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## APPLICATION OF THE ANALYTIC HIERARCHY PROCESS METHOD IN DETERMINING A CREATIVE INDUSTRY STRATEGY: EVIDENCE FROM CREATIVE INDUSTRY IN SOUTH TANGERANG

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## Abstract

Indonesia has natural resources that can be processed into creative industries. Each region has diverse creative industry and describes the characteristics of each region. The purpose of this research is to determine the priority strategies that need to be improved for the continuity of the creative industries in South Tangerang. Samples of research done on the sector craft industry with the number of 20 craftsmen (SMEs) by purposive sampling. Primary and secondary collection using questionnaire techniques, interviews, and observations at the selected SMEs as the sample. Furthermore, determining the priority strategies for SMEs that need to be improved in developing businesses such as improving infrastructure, product quality, product innovation, product design, product packaging, markets, and others which refers to the results of previous research (2019). Analytical techniques used were an Analytical Hierarchy Process (AHP). The results of the study show that of the 15 strategies (SO, WO, ST, and WT) the highest weight resulting from the pairwise comparison is WT. The second rank is the ST strategy. The third rank is the WO strategy. Thus, the most superior priority scale needs to be carried out by the South Tangerang handicraft SMEs sector is the WT strategy with the more important sub-criteria is to increase capital with loans to the government.

Keyword: SMEs, handicraft, strategies, AHP models

## INTRODUCTION

The role of the creative industry sector is a very important part because it can increase economic growth. John Howkins (2013) introduces that economic growth depends on new creative and innovative ideas. Desrochers & Leppälä, (2011). Anne (2011), White (2010) explain the importance of strategy in the development of the creative sector in increasing economic growth. In general, the development of the creative sector still faces many obstacles, especially in terms of a proper and correct strategy for competitive advantage. This is the cause of not optimal management and development of the creative sector. To create a creative industry that can gain a sustainable competitive advantage in Tangsel is not an easy thing, there are many challenges and obstacles, besides that not all problems from the types of creative industries are the same. From the results of previous research (Nur Hidayah and Rodhiah, 2019) in the Tangsel handicraft sector, there are many factors that Tangsel SMEs must pay attention to to excel in competition. Based on the results of the SWOT analysis, the internal factors in the form of the strengths of SMEs are having expertise as craftsmen, availability of raw materials, creativity

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