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Implementation of Creative Economy Digital Transformation at Mandalika Lombok Super Priority Tourism Destination

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Abstract
The Mandalika Super Priority Tourism Destination (SPTD) on Lombok Island has recently become one of the most popular tourist destinations in the media. Its beautiful charm makes Mandalika a critical tourist destination and makes Mandalika attractive to domestic and foreign tourists. Creative economy growth in Lombok is swift, but few are digitally transformed. Therefore, the application of digital transformation is a concern in this research, especially in Mandalika. The theory in this research is the Reasonable Digital Transformation Model. This study uses qualitative research methods, data collection using in-depth interviews, and observation. The informants in this study were creative economy actors randomly selected with the criteria that they had used a digital platform for their business but not optimally. The result of this research is that the creative economy has implemented digital transformation in the Super Priority Tourism Destination area in Mandalika, Lombok, West Nusa Tenggara. The reasons for the digital transformation of the creative economy include changes in consumer behavior, the very rapid development of the digital era, and the Covid-19 pandemic using the Social Media Marketing strategy.

Keywords: Digital Transformation, Super-Priority Tourism Destinations, Mandalika, Creative Economy

1. Introduction
Tourism has become one of the world's largest industries for increasing the country's exchange rate. As part of tourism, the main goal is to improve the city and the country's economy. One of its manifestations is that several regional heads have begun to offer regional potential as a tourism industry to increase original regional income
and it is widely hoped that it can improve people's welfare. The regional potential is like a product or service that is packaged and branded so that it has characteristics that distinguish it from other regional potentials (Primadewi et al., 2022).

Mandalika in Lombok Island has become one of the most popular tourist destinations in the media lately. Its beautiful charm makes Mandalika a vital tourist destination and attractive to both domestic and foreign tourists. The Mandalika tourist destination is located at the southern tip of the island of Lombok. The island of Lombok, especially Mandalika, continues to be developed into a super-priority tourist destination in Indonesia (Artana & Suardana, 2022). Many local to foreign tourists make Lombok a significant tourist destination. This is partly because the government is developing Super Priority Tourism Destinations (SPTD) in the Lombok Island region. Mandalika is one of Part Ten of the central government's program of new Bali development in Indonesia. The program launched by the government will make the Mandalika Special Economic Zone (SEZ) the only tourist destination capable of hosting the world's most prestigious motorcycle race, Moto GP, at the Mandalika Circuit in 2022.

Talking about Indonesian tourism, Bali is still on the top list. However, many other tourist destinations in Indonesia with natural and cultural beauty are not as attractive as the Island of the Gods. From there in recent years, the government has begun to invest time and energy to develop several other tourist destinations outside Bali. Five of them are now referred to as the Five Super Priority Tourist Destinations (5 SPTD), which have the opportunity to boost Indonesia's tourism industry going forward. The development of priority destinations is a form of embodiment of the national tourism development master plan for 2010-2025, which is regulated in Government Regulation (PP) No. 50 of 2011. This PP is the basis for tourism development to increase the quality and quantity of destinations and create a tourism industry capable of driving the national economy. In 2015, the government, for the first time, sparked a more focused tourism development, namely to 10 priority Indonesian tourist destinations outside Bali. The ten priority tourist destinations outside Bali are Borobudur in Central Java, Mandalika in NTB, Labuan Bajo in NTT, Bromo Tengger Semeru in East Java, the Thousand Islands in Jakarta, Lake Toba in North Sumatra, Wakatobi in North Sulawesi, Tanjung Lesung in Banten., Morotai in North Maluku, and Tanjung Kelayang in the Bangka Belitung Islands. Therefore, the government refocused development on five places known as the 5 DSPs: Borobudur, Mandalika, Labuan Bajo, Lake Toba and Likupang (Kemenparekraf, 2022).

Six important points must be addressed for Super Priority Tourist Destinations (SPTD) (Kemenparekraf, 2022):
1. Arrangement and spatial control
2. Development of access and connectivity to tourist destinations
3. Development of facilities at tourist sites, including organizing street vendors to improve the quality and cleanliness of toilets (sanitary facilities) at tourist attractions
4. Improving the quality of human resources
5. Local product marketing
6. Big promotion

From the 6 points above, this research focuses on implementing digital local product marketing in one of the SPTD areas, namely Mandalika, Central Lombok. According to data from the Head of the Central Lombok Tourism Office, there were 35,899 Creative Economy actors as of October 2022 in West Nusa Tenggara Province. Creative economy actors need the role of digital technology to increase product marketing and sales. Digital technology in creative economy players has played a vital role in maintaining the economy in Indonesia. Due to the development of the industrial era 4.0, most business activities are carried out digitally.

Some of the biggest challenges are: First, connectivity in the digital ecosystem is still limited. Second, connecting to a digital ecosystem does not automatically make business people successful. After SMEs are connected to the digital ecosystem, they must compete with existing digital businesses. Not all SMEs are currently competitive and have a digital ecosystem. Third, one of the characteristics of businesses in digital markets is the need to respond quickly and reliably. Highly informal and relatively unfamiliar with modern management, Indonesian SMEs stutter when faced with the peculiarities of this market. Fourth, digital literacy is limited. Knowledge and skills to use
available digital media, communication tools, and networks to seek, evaluate, produce and use business-relevant information involving informal sector enterprises are still very limited. One example of the need to acquire digital literacy relates to sales materials (Telagawathi et al., 2022).

Digital transformation occurs in business processes from companies to customers and from companies to employees. Activate mid-sized businesses and customer infrastructure to accelerate their digital transformation. According to the Ministry of Cooperatives and SMEs, only around 13% of SMEs, or around 8 million creative economy entrepreneurs throughout Indonesia, are connected to the digital world or use digital facilities in their business activities (Widnyani et al., 2021). Digital transformation and the resulting business model innovations have fundamentally changed consumer expectations and behavior, placed enormous pressure on traditional businesses, and revolutionized many markets. However, digital transformation requires certain organizational structures and influences the metrics used to align performance (Verhoef et al., 2021).

So that the acceleration of digital transformation occurs in creative economy actors and customer infrastructure. Data from the ministry of cooperatives and SMEs, of the number of creative economy actors, only around 13% are connected to the digital world or use digital facilities in their business activities. The digital era is a time when doing business supported by advanced technology is very enjoyable. Exciting new technologies such as cloud services, big data, machine learning, and cognitive computing offer opportunities to completely change how businesses work (Fachrunnisa et al., 2020).

This study analyzes the implementation of digital transformation of creative economy actors in the Mandalika Lombok super priority tourism destination (SPTD) area in adopting digitalization programs. Such as research (Primadewi et al., 2022) that has been carried out places more emphasis on optimizing digital transformation as a tourist destination strategy. Other research by (Widnyani et al., 2021) emphasizes the digital transformation of SMEs during the Covid-19 pandemic in Denpasar. Previous research from (Telagawathi et al., 2022) emphasized suitable strategies that could be used for the digital transformation of SMEs in weaving crafts during the Covid-19 pandemic in Gianyar Regency, Bali. This research emphasizes the analysis of the implementation of creative economy digital transformation in Mandalika Lombok.

Through the digital transformation flow model above and considering that the problem is that 13% of creative economy actors are already using or connected to digital platforms (Widnyani et al., 2021), it is necessary to implement digital transformation for the Mandalika SPTD area, Central Lombok. This study aims to analyze the implementation of digital transformation of creative economy actors in the Mandalika SPTD area in adopting digitalization programs. This study emphasizes why Small and Medium Enterprises (SMEs) in Mandalika implement a digital transformation, the existence of digital transformation in SMEs in Mandalika, and the strategies that SMEs in Mandalika have implemented or must implement for digital transformation.

2. Literature Review

Digital transformation is a term used in academia to refer to organizational changes impacted by digital technologies. Digital transformation occurs through changes caused by technological developments in organizations and the environment. Changes that occur are related to the alignment of business processes, including changes between businesses and their employees, businesses and customers, and changes in current market conditions (Papadopoulos et al., 2020). Business innovation and digital transformation Change client expectations and behavior, abandon established businesses, and digitally expand markets (Tulungen et al., 2022). Changes in customer needs and behavior are forcing companies and public administrations to excel in digital transformation. Thus, many business areas that require digital change and transformation are processes carried out by organizations or companies. Creative actors use a socio-technical approach to digital transformation to address difficulties associated with preserving business continuity (Papadopoulos et al., 2020).

The ‘digital business transformation’ model suggests that information technology, computers, communications, and connectivity play a key role in organizational restructuring [6-9]. The digital transformation of business models goes beyond technology as it covers the broad spectrum that enables the incorporation of information and
communication technologies (ICTs) into industries, governance structures, and ecosystems. The digital transformation thus changes aspects of business, including organizational and trade models and the way processes and services are carried out (Samper et al., 2022).

The success of digital transformation depends on the strategy. These strategies are rarely the same or have the exact fit in different industries (Hai et al., 2021). For example, a strategic move to create digital channels for retail SMEs fundamentally differs from one for industrial SMEs. Pressure from online competitors and changes in customer buying habits are forcing these small businesses to change their traditional business model to remain competitive (Gouveia & Mamede, 2022).

Online trading platforms benefit from more people posting and buying goods and services online (Ratten, 2022). Social media platforms such as Facebook, Instagram, Tiktok, and Whatsapp businesses build digital platforms based on network interactions, including analyzing data used for digital marketing purposes to better target consumers. Digital platforms are a valuable way for entrepreneurs to expand their market reach because they increase communication and accessibility for businesses, customers, and suppliers (Maas & Jones, 2019).

Digital marketing and social media can positively impact corporate brands through brand meaning, equity, loyalty, sustainability, and others. The role of integrated digitization can increase sales (Dwivedi et al., 2021). Some of the biggest challenges are: First, connectivity in the digital ecosystem is still limited. Second, connecting to a digital ecosystem does not automatically make business people successful. After SMEs are connected to the digital ecosystem, they must compete with existing digital businesses. Not all SMEs are currently competitive and have a digital ecosystem. Third, one of the business characteristics in the digital market is the need to respond quickly and reliably (katadata, 2020). Very informal and relatively unfamiliar with modern management, Indonesian SMEs stutter when dealing with the peculiarities of this market. Fourth, digital literacy is limited. The knowledge and skills to use available digital media, communication tools, and networks in finding, evaluating, producing, and using business-relevant information involving informal sector companies are still minimal (Jefri & Ibrohim, 2021). One example of the need to acquire digital literacy relates to sales materials.

Unlike a traditional business, doing business on a digital platform requires a product catalog that makes it easy for consumers to search. Third, digital-based stores cannot make product catalogs carelessly because it is too easy for consumers to miss the catalog. Fourth, catalogs are made based on category, size, color, and even product inventory that is still available. This way, consumers can find the best answers in our product catalog regardless of the search type. Fifth, apart from digital literacy, MSME literacy related to aspects of financial management remains an issue that must be resolved, especially in responding to crises.

3. Method

This study adopted qualitative research to conduct observations and in-depth interviews with informants who were creative economy actors in the super-priority tourism destination area of Lombok, West Nusa Tenggara. Qualitative research begins with assumptions and interpretive or theoretical frameworks that inform the study of research problems that address the meanings experienced by individuals or groups as social or human problems (Creswell & Poth, 2017). The appeal of qualitative research is that it makes it possible to research various topics in depth, in simple everyday ways (Yin, 2011). Informants in this study were taken based on data from creative economy actors in NTB by purposive random sampling with criteria that had not used the digital platform optimally. Informants who are creative economy actors own various craft, culinary, fashion, and pottery businesses. They produce their products across various regions in West Nusa Tenggara Province.

4. Results

The current creative economy is a concept of a new economic era that enhances information and creativity, with ideas and knowledge of human resources as the main factor of production (Siagian & Cahyono, 2021). The development of the creative economy in Super Priority Tourism Destinations is currently very rapid, especially in West Nusa Tenggara Province. Data in 2019 for the development of the creative economy in NTB were 4,965
using digital platforms in the form of e-commerce. Meanwhile, according to the Head of the West Nusa Tenggara Provincial Tourism Office, data for the creative economy as of October 2022 in NTB was 35,899. Mandalika, Lombok, was designated as a Super Priority Tourism Destination by the Ministry of Tourism and Creative Economy in 2020.

The Mandalika is located on the coast of the Indian Ocean in the southern part of Lombok Island, West Nusa Tenggara. This area was developed with a total area of 1,175 hectares. In addition to maritime tourism, which has long been famous as one of the region's advantages, Mandalika aims to become a paradise for sports tourism and an arena for international sports competitions. In terms of marine tourism potential, Mandalika is blessed with beautiful beaches. With the recently completed Mandalika International Circuit, expect more international sporting events to be held here. In addition to its natural and sporting potential, Mandalika is rich in local knowledge and the culture of Lombok Island's indigenous tribes. The Sasak tribe is a community culture and local wisdom that can be seen in tourist villages in the SPTD area, such as Sade Village, Sukarara Village, Tetebatu Village, and others. From a creative perspective, Mandalika has three primary creative industries, namely the food industry, handicrafts, and bamboo rattan crafts.

4.1 Digital Transformation

Examining the literature around the definition of digital transformation reveals that definitions differ based on perspective and perception. How digital transformation should be fostered is a topic of debate amongst academics. Digitalization is a comprehensive and adaptable strategy for enhancing human lives. Based on a critical review of previous research literature, the researchers propose a digital transformation conceptual model for SMEs that creative economy actors in Mandalika, Lombok, West Nusa Tenggara can adopt.

R-DT is a model adaptation that simplifies the flow of the Verhoef model and facilitates its application in SMEs according to the maturity level of digital competence. Factors identified at the early stages of the model to ensure the urgency of implementation. Internal factors must have relatively low urgency compared to external triggers (external factors), or internal factors can have digitization of operations, higher urgency, and different effects of external factors resulting from technology trends. The following steps are also essential to ensure that digital transformation goals are set with clear measures of success and, finally, a management decision to choose an effective strategy concerning the results of digital transformation implementation.

Digital transformation efforts may be more pressing in terms of effectiveness than external factors in the form of changes in technological trends (Muditomo & Wahyudi, 2021). The translation phase, which occurs at a later stage, is also critical to ensuring that digital transformation goals are set with clear measures of success and, ultimately, management decisions to select strategic requirements concerning implementation outcomes that can transform the company into a digital business. Several informants, active SMEs in Mandalika, have not fully utilized the digital platform for their businesses. The condition is due to low educational background and not knowing the digital transformation.
Creative economy actors can see the development of the digital era, which is getting faster with the support of information technology that the public can consume in seconds. This has caused creative economy actors to start using digital platforms due to changes in society that are close to the digital world and changes in consumer behavior. Moreover, because of the Covid-19 pandemic beginning in March 2020, creative economy actors in Mandalika have resolved to examine the digital world's development for their business. The creative economy in Mandalika is increasing in users; this is one of the reasons SMEs can survive when there is a Covid-19 pandemic and demand that people change their business transactions digitally. Besides minimizing losses during the Covid-19 pandemic, SMEs can change economic growth mode. Human resources or employees who run SMEs are currently limited during a pandemic; this causes SMEs to be vulnerable to external risk pressures. However, the role of MSME owners will be very central to driving their business.

4.2 Phase of Digital Transformation

The digital conversion consists of three stages: digitization, digitalization, and digital transformation. Digitization refers to the transformation of analog information into digital information, and digitalization describes how information technology or digital technologies can be used to transform existing business processes, whereas Digital Transformation is a company-wide phenomenon with organization-wide implications whereby a company's core business model can change through the use of technology. digital (Verhoef et al., 2021). In the next digital transformation phase, they select several categories to map out the requirements, including (1) definition and unity strategy phase, main objective strategy phase, information technology integration phase, and complete implementation phase (Widnyani et al., 2021).

Creative economy actors in Mandalika stated that digital transformation was not easy. It takes more knowledge to master digital platforms. Even though people have gradually begun to use digital platforms, they still use traditional methods, partly for consumers who come directly to Lombok Island. The digital platforms used by creative economy actors in Mandalika are very diverse. The use of social media and e-commerce has begun to be implemented. They are starting by using WhatsApp Business, Google Location, Instagram, Facebook, Shopee, and Tokopedia. Some have used all these digital platforms, but some still only use Facebook, Instagram, and Whatsapp for their business. This phase is a gradual change to digitize the business. Some still use their social media accounts to market their products, and some already use business social media accounts for their business. In the information technology integration phase, several creative economy actors have used designs online to post products with specific designs. In addition, applications for editing photos and videos are also used by several SMEs who become informants.

Notably, the benchmark for using digital platforms by creative economy actors in Mandalika is how much the use of social media and e-commerce is. In addition, the utilization or use of other digital applications to support digital transformation is carried out by SMEs.

The digital transformation causes significant changes driven by developments in information technology. The main features of digital transformation are complex innovations in all systems of society, changes in the market base, changes in borders, and fundamental changes in business models (Viglia et al., 2018). The strategy for creative economy actors is to carry out digital transformation when SMEs can accelerate their transition to digital business. A creative economy with very high digital literacy will develop faster in the digital world, and if it has limited digital literacy, these SMEs will find it challenging to adopt digital changes. Some creative economy actors in Mandalika can arrange strategies for digital transformation in stages, for example, using WhatsApp first, then using social media that they understand, such as Facebook and Instagram. After that, new creative economy actors used e-commerce to sell their products. Their digital knowledge supports this gradual strategy. SMEs do not force themselves to use digital platforms they do not understand.

The strategies for marketing MSME products for each creative economy are very diverse, especially in the use of social media. Creative economy actors in Mandalika employ the online marketing technique. Videos, photographs, and written narratives can reach the intended audience. In addition, the strategy is to use social media marketing to market MSME products so that they can reach the desired target audience widely. The creative economy has
implemented this in the Mandalika Lombok SPTD area. The measure of success can be seen when their digital efforts increase sales.

5. Discussion

The Covid-19 pandemic inevitably brings changes in human behavior that are more inclined toward digital. With the near end of the pandemic, the demand for digital transformation in most aspects of life has become higher. This includes the tourism sector and all supporting aspects, such creative economy. It then impacts demands for creative economy actors to develop strategies to increase sales of their products through digital transformation. In particular, the Indonesian government has designated several tourist areas in Indonesia as super-priority tourism destination areas, including Mandalika Lombok.

The result section's digital transformation model for SMEs describes the stages of digital transformation adopted by creative economy actors in SPDT Mandalika, Lombok. The stages include drivers, phases, and strategic imperative of digital transformation. In Lombok, the digital transformation strategy starts by increasing understanding of the urgency of the transformation and is later followed by capacity building. The synergy of relevant stakeholders is then essential to achieving the goal. The synergy is known as the Quadro helix (Prayudi et al., 2020). Therefore, the synergy of interested stakeholders is one of the leading solutions for developing or improving creative economic actors in digital transformation. For example, the digital transformation in Lombok involves local and central government, creative economy actors, academics, and businesses. Academics and businesses are responsible for giving knowledge for a better understanding of the necessity of digital transformation. Meanwhile, the government provides policies and access for SMEs to grow.

The research shows that the creative economy actors in Mandalika, Lombok, West Nusa Tenggara have implemented digital transformation. However, implementing digital platforms and changes to digitalization as a whole is still minimal. The slow transformation is due to a lack of attention from the government, educational background, and understanding of the necessity for digital transformation. Thus, increasing the understanding of digital transformation is not only the responsibility of creative economy actors alone. Instead, it is the responsibility of all relevant stakeholders interested in increasing super-priority tourism destination areas.

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