

**Research article**

# Designing Policies to Stimulate the Digital Creative Economy for Millennials and Generation Z

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**Abstract.**

Millennials and generation Z are the dominant segment of the Indonesian population. These young generations have a different character from the previous generations. It is important to design policies that can stimulate the digital creative economy of young people by studying cases of digital-based creative economy development in Indonesia. Data were collected from various news sources in the mass media, official government data, and official websites of trusted organizations. The results of the study showed that policies that the government can carry out include flexible policies, business transplants, and collaboration stimulation.

**Keywords:** millennial generation, generation Z, digital economy, policy, creative economy

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## 1. Introduction

Currently, Indonesia is getting a demographic bonus, this shows that the structure of the productive age population is dominant in the total population. The number of millennials reached 69.90 million people or 25.87 percent, and Generation Z reached 75.49 million people or equivalent to 27.94 percent of Indonesia's total population of 270.2 million people. Thus, more than half of Indonesia's population is the younger generation [1]. This is certainly a challenge in determining the formulation of poverty alleviation policies, alleviating unemployment, the design of subsidies, education and health services.

Public policies must be taken following the policy environment. Unemployment alleviation policies in the future must of course be adjusted to policies that are friendly to the younger generation and adapt to the use of technology and information. This of course must be an important consideration in designing policy formulations that should smooth the economic activity of young people.

One of the important talks in the current era is the development of the creative economy of young people. Young people with their energy, creativity, networking, and collaboration can become the main capital for the development of economic activities


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in the future. This is certainly an opportunity for the creative economy to become one of the best options for alleviating youth unemployment.

On the other hand, many digital-based creative economy platforms have successfully demonstrated their success in reducing unemployment, exploring the potential of the rural economy, and successfully inspiring other young people. Some cases of successful use of the digital world among young people are the village of marketers, and the village of graphic designers. The marketer village based in Purbalingga has succeeded in embracing young people to participate in digital advertising activities, helping clients to introduce products, advertise, and create advertisements. In addition, the graphic design village is also able to help alleviate unemployment through graphic design skills.

The millennial generation is the next generation that dominates the world of work and future generations, they will face many uncertainties in technology, society, workplace, and business challenges [2]. Millennials are also described as creative, solution focused, socially aware, and team oriented [3]. Information computer technology and bottom-up mentoring for millennials in today's competitive environment can bridge the gap between the leadership competencies that organizations need and build the innovator skills needed in the millennial cohort [4]. Millennial generation activities are always associated with the involvement of information technology, which can be used to strengthen social integration, active participation, and responsibility [5].

The phenomenon of the birth of new businesses by young people to be economically empowered by utilizing expertise in technology, information and communication is interesting to study. This is related to the formulation of digital creative economic stimulus policies for millennial and z generations. It's time for the government to use instruments that match the passions of the young generation to drive the local economy. This article will explain how the appropriate policies for millennial and z generations are based on the digital creative economy? Policy development is carried out based on the case of the marketer village and the graphic design village.

## 2. Method

The research on the formulation of the digital creative economy stimulus policy for the millennial and z generations was carried out in two cases, namely the marketer village in Purbalingga district and the graphic designer village in Magelang district. This research used a credible secondary data-based literature study. The data analysis that has been done is interactive data interaction.

### 3. Results and Discussion

#### 3.1. Marketer's Village and Designer's Village as best practices

The youth group is the group of people who are most familiar with the development of the digital world. This group is even referred to as a digital native or virtual world native group. This group takes a long time to interact with digital devices such as computers, laptops, cellphones, tablets, and so on. The interaction of this group with digital devices is like living things with oxygen, which cannot be separated.

Future economic growth is in the digital economy sector. Many digital platforms provide many opportunities for this group to improve its economic capabilities. Many of these young groups can then take advantage of the digital platform as a means to increase their potential and economic potential.

Marketer Village is the nickname for Tunjungmuli Village, Purbalingga Regency. This village succeeded in developing a business pattern and empowerment movement based on digital technology which later turned into a startup called "Komerce". In 2020 the circulation of money from the residents' businesses in this village is around Rp. 15.6 billion. The marketer village itself was founded in 2017 and has now succeeded in embracing more than 500 employees. Komerce's work system is to bring together talents with business partners for online shop owners and Micro Small Medium Enterprises (MSMEs) throughout Indonesia. Komerce offers three service programs for advertisers, customer service (CS) and admin marketplace. The rates set for CS are 600,000, marketplace admins 900,000, and advertisers vary according to the packages offered. This rate is the base salary of the talents, and there is an additional fee of 500,000 every month. This tariff is believed to be friendly for online business people and MSMEs who are starting a business. The average income of the talents is around 3,000,000 every month. The talents are also possible to get bonuses from partners if their performance is considered good, and satisfactory. Komerce currently has 22 offices and branches [6]. The demand for HR printing in online businesses is very promising. Especially now that several partners have asked for HR who can work night shifts. The talents who applied to work the night shift were kindergarten teachers who worked from morning to afternoon teaching but were confused about finding additional income [7].

Kampung Marketer dedicates itself to serving MSME customers [8]. This is because the number of MSMEs is very large but does not yet have qualified resources when shifting to online platforms. Most MSMEs still do not understand the capabilities of e-commerce. MSMEs only focus on production and distribution and do not have time to

take care of the sales or digital marketing team. And on the other hand, many village friends still need work [9].

Kampung Marketer is the best practice to drive the economy in rural areas and to alleviate unemployment among youth. This is shown by Nofi Bayu Darmawan as the founder of Kampung Marketer who has won many awards including the National level award Sustainable Development Goals - Indonesian Youth Drives Change (SDG PIPE) 2019, Go Global Indonesia & PIRAC, 2019 Mandiri Entrepreneur Award in the social sector organized by Bank Mandiri and Net TV, and Motivating Young Entrepreneurs with Achievements organized by the Ministry of Youth and Sports of the Republic of Indonesia [10].

Youth who want to join Marketer Village will go through a learning process as customer service, social media admin, and content writer which is carried out for 1 week, and advertisers are carried out for 1 month. The working days of the talents in Marketer Village are Monday to Saturday, starting at 8 am to 4 pm [11]. Empowerment takes place according to the interests, talents, and abilities of each individual.

Kaliabu Village, Magelang Regency is now also known as the Design Village, this is because many villagers work as graphic designers. Hundreds of graphic designers in this village work online by creating logo designs through design contests organized by 99Designs. 99design is an online graphic design marketplace where clients (contest organizers) meet with design service providers (designers). The backgrounds of these graphic designer talents are also diverse, such as coconut pickers, stonemasons, carpenters, furniture polishers, night bus drivers. Their old job was only able to provide an income of Rp. 20,000 to Rp. 40,000, that's not even every day. Their new profession as graphic designer promises a minimum income of US \$ 200 for each design work [12].

The "rewo-rewo" community as a meeting place for graphic designers in Kaliabu Village initially numbered 250 people but can grow to 400 people [13]. The learning process that occurs in the Rewo-rewo Community runs naturally, namely young people who already have expertise will enthusiastically teach other youths who are not yet proficient [14]. This process in the concept of development is called social capital. Social capital can improve the position of MSMEs (institutions) during competition and innovation development [15-17], social capital also affects innovation and economic growth [18]. Transformational leadership is also needed to develop social capital because it tends to have a strong positive impact on innovation performance through knowledge sharing [19].

## 3.2. The formulation of the Digital Creative Economy Stimulus Policy for Millennials and Z Generation

The formulation of the Digital Creative Economy Stimulus Policy for Millennials and Z Generation can thus be done by studying the keys to the success of the Marketer Village and Designer Village above. Some of the lessons that can be taken are

### 3.2.1. Flexible

The digital-based creative economy stimulus program for young people can now be developed flexibly. This means that the program must be willing to adapt to the capabilities and interests of the target group in the digital sector. If you study at the Marketer Village and Designer Village, your abilities as advertisers, online customer service, marketplace administrators, and graphic designers are developed according to the interests and abilities of the target group. Thus, the development of youth stimulus in the digital world sector can be carried out in detail according to the interests and abilities of a person or group [20]. In addition, these youths and people like flexible work. Flexibility here means that they can carry out business activities anywhere and anytime [21]. Flexibility affects satisfaction and employee loyalty from millennials [22-24]. Therefore, the policy design must anticipate the monitoring of digital activities following the portion.

### 3.2.2. Business Transplant

Youth empowerment programs can be carried out by conducting business transplants. This means that the government can work with communities that have been successful for business transplants. New groups are created, identified for their digital will and abilities, then sent to communities that are successful in the digital economy. This new group will be fostered, educated, and trained to be able to carry out the group activities studied [25-27]. After they are considered mature enough to be active, the government can allocate capital to build the new group to be successful. This scheme is a development of community-based social capital. Successful communities have proven to have high social awareness, so this social capital must be enlarged by creating new similar groups.

### 3.2.3. Collaboration

The development of a digital-based creative economy for Millennials and Z Generation can be developed collaboratively. The government can bridge the convergence of MSME interests that require marketing skills in the marketplace, and the expertise provided by marketer villages and designer villages. Collaboration must be developed between the real sector and online marketing (marketplace). This can allow mutualism symbiosis between MSMEs and digital-based creative economy actors. Collaboration between MSMEs can improve the innovation capabilities of the parties involved [28,29].

## 4. Conclusions

Research on the formulation of digital-based creative economy stimulus policies for millennials and z generations adapted from the experiences of the best cases in Marketer Villages and Designers Villages shows the importance of flexible policies, business transplantation, and collaboration. Program flexibility that is following the interests and abilities of the target group is very important for the millennial and Z generation target groups. They have a different profession and world imagination from the previous generation, so giving them the freedom to choose the skills developed in the digital world is a necessity. In addition, flexibility related to work space and hours is also a unique interest for this young generation. Business transplants can be done so that new players in the digital world have a good experience to be able to stand on their own. This transplant may be successful because usually these digital communities have high social capital. The collaboration shows that the development of the digital economy requires the synergy of many parties. Collaboration between the government and target groups, target groups with established communities, and other business actors is needed to make the economic stimulation program a success for Millennials and Z Generation.

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