

# **Managing Innovation in Creative Industries for Increasing Competitiveness: Case Study of Companies at Bandung - Indonesia**

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**ABSTRACT:** Innovation is now a key element in improving the competitiveness of businesses, however it is not easy to innovate successfully. The purpose of this study is to identify the key success factors in innovation to accelerate the improvement of competitiveness of the creative industries. This study is a qualitative study using case study method, in which interpretive approach used to build knowledge about the innovation of the companies to observe and interpret human interactions in real activities. Data were collected from primary data through observation and interviews. Data collection was conducted to elaborate on the information in understanding the background of the business, consideration of the internal aspects of the company, the factors of competitors, customers, how to get the business idea, how to design the products and produce as well as how to commercialize the product. Secondary data collection from various sources i.e. websites, magazines, books, and research reports. Cases were taken based on criteria such as receiving various awards, or be the first in its industry and as well as their business are remain continues and exist. Cases selected for each of the sub-sectors, namely: Subsector fasyen: Peter Says Denim; Art Subsector: Saung Angklung Mang Udjo, Museum & Education; Design Subsector: Wayang Golek Harja Giri; Subsector Music: Mocca; Architecture Subsector: Urbane Indonesia; Subsector IT: Digital Happiness; and Culinary Subsector: Amanda Brownies. This study has identified several key success factors, grouped in three stages namely idea generation, product design and production, and commercialization. To name a few of these factors i.e. Combination and Reverse Thinking, Community development concept, Creative human resources, Value for consumers, Word of mouth communication, and Spirit of entrepreneurship.

**KEY WORDS:** Innovation, key success factors, creative industry

## **I INTRODUCTION**

Growth in the industrial sector today is driven by the improving economy and the real condition of Indonesia after the economic crisis. Issues of globalization and liberalization of the world economy associated with the industrial sector was moving so fast, in plain view of developed countries tend to be better prepared and better able to take advantage of opportunities as compared to developing countries. Indonesian creative economic development in 2025 is a form of optimism and overflow aspiration to support Indonesia's vision to becoming a developed country, in which there are ideals, imagination and dreams for the community with a high quality of life, prosperous and creative.

Creative economy in various countries in the world today is believed to contribute significantly to the economy of the nation. Generally, there are five key issues to be the subject of interest in the creative industry development plan, among others: (a) The quantity and quality of human resources as an actor in the creative industries, which require improvement and development: education and training institutions, as well as education for Indonesian creative. (b) Climate conducive to starting and running a business of creative industries, which include: the state administration system, policies and regulations, infrastructure which is expected to increase conduciveness for development of creative industries. In this case, including the protection of intellectual property based on the works of Indonesian creative. (C) Award / appreciation of Indonesian creative people and creative works produced, which primarily serves to foster excitement for Indonesian creative work in the form of support both financial and non-financial. (d) Acceleration of the growth of information and communication technology, which is closely associated with the development of access for the public to obtain information, exchange knowledge and experience, as well as

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access to all of the market, which is very important for the development of creative industries. (e) Financial institutions that support creative industries, given the weakness of the conventional financial institutions support and still the difficulty of access to creative interpreneur to obtain alternative sources of funding such as venture capital.

In line with this, the development of the nation's innovation potential, among others, are faced with various constraints, among others: (a) The number of firms in this country that still survive from comparative advantage (resource based), such as sources of raw materials, labor costs lower, government incentives, and utilizing a little "local knowledge". Through import of technology, product design, and systems from abroad, they feel more able to benefit his business. (b) Lack of human resources capabilities and experience we can develop a successful innovation (successful track-record). Although we have mastered the basic scientific capabilities, expertise, and understanding of the needs of the market innovation, our companies experience in undergoing the process is very limited. (c) and, no less important is the government R & D funding, which is still minimal. Of the above problems, researchers interested in studying more about the efforts in identifying the key success factors for innovation by lifting the title "MANAGING INNOVATION IN CREATIVE INDUSTRIES FOR INCREASING COMPETITIVENESS: CASE STUDY OF COMPANIES IN BANDUNG". The formulation of the problem is: "what are the key success factors for innovation-based local wisdom in the development of the competitiveness of the creative industries in the city?"

In this study the researchers chose Bandung Creative Industries as a research unit. The reason for the creative industries in Bandung, according Simatupang, (2007: 15) as follows: (a) known as the Bandung Parij Van Java and Sunda Cultural Center; (b) has been known since time immemorial as a center of textile and fashion; (c) promotion of the center including the pioneering work of national film culture; (d) a trend setter in fashion apparel among young people; (e) as a tourist destination and a city population of Jakarta - other cities; (f) placing itself as a city service that offers a variety of product distributions, the soap opera production, culinary and fine arts products; (g) is known by the younger generation of creative and dare to experiment with ideas - innovative ideas; (h) supporting resources available with good creative industries; and (i) As a center of higher education technology, business, design and visual communication.

Indonesia also began to see that the various sub-sectors of the creative industry has the potential to be developed, because the Indonesian people have a creative human resources and rich cultural heritage. The creative economy is believed to be able to answer the challenge of the basic problems of short and medium term is relatively low post-crisis economic growth, high unemployment, high poverty rates, and the low competitiveness of the industry.

## II. LITERATURE REVIEW

The concept has a long history of innovation and understanding of different, mainly based on competition between companies and different strategies that can be used to compete. Josep According to Schumpeter (1934) in the ANA (2010) innovation consists of 5 (five) elements, namely: (a) introducing a new product or a qualitative change in an existing product, (b) introducing a new process to industry, (c) open new market, (d) develop new sources of supply of raw materials or other inputs, and (e) changes in industrial organization. The concept of innovation is developed by a number of experts and institutions. According to Hurley and Hult (1998) in Prakoso (2005: 45) innovation is a mechanism for companies to adapt to the dynamic environment. Therefore, the company is required to create new thoughts, new ideas by offering innovative products and services that can satisfy the increase in customers. Two proposes the concept of innovation is innovativeness and capacity to innovate.

Innovation can created added value for the organization, shareholders, and society. According to De Jong and Hartog (2005), the definition of innovation includes the development and implementation of something new, while the term "new" Adair explained, (1996) does not mean original but rather to newness (novelty). The meaning of this novelty, Schumpeter made clear by the opinion that innovation is the creation and implement something into the combination. With innovation then one can add the value of a product, service, work processes, marketing, delivery systems, and policies, not only the company but also the stakeholders and the public, (De Jong and Hartog: 2003).

From various sources, it seems that there are some fundamental similarities of the concept of innovation, which is something new, either in the form of ideas, goods, processes or services. But that still shows the differences is

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how the scope and the innovation measurement. Based on the various notions of innovation, innovation in the size of the two groups is related to the size of the output and input. The size of the output, for example: (a) a new product or process or developed, (b) percentage of sales of the new product or process, (c) the resulting intellectual property (patents, trademarks or design), and (d) the performance of the company. While the size of the innovation-related inputs are: (a) investment in research and development, (b) intellectual property, (c) the cost of acquisition of new technology, (d) the cost of the first production of new products, (e) intangible assets such as goodwill, (f) marketing and training costs for new products, and (g) changes in organizational and managerial methods.

Drucker, (2002), in Prakoso, (2005: 45) states that the majority of business innovative ideas emerge through methodological analysis of the opportunities that exist, both contained within and outside the company. These opportunities may include events that are not expected (unexpected occurrences), incongruities of various kinds, process needs, change in an industry or market, demographic change, change in perception and new knowledge. The emergence of innovation / product innovation is basically to meet the market demand so that product innovation is one that can be used as a competitive advantage for the company. Han et.al, (1998) said that innovation is positively and significantly affect the performance of the company.

The heart of the company's competitive advantage is in the face of competitiveness. Competitive advantage can be derived from a variety of different activities of the company in making the design, manufacture, and market, distribute and support its products. Each of these activities can support a company's relative cost position and create a basis for differentiation. Basically competitive advantage may take the form of a lower price than any competitor's price for the equivalent benefits or providing unique benefits that more than offset the premium price. Therefore, in this study the key success factors will be grouped into three main activities, namely the stage of idea generation stage to get product ideas and develop product concepts and product design to production stage, the technical realization of the product idea into a tangible form, as well as the commercialization stage in the marketing phase of the product until the product is consumed and accepted by consumers.

### III. RESEARCH METHODOLOGY

This study is a qualitative study, which used an interpretive approach to building knowledge about innovation from a company with observing and interpreting human interaction in the real activities. By doing this, it can lead to understanding of social activities that are beneficial, not only externally observable behavior (Neuman, 2006). Qualitative research offers the researcher to study the companies in the natural setting, using a variety of empirical data and makes sense. These efforts led to a better understanding of the social experiences (Denzin & Lincoln, 2000).

The research activities carried out are grouped into several major stages. Stage literature study conducted to understand the theory or concepts, models or components that are relevant to the research problem and its methodology including best practices in the city of Bandung. Preliminary studies carried out subsequently. The next step is to identify the key factors based on concepts already existing theories. Based on the theories and concepts relevant to the problem under study and preliminary studies conducted, it can be identified the necessary variables in this study were used as a descriptive hypotheses for later confirmed and proved by the results of this research. Key success factors of the concept are used as alleged (Yin, 2008) which can be guidance in the exploration of the key factors of new or confirm existing key factors in the literature are used as guidance in conducting the interview. Next is collecting data or evidence-evidence that is needed to achieve the research objectives. In this stage the determination of the sources of data is needed in the study. In accordance with the objectives and framework of research that has been built, the necessary data consists of data on how to obtain and develop the idea, how to realize these ideas into commercialized products are prepared, and how the process of commercialization of the products that can be accepted by consumers. The process of data collection is done by using a case study protocol (Yin, 2008). There are several ways that can be done for the direct observation data collection (observation) and interview. In addition, secondary data were also collected from various other sources such as websites, magazines, newspapers, books, and research reports. Because the necessary data are primary and secondary data, this study used a combination of several methods. Before starting a data collection protocol to guide the execution of this research are made. The contents of the protocol include the following topics: Outline of case studies, field procedures, case study questions, and a guide to reporting case studies.

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In this research, a way to connect the data to the propositions (linking the data to propositions): This study will use a pattern matching technique (Yin, 2003), which will be a comparison between the pattern (pattern) that appears in the propositions of empirical studies the relationship between constructs (relationship constructs) that has been predicted earlier. The procedure adopted is the selection of the company in which the data were collected for each company by way of semi-structured interviews, archival documents, public documents, and direct observations. Next is Making a database where for each case will be made about the main events (main events) is divided by a period of innovation as proposed by Van de Ven et al. (1999), namely: initiation period, Early development, Late development, and Implementation / Termination. The company' studied were selected based on several criteria that a company engaged in the creative industry, has received a variety of awards, is a pioneer in the field, as well known in the community as well as the business is still eksisnya. In addition, the selection of companies was also taken into account the ease of access to the desired company.

In conducting the interviews, the interviewees were selected using purposive sampling technique. They were selected based on the key role, involvement to gain knowledge to innovation. Ideally, the interview should include all people with the relative involvement of interest (stakeholders) in the innovation. To identify these people conducted a study of literature through a website, a book of interviews, to get an overview of the key person in the success of innovation. Data were collected to obtain general information about the condition of the company and the general approach to innovation. Then, from the key person it is asked to connect researchers with those mentioned during the data collection process. Furthermore, based on the advice of the last interview, the researcher will continue to talk with other personnel associated with innovation. Interviews continued until saturation or saturation, where no significant additional information is achieved. At the same time all the documents related to the provision has been sought in conducting interviews both confirmation and further elaboration of the data collecting secondary data. Data were collected from a variety of documentation. Documents collected in this study are grouped into various forms of websites, books, and research reports, clipping, and printed media such as newspapers or magazines. In this study also collected some records such as work order, presentation materials, and documentation and launch events. Observation was done to reinforce the data collected. The observations carried out in conjunction with the interview, in which researchers evaluated the physical condition of the offices and factories as well as activities that can be observed and climatic atmosphere. The data collected then summed to improve the tracking of evidence, created a database of evidence that supports the use of software for qualitative research. Online questionnaire conducted for other data collection, especially in strengthening the selection and determination of the company. Questionnaires to be done to improve consumer understanding of product innovation is particularly relevant aspects of the product value, the condition of the product and its commercialization. The questions posed in the form of questionnaires combined open questions and closed questions. The data required in this study was obtained from the stakeholder customers, owners, competitors, and the government for each of these stakeholders is an application user entity creativity, innovation, competitive advantage and performance of creative industries.

In analyzing the data, the entire text is read as a whole, once collected, to get the main ideas and make the case for a description of each case. Each case description is described in detail. By using the analytical description of the scope of the case is completed with the primary objective to determine the close of a case and then find the essence and some of the unique pattern of the case. Then detailed analysis was completed using the description of the case and the data collected. First, Open Coding (Neuman, 2006) conducted to identify topics or issues that are often called, are often discussed diliteratur or of interest to researchers. This is done by using word frequency queries, which can quickly identify words that are often called. This step is helpful to get a first impression about the important issues in the case and start the coding process. Furthermore, the words are used as code analyzed why, how and when these words are used. This step looks for patterns, themes and explanations of the events that berkaitan event with the words that the code used in the step called Axial Coding (Neuman, 2006). In this step the researcher will reflect data collected comprehensively and evaluate it based on a theoretical foundation, personal experience, and discussions with informants, which would lead to a set of themes beginning of the construction process of innovation and innovation management constructs. This study identified several cases in the creative industries and a list of similarities and differences between the cases. After that, the overall ratio of the industry is done. In the final step, selective coding (Neuman, 2006), the themes are evaluated more than once along with the rest of the data and the researchers have built several concepts, which ultimately will lead to the key factors and models of innovativeness. The analysis here uses Narrative Analysis (Neuman, 2006), in which the story of the case descriptions were evaluated using the tool: path

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dependency (a specific path starting from a special event chain), periodization (some during the period in which the event takes place), and historical kontingensi (special factors or conditions that comes along with the specific event). The next step is to write a detailed description of the case.

Data from all sources are used to perform a triangulation of data will improve the reliability of the conclusions reached. The first version of the report of this case will be discussed with the informant - key informants to gather feedback in order to improve the accuracy of case reports. After that, perform data analysis. In 1 case within case analysis will be done by studying things - things collected on major events based on the stage of idea, design, and commercialization. Then between the different case companies in the industry sub-sector will be cross-cases analysis by comparing the data of the case.

## IV. FINDING AND DISCUSSION

Following below are the profile and lesson learned of the cases which discussed in this paper. (1) Saung Angklung Udjo. Saung Angklung Udjo (SAU) is a complete cultural tourist destination, because SAU has a show arena, bamboo handicraft center, and bamboo instrument workshop for. Saung Mang Udjo is a success story made into a valuable cultural heritage and has a survival economy. Angklung game that blended into the show very popular until the show has been held all over the world. The number of visitors was always an increase ranging from 86,000 visitors in 2008 and then rose to 103 952 visitors in 2009 and the last in 2013, SAU has netted 209,000 visitors. So the turnover obtained SAU itself could reach around 20 billion a year. Saung Angklung Mang Udjo has performed in Europe and America gained a lot of national and international caliber awards such as: Beyonce & Friends concert in 2000; Angklung training in Fukuoka, Japan in 2001; and Heritage and Cultural Gold Award in South Korea in 2004 Despite departing from the family business now employs professionals already SAU instead of the family to run the SAU. SAU shows promising potential through its business units. SAU owned business unit itself is a handicraft business units as well as performances and training. For the first business unit, all crafts offered by the SAU to consumers made by artisans around the partners. Objects that are offered in the form of angklung and other traditional musical instruments, as well as other souvenirs in the form of a wedding gift, a tool - a tool stationary and various other souvenirs made of bamboo. In the second business unit, performing arts offered SAU itself consists of performing internal and external performances. As well as training and workshops are provided to consumers who are interested in studying the arts of Sunda especially angklung.

(2) Amanda Brownies. Amanda Brownies is one of the culinary options in Bandung which is characterized by high product quality. Along with the development of the market, "Amanda" became one of the culinary icon in Bandung with maintaining, repairing and continues to develop quality products owned. Amanda did the original product innovations rely Original Production / Chocolate, now has produced with various flavors of Cream Cheese, Blueberry, Tiramisu, Choco Marble, Srikaya Pandan and Banana Fizz. An additional variant is Dry and Brownies Bakar. In addition to the above products prdoduk, Amanda is now also issued a new product that cheese stick, stick, sweet, bungket duo, Bolen banana cheese, banana Bolen brown, pink marble, cheese roll, chicken pastry, beef pastry, cake trap Sarikaya, grilled sticky rice cake blueberries. With a wide variety of products that Amanda Brownies can achieve a turnover of approximately Rp. 3.8 billion in ordinary days before Eid but increased to approximately Rp. 4.8 billion. With the number of employees reached 1,000 people, up to the current number of mills owned by Amanda amounted to 6 plants located in Bandung, Medan, Yogyakarta, Surabaya, Makassar and Kalimantan with production capacity at the six plants reach about 7 million units for all types of products to supply 43 outlets authorized to Amanda Brownies.

(3) Urbane Indonesia. Urbane Indonesia is a consulting firm architecture, urban design and visioning project based in London and founded in June 2004 by M. Ridwan Kamil and several partner Achmad D. Tardiyana, Reza Nurtjahja and Irvan P. Dervish. Urbane Indonesia International has built a reputation with projects such as the Syrian Al-Noor Ecopolis in Syria and Changchun in China's Financial District. Urbane Indonesia also has a community project with the vision and mission to help people in urban communities to gain access to donations and expertise to upgrade their environment. Urbane Indonesia has many award winning, including: BCI Asia Top 10 Awards from 2008 to 2014; BCI Green Design Award; 2nd Award Fasilkom UI Building Design Competition, 1st Award FIB UI X Building Design Competition and Award 1st House Cultural Center and the UI School of Art Design Competition.

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(4) Wayang Golek Giri Harja. In recent years, art puppet show progressed very rapidly. This is because some people who still care about the native culture as art puppet show that was inherited by ancestors, modernized, and a touch-a touch that does not make people bored. As with any community puppet show from the London community with a puppet show Giriharja mastermind known, namely Kidalang Asep Sunandar Sunarya son of senior puppeteer Kidalang Sunarya abah. Sunandar puppeteer Ki Asep S is able to make people to love art puppet show, with a game that has been modernized and collaborated with humors that makes the audience does not feel bored. The presence of a mini puppet is one way to introduce more native Indonesian culture, especially Javanese and Sundanese up to foreign countries. This is possible because the miniature puppets can also be a decoration to beautify the room. In 1989, Abah Asep've been to America in order to staging puppet show. Abah also follows the 1992 Puppet Festival (Puppet Theatre) in France. Not only that, in 1993, Abah Asep also been invited to be the honorary lecturer at the Institut International de La Marionnette in Charleville, France. A year later, Abah Asep again bring the puppet show around Europe. Abah asked to show a puppet show on the European continent. Asep also known as the founder of puppetry Giri Harja. Giri Harja itself has received awards from several agencies, and the highest award given by the President Soeharto Honors Satyalencana Culture.

(5) Peter Says Denim. It was originally established by Peter Firman in November 2008, Peter Says Denim (PSD) is a brand from London which is present in the midst of society with the concept of fashion and music as well as specializing in products of high quality denim, clothing and accessories. Devotees not only from the local community but also extended to foreign countries. Innovation PSD brand has been able to penetrate the largest annual music festival in June 2012 in Canada, to meet immediate community of music lovers from various countries. Besides having a showroom that resembles the store, the sales made online PSD available for various parts of Asia, including Singapore and Malaysia as well as the United States and Canada. Until now, the PSD has been supporting more than 40 bands, both domestically and abroad. As Rocket from Indonesia, August Burns Red and Four Year Strong of America, Crossfaith of Japan, Gloria from Brazil, While She Sleep of England, Scarred By Beauty of Denmark, Silverstein of Canada, and many other of the various countries in the world.

(6) Mocca. Mocca band was originally a band consisting of friends of the college in 1997, including Arina and Riko is a member of the band to date mocha. However, because they feel there is incompatibility with other members, then Arina and Riko agreed to establish a joint Mocca members who joined two years later, Indra and Toma. First stage was ridden Mocca during the inaugural event in 2001 where students university first name Mocca blaze. The philosophy of the name itself is taken from the Mocca Mocca flavor itself, where the distinctive taste between coffee and chocolate make people there who like and dislike others. Mocca his recording debut in 2001 to record a demo song titled "Life Keeps on Turning" which makes Mocca paired with FFWD Records, an independent record label in the city. First song that carries the name Mocca widely known to audiences is the song "Secret Admirer" in a compilation album in 2002 Delicatessen Until now Mocca has released 3 studio albums, My Diary (2002), Friends (2004) and Colours (2007), 2 extended plays Music Inspired by The Movie: for Rena (2005) and Mini Album (2010). By choosing the genre of indie pop music, swing and jazz, Mocca has unique songs that are simple and speak English so as to bring Mocca go international with Asean countries touched even have significant popularity in South Korea. With the final show titled "Annabelle and the Music Box" in 2011, Mocca decided to vacuum, but return back in 2013.

(7) Digital Happiness. Digital Happiness is one of the game developers in Indonesia are well known through one of his works, namely DreadOut game, which has been officially release on Steam. Game Developer based in London is focusing on the development of 3D games with strong basic 3D animation derived from many years of experience in the field. Digital Happiness was established in mid-2011 Game Developers. The ultimate goal is to bring an innovative gaming with the cost, environment and employees in accordance with the standards, as well as creating and developing IP games that can be run on multi-platform. Some of the work that has been generated by the game developer is DreadOut, which managed to attract the attention of gamers. In addition, game developers also released a game called Raid Hallway is a game version of the movie "The Raid". Many things and bad Digital Happiness passed by the time of their game development, such as the interview conducted by current duniaku.net Casual Connect Asia 2013 event on the development of the game DreadOut. As revealed by Rachmad Imron, the founder of Digital Happiness and Game Producer of DreadOut, DreadOut is one of the four games are translucent figure \$ 20,000 but with no track record. Rachmad also revealed, that they move in the last days of crowdfunding is to test how the monetization and also the response from the Indonesian public about crowdfunding. Digital Success Happiness through the game

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Dread Out can be seen from the fantastic sales, only about 2 months of the game release but sales have exceeded 10,000 and generate a profit of Rp 1 billion. In addition, the number of awards earned awards Digital Happiness itself as 08 V. Bubu Awards as the best startup in 2013 ago.

## V. KEY SUCCESS FACTORS

Stage Idea Generation: (1) Combination with Reverse Thinking. " Reverse thinking 'or thinking upside down is one of the techniques used by this creative industry players. The goal is simply to find a new breakthrough. For example Brownies Amanda steamed brownies that can be seen as a steamed or steamed sponge that dibrownieskan. It is the thinking upside down. In the case of Amanda steamed brownies, original recipe Ms. Sugeng obtained in 1999 from her sister in Yogya is steamed sponge recipe. Recipe is then developed and refined into products mainstay Amanda steamed brownies that are currently very popular. Amanda steamed brownies are examples of thinking upside down so as to produce a unique brownies. Suppose promoted steamed sponge brownies in which consumers may not be curious. But, when it reversed into steamed brownies, the consumer's mind into wondering, because that is usually baked brownies and hard to be different from the general understanding is soft. (2) Community Development Concept. The concept is used in a variety of businesses in the creative industry is to involve the cooperation of the local community. As an example for SAU, until now remained have a strong involvement of the local community, especially youth involvement that is continues to be maintained. The younger generation in addition to continuing the nation's cultural heritage will also give a positive value creativity and innovation in the SAU. (3) Uniqueness. Tourist destination in Bandung very much but sights Sundanese culture has been minimal, it can be said that the SAU is one - the only place that the main attraction for the tourists who want to know or learn Sundanese culture, especially the arts. In Amanda's case, the number of consumers who liked the first product that is steamed cakes steamed chocolate brownies Amanda also makes the product different from competitors' products appearing Family Mother Sumi steamed sponge is not the first chocolate manufacturer in Bandung, but with the uniqueness Amanda became the first manufacturer of steamed brownies in Bandung.

Product Design Stage. (1) HR / Creative Designer: One of the key success factors lies in the creative industries creative human resources. If the company does not have a creative human resources, then it can be done by working together. For example SAU collaboration with designers - designers from 10 universities in West Java SAU make the resulting product has advantages in terms of design is not monotonous and innovative. (2) Raw Material Resources. In designing any product, the resources that will be used is one of the important factors. Ease of getting raw materials to ease the processing of raw materials in accordance with the wishes of the owners and designers need to be considered. For example SAU products using raw materials readily available in the area of West Java, besides the raw materials including easy to prepare and has a uniqueness in terms of appearance when compared to other raw materials.

Stage Commercialization. (1) The products are worth (value) for consumers. For example SAU product is a product that can be said to be very rare and unique. So for consumers who want a treat, especially the traditional arts of West Java chose SAU becomes a tourist destination. (2) Word of Mouth. One of the most effective marketing and efficient for the creative industry is word of mouth. As performed by Amanda Brownies are not doing a formal promotion, promotion of all activities undertaken, word of mouth is the most noticeably influence the sales of steamed brownies Amanda. Since the number of consumers who buy steamed brownies are not only to be eaten alone but are often to be made by - by the typical London to relatives or colleagues outside of London. This is what makes people outside London or outside the island of Java was interested and began searching for Amanda steamed brownies. In another example, the visitors who had come to SAU and get a good impression will convey the experience to friends and other colleagues. (3) The website is easily accessible and informative. Nowadays virtual marketing became one of the marketing activities are much in demand, but because the cost is relatively low, the scope of marketing can be very broad. As an example for the SAU on his official website complete information collected, starting from the history of the business, the products offered as well as the explanation, access to transportation and lodging information is available at around SAU. (4) Spirit of entrepreneurship. As an example the case of Amanda, the family wishes Mrs. Sumi as the owner of Amanda's entrepreneurship on the product is very strong. With many - times do experiments to find a new kind of cake, not a few failures, many experiments - experiments recipe did not give satisfactory results, so that the experiments continue until finally steamed brownies recipe was discovered turned out to be the beginning of a successful career Amanda brownies.

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## VI. CONCLUSION

This study aimed to identify the key factors based on best practices in innovation-based local uniqueness or local wisdom to accelerate the competitiveness of the creative industries in Bandung. As a qualitative research study, interpretive approach is used to build knowledge about the innovation of a company to observe and interpret human interactions in real activities by using the case study method. Primary and secondary data collected validated using triangulation method. Companies in each subsector are used by the other researchers, fasyen Subsector: Peter Says Denim; Art Subsector: Saung Angklung Mang Udjo, Museum & Education; Design Subsector: Wayang Golek Harja Giri; Subsector Music: Mocca; Architecture Subsector: Urbane Indonesia; Subsector IT: Digital Happiness; and Culinary Subsector: Amanda Brownies. The results of this study found several key success factors, grouped in three stages namely innovation idea generation, product design and production, and commercialization. For the Idea Generation stage, the factors Combination with Reverse Thinking, Community Development Concept; and Uniqueness. For the Product Design phase, the creative human resources and factors of raw material resources. As for the commercialization phase, the product is a factor worth (value) for consumers, Word of Mouth, Web site easily accessible and informative, as well as the spirit of entrepreneurship.

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