

## Miwiti Creative Space Semarang: Modern Business With Fundraising Capital (Crowdfunding)

Joseph Aldo Irawan<sup>\*1</sup>, Imang Dapit Pamungkas<sup>2</sup>, Novi Khotimah<sup>3</sup>, Samsiah<sup>4</sup>, Adinda Agustian<sup>5</sup>, Ananta Budhi Danurdara<sup>6</sup>, Sukmadi<sup>7</sup>, Haryadi Darmawan<sup>8</sup>, Dian Indriana Hapsari<sup>9</sup>

Politeknik Pariwisata NHI Bandung<sup>1,3-8</sup>; Universitas Dian Nuswantoro<sup>2,9</sup>

Email: josephaldo99@gmail.com

### Abstract

The tourism business plays a significant role in economic income, with creative spaces emerging as a notable trend in the industry. The Ministry of Tourism and Creative Economy promotes these spaces to support creative economy entrepreneurs. One critical issue aspiring entrepreneurs face is securing capital, leading to the adoption of crowdfunding methods. Miwiti Creative Spaces, a pioneer in Semarang, has explored this fundraising method. This study investigates the application of crowdfunding methods in the contemporary tourism business. Employing a qualitative descriptive method supported by documentation, the research identifies various stages implemented by Miwiti Creative Spaces in applying crowdfunding to meet their needs. The findings indicate that crowdfunding can effectively address funding challenges for new entrepreneurs. Specifically, the study reveals that Miwiti Creative Spaces follows a structured approach, beginning with identifying potential projects suitable for crowdfunding. They then plan strategically to reach potential backers, leveraging social media and other digital platforms for outreach. The process involves continuous communication with supporters to build trust and maintain interest, ensuring transparency and accountability throughout the funding period. The study underscores that crowdfunding provides a financial solution and fosters community and engagement among supporters. This can enhance the visibility and reputation of new ventures. Consequently, the research concludes that crowdfunding is a viable and beneficial method for overcoming funding barriers in the creative economy sector. This insight is valuable for policymakers and entrepreneurs leveraging crowdfunding for business development.

**Keywords:** Tourism; Creative Spaces; Creative Economy; Crowdfunding; Miwiti Creative Spaces.

### A. INTRODUCTION

The Indonesian tourism industry is experiencing a significant resurgence post-pandemic, leveraging this momentum as an opportunity to boost the creative economy sector. The Ministry of Tourism and Creative Economy (Kemenparekraf) has strategically directed efforts to strengthen the creative economy by developing creative hubs. These hubs are physical spaces designed to nurture and develop the creativity of creative economy actors. According to (Kemenparekraf, 2022), establishing creative hubs aims to provide workspaces and create ecosystems that support collaboration, innovation, and local economic growth. This trend first emerged in Bandung in 2010 with the establishment of "Hackerspace" (Nurdifa, 2023). However, its popularity has increased significantly after being widely introduced to the public through social media.

A distinctive feature of creative spaces is the presence of flexible, open areas for artistic expression (Dananjaya & Primadewi, 2019). Additionally, several key components must be considered to effectively manage creative spaces, such as ambient conditions, spatial layout, and facility aesthetics (Rizqulloh & Saefuloh, 2021). These components significantly contribute to the comfort and productivity of their users. By focusing on these aspects, creative hubs are expected to become effective and attractive centers of creativity for creative economy actors, thereby making a tangible contribution to the development of local and national economies.

One notable creative space in Semarang is "MIWITI CREATIVE SPACE." Miwiti has introduced a new business model in Semarang, focusing on creative spaces. This concept is relatively unfamiliar to the residents of Semarang, and initially, there were challenges in preparing this business. Starting a new venture

\* Corresponding author

requires substantial capital, and Miwiti addressed this by introducing a crowdfunding model. Crowdfunding is an online fundraising method that involves many people collectively supporting a venture (Rachhmaniyah & Nugroho, 2019). Crowdfunding offers advantages such as transparency, efficiency, and effectiveness in business operations (Hutomo, 2019), and investors do not hold management positions (Hornuf & Schwiendbacher, 2017).

Establishing Miwiti Creative Space in Semarang was a challenging journey influenced by cultural factors that shaped community perceptions. This cultural context initially posed obstacles to implementing a crowdfunding-based business model. However, Miwiti successfully navigated these challenges by harnessing the advantages of crowdfunding. This study aims to explore Miwiti's effective implementation of crowdfunding in Semarang and understand the strategies employed to overcome local cultural barriers. Through this analysis, insights into crowdfunding's potential as a viable solution for new entrepreneurs facing financial hurdles in similar cultural contexts can be gained. This research contributes to understanding how innovative business models can adapt and thrive within diverse cultural settings.

Introducing and establishing the creative business concept and navigating Semarang's market landscape is crucial for Miwiti Creative Space. Initially facing challenges in gaining community recognition, Miwiti has gradually attracted a diverse following, including creative professionals, musicians, painters, MICE event organizers, K-POP enthusiasts, and students. Miwiti's event, "Cerita Rana," a sports photography showcase, received positive community feedback (Setiawan, 2023). Operating uniquely, Miwiti requires proactive promotion of activities and timely updates on trends, demanding continual innovation and strategic management to compete effectively. Operational challenges include managing daily income and investor funds, with pooled resources enhancing Miwiti's financial stability for sustained operations. This study aims to explore Miwiti Creative Space's operational strategies and crowdfunding's impact on its sustainability and growth in Semarang. Examining these aspects aims to uncover insights into how innovative business models can flourish amidst local market dynamics and cultural nuances, fostering discussions on entrepreneurship and economic development within creative sectors.

## B. RESEARCH METHOD

This study employs a qualitative descriptive approach, where all gathered data will be processed into a narrative discussion. Qualitative descriptive research, as defined by Moleong (1998), involves collecting data in words, images, or other non-numeric formats, emphasizing qualitative data as the primary focus of the research. According to Arikunto (2019), descriptive research aims to investigate a condition or situation, presenting its findings in a descriptive form. Data collection involves documentation processes and observations conducted by the researcher. Documentation includes recording social media data, followed by theoretical analysis. The research focuses on Miwiti Creative Space, located at Jl. Letjen Suprpto No.3, Tj. Mas, Semarang Utara, Semarang City, Central Java 50137. Operational observations are conducted daily from 14:00 to 23:00 WIB, encompassing the space's activities and interactions within operational hours.



Figure 1. Miwiti Creative Spaces Instagram Account

Source: research data, 2024

### C. RESULTS AND ANALYSIS

Miwiti Spaces was established in 2023, capitalizing on a burgeoning trend in major cities like Yogyakarta, Bandung, and Jakarta. Semarang was deliberately chosen as its location due to the growing community of artists seeking a space for shelter and creative expression. Positioned strategically within the historic tourist hub of Kota Lama Semarang, Miwiti Space's decision on its location proved pivotal for its business strategy. Operating alongside KOOPMAN Resto in the same building posed no operational conflicts, as both entities established independent and flexible operational agreements. Over time, Miwiti Space has gained remarkable popularity, becoming widely recognized within Semarang and across regions and even drawing attention from governmental bodies. Its prominence has elevated Miwiti Space to the preferred venue for events endorsed by the Ministry of Tourism and Creative Economy, including hosting visits from government officials, showcasing its significant positive impact on local tourism.

This trajectory underscores Miwiti Space's strategic positioning and influential role in promoting Semarang as a cultural and artistic destination. Its proactive engagement with diverse stakeholders, including local communities and government agencies, highlights its commitment to fostering a vibrant, creative economy. As Miwiti Space continues to thrive and expand its influence, its success story serves as a beacon for similar initiatives seeking to harness cultural assets for economic growth and community enrichment.

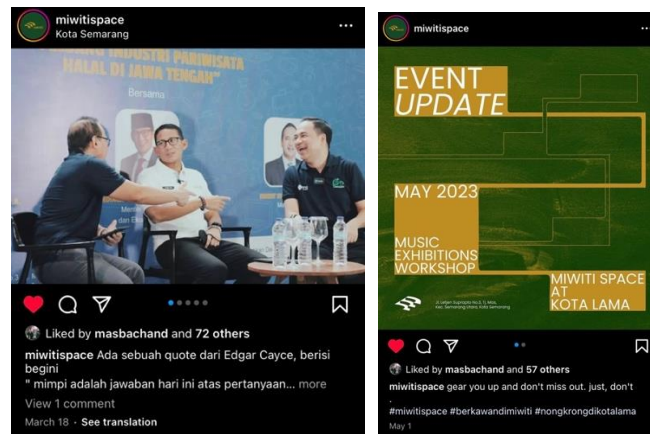


Figure 2. Activities and Calendar of Events at Miwiti Creative Spaces

Source: research data, 2024

The business model employed by Miwiti Space relies heavily on regular activities that occur both weekly and daily. Additionally, Miwiti Space operates as a venue owner, renting out its spaces for use by external parties. Moreover, Miwiti Space's management often engages in strategic marketing initiatives, such as joint events with external organizers, which are mutually beneficial and complement the core daily operations. This concept is designed to sustain daily operations effectively, impacting revenue generation and venue popularity.

Miwiti Space's approach underscores its commitment to maintaining a dynamic and sustainable operational framework. By leveraging a blend of routine activities and strategic collaborations, Miwiti Space ensures consistent income streams and enhances its visibility and appeal in the market. This proactive strategy supports its business model and positions Miwiti Space as a versatile and sought-after destination for various events and creative endeavors, fostering continuous growth and community engagement.

Miwiti Space functions primarily as a cooperative hub where collaboration with external parties is essential. Its core concept revolves around leasing spaces to various tenants categorized into food, art, and clothing sectors. Miwiti Space's management oversees beverage services and venue rentals while the tenants manage their respective businesses. The managed tenants include one clothing store, two food outlets, one

photo booth, and one micro, small, and medium-sized enterprise (UMKM). During the initial planning stages, Miwiti's management undertook several crucial steps, including conceptualizing products, securing an appropriate location, consulting on spatial planning, conducting equipment surveys, assembling a core team, and more. These foundational stages were pivotal in shaping the launch of a new business, requiring expertise, particularly in spatial planning and FnB (Food and Beverages) business strategies. Planning commenced in 2022, accompanied by challenges related to aligning perceptions and visions, which were significant hurdles in forming a cohesive core team prepared for collaborative efforts.

Navigating these initial challenges underscored the importance of cohesive team formation and strategic planning in Miwiti Space's developmental phase. The integration of diverse business sectors within its premises not only enhances operational diversity but also fosters a vibrant, synergistic environment. As Miwiti Space continues to evolve, its proactive approach to addressing these foundational challenges sets a precedent for sustainable growth and effective tenant management. Moving forward, ongoing refinement of operational strategies and collaborative frameworks will be crucial in maintaining Miwiti Space's role as a dynamic hub for creative and entrepreneurial endeavors in Semarang and beyond.



**Figure 3. Miwiti Creative Spaces Management Work Process**

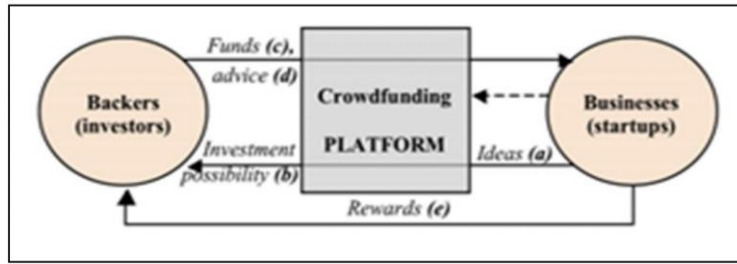
Source: Research data, 2024

After assembling the core team, Miwiti Space embarked on the critical conceptualization and site selection phases. This stage demanded meticulous consideration and detailed analysis to lay a solid foundation for the project. Comprehensive analyses were conducted to guide budgeting decisions, providing a clear estimation of the financial resources needed to initiate the development of Miwiti Space. This planning phase marked a pivotal moment in aligning strategic goals with practical feasibility, ensuring that the chosen location in Semarang's historic Kota Lama area would accommodate and amplify Miwiti Space's vision as a creative hub.

Following internal planning, Miwiti Space initiated its crowdfunding strategy to secure collective funding. Crowdfunding, a method widely adopted by startups and innovative ventures, enables entrepreneurs to gather financial support from a broad audience without relying solely on traditional investment avenues. This approach is particularly advantageous for initiatives like Miwiti Space, which seek to launch with limited initial capital but aspire to foster a vibrant community and cultural exchange hub. Crowdfunding typically involves leveraging specialized online platforms to facilitate equity-based investments and trading. This methodical approach ensures transparency and accountability, which are crucial for building trust among potential backers and stakeholders.

Successful crowdfunding campaigns hinge on thorough preparation and alignment with the platform's requirements and investor expectations. Entrepreneurs must navigate rigorous evaluations and due diligence processes to qualify for these platforms, safeguarding the credibility and appeal of their fundraising initiatives. Miwiti Space's adoption of crowdfunding underscores its innovative approach to funding and community engagement, reflecting a strategic blend of financial pragmatism and entrepreneurial vision. By leveraging crowdfunding, Miwiti Space secures the necessary capital and validates its concept within the broader market landscape, positioning itself as a promising venture in Semarang's creative and economic ecosystem.

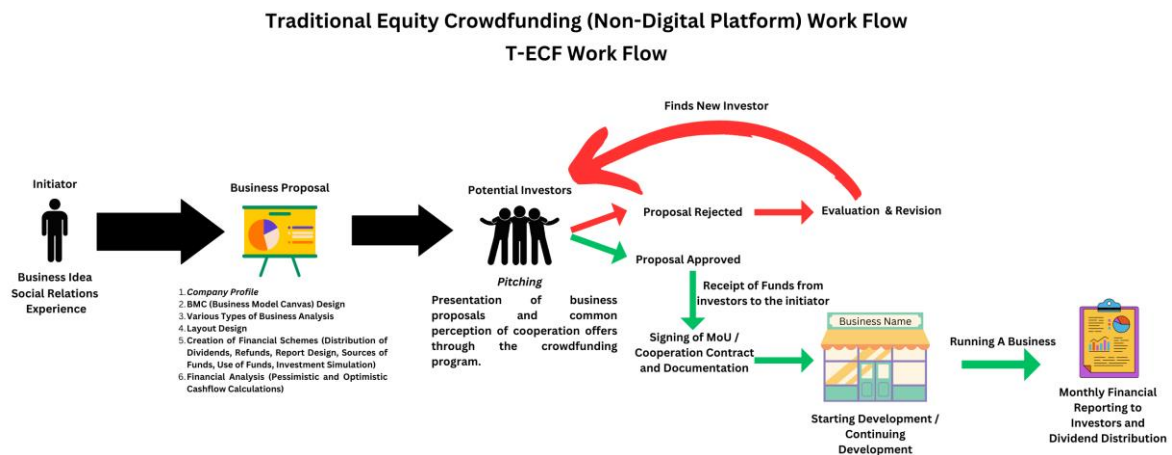




**Figure 4. Crowdfunding Workflow**

Source: Siregar et al., 2023

Crowdfunding systems are considered highly impactful due to their sustainable nature. Miwiti Space management utilizes this method because they recognize its sustainability benefits. One evident advantage is the bond it fosters between investors and management, creating new connections for the latter. However, unlike typical crowdfunding processes, Miwiti Space's crowdfunding process incorporates traditional elements without relying on websites. Generally, this fundraising activity also involves pitching stages. Pitching entails management approaching potential investors within a designated timeframe to present Miwiti Space's programs and establish relationships. The pitching process at Miwiti Space, if outlined sequentially, can be described as follows:



**Figure 5. Pitching Flow**

Source: Author, 2024

In Figure 6, Miwiti Space's management process is illustrated, showcasing a traditional approach that heavily relies on building relational connections to attract potential investors. The analysis reveals several key aspects of their strategy: Firstly, management pursues funding with a criterion ensuring that each investor contributes no more than 50% of the total equity, aiming to prevent future complications. Secondly, they opt for a person-to-person (P2P) approach, which is believed to offer higher success rates in pitching than business-to-business (B2B) methods. This choice is justified by Miwiti Space's small-scale operations, which may not yet appeal to larger investors. Funding efforts extend beyond investor contributions, including sponsorship models with specific contracts and tenant leasing arrangements. These strategies are essential for Miwiti Space's financial sustainability and operational expansion, diversifying their funding sources and reinforcing their growth prospects.

Investment opportunities through crowdfunding schemes remain relatively novel among the general public due to low literacy in this area. This lack of familiarity poses significant challenges for management

when conducting pitching processes. These challenges include educating potential investors about the crowdfunding model, navigating traditional trust-based investment systems, introducing unfamiliar business concepts to a broader audience, and addressing investor perspectives predominantly focused on monetary returns. Efforts to overcome these obstacles require comprehensive educational initiatives to raise awareness about crowdfunding, establish trust in alternative investment models, familiarize the public with innovative business ideas, and broaden investor perspectives beyond immediate financial gains. Successfully addressing these challenges not only enhances the accessibility of crowdfunding as a funding option but also fosters a more informed and engaged investor community capable of supporting diverse entrepreneurial ventures.

In response to the challenges identified, Miwiti's management has implemented several solutions to attract potential investors. These solutions include incorporating influential and reputable individuals as investors to enhance credibility, providing clear financial projections to demonstrate project viability, and offering enticing dividends ranging from 15% to 25% annually. Dividends are distributed quarterly at rates of 3.75% to 6.25%. Since early 2023, Miwiti has successfully distributed dividends amounting to 15% of the generated revenue to all investors, supported by confidential transfer records managed exclusively by Miwiti's management. No issues have been reported regarding dividend distribution through Miwiti Space Semarang's crowdfunding model, highlighting its effective application in the tourism industry, particularly within the Food and Beverages (FnB) service sector. This success underscores the potential of the crowdfunding business model to empower aspiring entrepreneurs with limited capital, enabling them to expand their ventures with the backing of investor relationships.

#### **D. CONCLUSION**

Based on the research findings, it is evident that the crowdfunding model has been successfully implemented in the tourism sector, particularly within the creative economy realm, exemplified by Miwiti Creative Spaces in Semarang. With strategic management approaches, Miwiti has effectively designed an internal crowdfunding scheme. The use of this fundraising model is closely tied to the strong network and relationships maintained by management with investors. This success underscores the efficacy of implementing a well-suited fundraising system to meet the financial needs required to operate a business. Future research could explore the optimal structure for dividend distribution and assess the ongoing relevance of crowdfunding models in fostering growth within the creative economy. This would provide valuable insights into whether such fundraising approaches remain viable and effective in supporting entrepreneurial endeavors in similar sectors.

#### **REFERENCES**

- Arikunto, S. (2019). *Prosedur Penelitian Suatu Pendekatan Praktik*. Jakarta: Rineka Cipta.
- Dananjaya, I. G. N. M., & Primadewi, S. P. N. (2019). Perancangan Creative Space Dengan Pendekatan Ekologis Di Cangu. *Jurnal Teknik Gradien*, 11(2), 125-135.
- Hornuf, L., & Schwiembacher, A. (2017). Should securities regulation promote equity crowdfunding? *Small Buss Econ* 49:579-593. DOI 10.1007/s11187-017-9839-9
- Hutomo, C. I. (2019). Layanan urun dana melalui penawaran saham berbasis teknologi informasi (Equity crowdfunding). *Perspektif: Kajian Masalah Hukum dan Pembangunan*, 24(2), 65-74.
- Kememparekraf/Baparekraf RI (2022, May 28). *Dari Kopi Hingga Coworking Space, Semua Ada di Creative Hub Samosir*. Retrieved September 2023, from Kememparekraf: <https://www.kememparekraf.go.id/destinasi-super-prioritas/dari-kopi-hingga-coworking-space-semua-ada-di-creative-hub-samosir>
- Moleong. (1998). *Metodologi Penelitian Kualitatif*. Bandung: CV. Remaja Rosdakarya.

- Nurdifa, A. (2023, February 3). Sejarah Coworking Space di Indonesia, Pertama Kali Hadir di Daerah Ini. Retrieved September 2023, from Bisnis.com: <https://ekonomi.bisnis.com/read/20230203/47/1624537/sejarah-coworking-space-di-indonesia-pertama-kali-hadir-di-daerah-ini>
- Rachmaniyah, F., & Nugroho, A. Y. (2019). Fenomena perkembangan crowdfunding di Indonesia. *Ekonika*, 4(1).
- Rizqulloh, R. P., & Saefuloh, D. (2021). Pengaruh Dimensi Servicescape Terhadap Brand Loyalty Pada Creative Space: Study Kasus The Hallway Space Bandung. In *Prosiding Industrial Research Workshop and National Seminar* (Vol. 12, pp. 953-959).
- Setiawan, H. (2023, April 4). Pameran Fotografi Olahraga akan Digelar di Miwiti Creative Space di Kota Lama Semarang, Catat Tanggalnya. Retrieved January 2024, from SuaraMerdeka.com: <https://www.suaramerdeka.com/semarang-raya/048340139/pameran-fotografi-olahraga-akan-digelar-di-miwiti-creative-space-di-kota-lama-semarang-catat-tanggalnya>
- Siregar, A. S. A., Sinaga, T. H., & Rahayu, E. (2023). E-Penggalangan Dana Untuk Penderita Kanker di Kota Medan Menggunakan Metode Crowdfunding dan Framework Bootstrap. *Query: Journal of Information Systems*, 7(1), 1-9. DOI: <http://dx.doi.org/10.58836/query.v7i1.17125>