in their advertising creativity. Implicit in this is that we are only a follower; this is our mentality. We keep ourselves busy observing and discussing, for example, America's commercials, which are way ahead of ours. We approach and observe the way Indians produce their commercials, and they are ahead of us too. Now we are overwhelmed by the commercials of Thais who used to admire India's commercials. We actually have to bear in mind that our consumers here are different from those in America, India, and Thailand. We should otherwise be busy observing and learning our very own culture to be reflected in our commercials.

Another classic problem is a wrong belief on the part of the advertising society that complicated commercials will not be understood by the majority of Indonesians who have low education. They forget that culture is the background for a certain group of people and serves as a norm reference for them; this yields certain lifestyles which are typically different from those of other groups. Culture also constitutes a background for the realization of people's behaviors and works that contribute to the formulation of characteristic lifestyles [6]. This means that the complicatedness of advertising messages belongs not solely to the educated. The complicatedness of commercials is a high creativity communicable to their own kind of audience. The rich have their own kind of art, and so do the poor, the educated, and the uneducated. The complicatedness of advertising messages can penetrate through their own kind of audience in a unique and different way.

## **PROPOSED SOLUTION**

The solution that follows can be proposed to solve the problems faced by the advertising agencies related to their advertising creativity that we see prevail now. The discourse on creative industry can be attempted to reduce the dependence on affiliation system. Creative industries are those industries which have their origin in individual creativity, skill and talent, and which have a potential for wealth and job creation through the generation and exploitation of intellectual property.

Seen from the activities done, the strength of creative industries lie in the research and development, and commercialization. Commercialization in affiliation system mainly aimed at attracting multinational advertisers and solving the problem of professionalism can be reduced through increasing the quality of human resources with regards to creativity, skill and expertise, and innovative and original ideas. Needed is harder work through awareness of the importance of research and development instead of an instant way of multinational advertising networks.

Creative industries teach us the importance of the strength of the power of creation which is unique, special, and independent. Creative industries prioritize knowledge and intellectuality. Creative industries are measured not by the amount of capital needed to run a business, but by the ability to win the market share which is to consume the creative ideas sold. This kind of

characteristics of creative industries is considered to bear relevance with that of advertising business. Indonesia's advertising agencies should actually decrease their dependence on multinational affiliation system, and their advertising pieces should not merely follow the global commercials.

The accumulative impact of commercials is the formulation of community's lifestyles; so it is not merely a matter of business economy. In the situation as described above, the interference of the government to make the policy to ensure the sustainability of Indonesia's creative advertising business and quality is still needed. The regulation of Minister of Communication and Information (of the Republic of Indonesia) on the utilization of domestic human resources for advertising products broadcast by various broadcasting agencies in Indonesia must still be followed up. We need regulations aimed at not only protecting the human resources but also boosting the progress of advertising business and increasing the freedom of expression for creative advertising figures to produce commercials of Indonesia's character. For a certain period of time, the government should provide an incentive for national advertising agencies as it does other strategic industries. And it should apply a significant added value tax to foreign human resources working in Indonesia's advertising business. The same interference should also be addressed to the institutions supporting the advertising business such the media, universities offering programs related to advertising, and other creative industries. Enough fund taken from the state spending budget should be allocated to the study of advertising in particular and creative industries in general.

Dwelling on the ideal government policy, advertising industry in Indonesia should commit itself to building the nation character. Until now there have been attempts made to go in that direction. Slogans such as "Strengthen Our Nation Character, Embrace Globalization", "Finding Indonesia in the Midst of World Advertising", "Expose Indonesia to World Advertising", and "Break Off Creativity Chains" are heard spoken of in Advertising Creative Ideas Awards Ceremonies. How can we really expose and find Indonesia in the midst of world advertising if the creative process ritual uses ideas that are not Indonesia's? How can we break off the creativity chains if the method used to design the commercials is the old-fashioned one of "creative brief"? If 10 years ago Indonesia's advertising agency Fortune had terminated its affiliation with the U.S.' DDB Needham, Komunika with the U.S.' BBDO, Perwanal with the U.S.' DMB and B, InterAdmark with Japan's Dentsu Inc., Adhivisi Prokomunika with Malaysia's Lab TYB International, and many more, perhaps now they would be used to thinking creatively the Indonesian way; or perhaps now we would be able to find Indonesia in the midst of world advertising. Fear of not being courteous with multinational advertisers and feeling of no confidence towards our own human resources and their professionalism should not prevent us from exposing Indonesia to world advertising. We should join all our forces through cooperation with stakeholders involved: the advertiser, the media, the government, the university, and the community.

Through the cooperation with the advertising industry and community's financial support also incentive from the government in the future, educational institutions offering programs related to advertising need to increase their teaching quality. Advertising is multi-disciplinary, involving economics, communication, and visual communication design. They should sit together exchanging ideas, conduct conferences discussing the formulation of a curriculum to incorporate advertising content unique of Indonesia. The university must strongly teach and impart the love for own culture to students so as not to get trapped in shallow-minded discourse on globalization. The university must conduct research that is not norm-free or that is only for the sake of knowledge and science; for a certain purpose, research may be geared to serve to find our own advertising character that is truly Indonesian.

## **CONCLUSION**

The three related parties of advertising: business, the government, and the university in their attempt to uplift the quality of Indonesia's creative advertising must always be aware of cross culture that demands a broad, comprehensive, and mature perspective. Mahatma Gandhi once said, "I wish for the winds of different cultures to blow freely into my house, but I reject to be blown

away by them.” We have to act critically towards both our own and foreign culture that form and color a new culture that arises. This is not to narrow and isolate our culture but rather to broaden and enrich it because we can certainly learn a lot of positive things from both our and other culture.

## NOTES AND REFERENCES

- [1] Barker, Chris, 2000, *Cultural Studies: Theory and Practice*. London: Sage Publications.
- [2] Waters, M., 1995, *Globalization*. London: Routledge.
- [3] William, R., 1981, *Culture*. London: Fontana.
- [4] Setiyono, B., 2004, *Cakap Kecap: 1972-2003*. Persatuan Perusahaan Periklanan Indonesia.
- [5] Eko Budiwaspada, Agung, 2006, *Refleksi Budaya Perusahaan Periklanan dalam Gagasan Kreatif Pesan Iklan Bagi Produk Global pada Media Televisi di Indonesia*. Bandung: Doctoral Dissertation, Institut Teknologi Bandung.
- [6] Rapoport, A., 1969, *House Form and Culture*. New York: Prentice-Hall, Engelwood Cliffs.