Business Strategy on Creative Industry - A Case Study of Nous ID Studio

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Abstract- **Creative Industry is a form of industry that utilizes and modifies innovative resources. Currently, business competition is getting higher so that entrepreneurs are required to explore more business opportunities in the creative industry to attract consumers' attention. The creative industry is a differentiator from the many similar products found in the business world. The reason is, the products it produces are the result of creativity that creates uniqueness and product innovation.**

The results of this study reveal that the right strategy is needed in making a business in a digital-based creative world to guarantee the excellence of a company.

Therefore, companies are required to make a suitability plan with core products and complimentary services following the company's capabilities and customer needs to create a competitive advantage.

Keywords: **Animation, Business Strategy, Creative Industry.**

I. INTRODUCTION

The development of the animation industry is currently growing rapidly where it is not only in demand by children but up to all ages. Its use can also be used for various purposes, be it advertising, design, games, and others depending on how to communicate the message.

Animated content can also be used to meet various needs, including the practice of using animation to present concepts in an organization, or the use of animated content as a media for promotion and advertising, even animated content can also be used to help the teaching and learning process at schools and universities. According to (Rachmawatie et al., 2016), the animation industry experienced an average growth increase of 12% per year from the US $ 74 billion in 2005 to US $ 170 billion or around Rp 2,021 trillion in 2013, and the animation industry valuation growth trend this is still adding up to this day

The growth in the valuation of the animation industry is strongly influenced by the increased interest from users and stakeholders who see animation as a breakthrough to convey information in the digital era. This can be proven by the number of well -brands known that repeatedly use animation as their promotional media through television and social media on the internet.

The need for animated content does not only arises from within the country, but the need for animation creation services also comes from abroad. The market potential for animation making services is so large and continues to grow from year to year that prompted the establishment of Nous ID Studio, which focuses on making animation in the form of motion graphics and explainer videos. Motion graphics deals with the art of graphic design that combines illustration, typography, photography, and videography with animation techniques. The Explainer video will explain a topic or object to the audience. The uniqueness that can be displayed from the animation is that it can explain the abstraction of a complex form to be simpler so that it allows Nous ID Studio to engage in education and advertising.

Animation creation services like Nous ID Studio are still relatively few in Indonesia, so the market is still wide open for animation. Based on the above background and the existence of competitors in the creative industry sector, Nous ID Studio needs analysis business comprehensive, so that it can carry out strategic planning to further strengthen its business processes.

II. LITERATURE REVIEW

A. Business Model Canvas

Business Model Canvas (BMC) is a model used to describe and determine the proportion of a company's value, infrastructure, customers, and finances. The business model canvas is divided into 9 blocks, each of which is responsible for explaining part of the business model so that it can run well (Osterwalder & Pigneur, 2010). The following are 9 components in implementing the Business Model Canvas, namely Value Proposition, Customer Segments, Channels, Customer Relationship, Key Relationship, Key Resources, Key Partnership, Revenue Stream, Cost Structure.

B. Marketing Management

Marketing management is the analysis, planning, implementation, and control of programs designed to create, build, and maintain profitable exchanges with target buyers to achieve organizational goals (Kotler & Armstrong, 2002). Marketing management aims to meet all the needs and demands of the destination market to determine prices, establish effective communication and distribution to inform encourage and serve the existing market.

C. Brand Awareness

According to (Keller, 2013) the role of the brand is very important from the existence of a product. Not just a name, term, sign, symbol, or design, but a brand is used to identify a product or service of a person or group of sellers to differentiate it from competitors' products or services. The brand itself is a tangible and intangible value represented by a trademark that can create its value and influence in the market if managed properly.

D. Digital Marketing

According to (Narayanan, 2019) industrial digital marketing that is trending around the world is a form of electronic communication used by marketers to support goods and services to the market. The simple definition of digital strategy according to (Chaffey & Chadwick, 2012) is an effort to achieve marketing goals through the use of digital technology. Digital marketing is also defined as internet applications and digital technology related to traditional marketing to achieve marketing goals. There are several types of channels according to (Chaffey & Chadwick, 2012), namely: Search Engine Marketing (SEM), Online Public Relations, Online Partnerships, Display Advertising, Opt-in e-mail marketing, Social media marketing.

E. Segmentation, Target, Position (STP)

According to (Moutinho, 2000) market segmentation is the activity of dividing a market into different groups of buyers who have different needs, characteristics, or behaviors that may require different products or marketing mix. Market segmentation can also be defined as the process of identifying and analyzing buyers in the market or analyzing the differences between buyers in the market. (Kotler & Armstrong, 2012) explained that segmentation, target, and position are the essence of strategic marketing in finding various needs and groups of consumers in the market. The following is an explanation of segmentation, target, position:

1. Segmentation

Is a segment where the market division of a collection of entities in one meets the identical needs of one another? A marketer must identify the exact number and nature of market segments and decide on them as targets.

2. Target

Target Market is a group of buyers who have the same needs or characteristics which are the goals of the company's promotion. (Keegan & Green, 2008) said targeting is the process of segmenting and focusing more on the marketing strategy to the state, province, or group of people who have the potential for an activity to be carried out.

3. Position

At this stage, both companies engaged in products and services can determine targets in the market. The position is focused on aspects of a product or service that can meet consumer needs or desires.

F. Human Resource Management

Human resource management requires strategic management of people who are effective in a company or organization in such a way that they can help each other gain a competitive advantage (Collings & Wood, 2009). Human resource management is designed to maximize employee performance in serving the strategic objectives of the company. Human resource management is primarily concerned with the management of people in organizations, with a focus on policies and systems. The HR department is responsible for overseeing employee design, employee recruitment, training and development, performance appraisals, and reward management, such as managing systems. HR is also concerned with changing organizational and industrial relations, or the balance of organizational practices with requirements arising from collective bargaining and government law.

G. Animation Principles

In making an animation product one must know how to make an image made in a series of images so that it seems to be moving or alive as the basic definition of animation which means making an image appear to be alive. (Thomas & Johnston, 1995) Say there are 11 principles in animation, namely:

1. Squash and stretch

Defines the stiffness and mass of an object by distorting its shape during the action so that it looks alive.

2. Timing

Specifies the action in the time reference in defining the weight and size of objects, as well as the character's personality

3. Anticipation

Preparation for the upcoming action, so that the audience knows when something is coming in the momentum of action

4. Staging

A way of presenting an action so that it is clear and not overlooked by the audience in an action

5. Follow through and overlapping action

Provide direction in stopping action and building further action, with the aim that all actions can be seen as real.

6. Straight ahead versus pose-to-pose action

Straight Ahead Action, which is creating animation by way of an animator drawing one by one, frame by frame, from start to finish alone. This technique has the advantage: consistent image quality because it was done by one person only. Pose to Pose, which is making animation by an animator by drawing

only on certain keyframes, then the in-between or the interval between keyframes is drawn/followed by another assistant/animator.

7. Slow in and out

Reaffirm that every movement has a different acceleration and deceleration. Slow in occurs when a movement starts slowly and then becomes fast. Slow out occurs when a movement is relatively fast then slows down.

8. Arcs

Body movements in moving creatures follow patterns/pathways called Arcs. This makes it possible to make the movements 'smooth' and more realistic, as their movements follow a curved pattern.

9. Exaggeration

Exaggeration is an attempt to dramatize an animation in the form of hyperbolic image engineering. Made to show the extremity of a certain expression, and usually made comedically. Often found in animated films like Tom & Jerry, Donald Duck, Doraemon, and so on.

10.   Secondary action

Secondary action is additional movements that are intended to strengthen the main movement so that animation looks more realistic. Secondary actions are not meant to be 'the center of attention' to obscure or distract from the main movement. Its appearance serves to emphasize strengthening the main movement.

11.   Appeal

Appeal deals with the overall visual look or style in the animation. Just as images have spawned many styles, animated (and animated) also have very diverse styles. For example, identify a Japanese-made animation style by glancing at it. Can see the main features of animation made by Disney or Dreamworks. This is because they have a certain appeal or style.

12.   Solid Drawing

Drawing as the main basis for animation plays a significant role in determining both the process and outcome of animation, especially classical animation. An animator must have a sensitivity to anatomy, composition, weight, balance, lighting, and so on which can be trained through a series of observations and observations, where one of the observations that must be done is drawing.

H.   Making Stories

In making a story, story ideas are needed, these story ideas can be obtained from anywhere, including reading, discussing a lot and listening to other people, watching short films or videos, paying attention to what is happening around them, and so on. Besides, determining an idea also means determining what purpose or message you want to convey through the story. After determining the story idea, the next step is to structure a story as a whole. (Blazer & Liz, 2015) stated that 3 things v to be considered, namely:

1) Setting up character and conflict
2) Introducing the character to determine what to want, and also introducing problems that prevent getting what you want.
3) Creating a solution
4) A character tries to solve the problem. The characters are fully committed to solving problems and facing all kinds of obstacles that make solving them seem even less likely.
5) Achieving big problem solving
6) Characters have committed to solving their problems and working hard to achieve their goals, but the characters continue to face obstacles in dealing with problems in a loop until they create unexpected problem solutions.

I.   Storyboard

The storyboard is an image that resembles a comic, where there are sequential images that compose a story, its function is to visualize the script/story. Apart from visualizing the story, storyboarding is also useful for making sure a scene can be edited and doesn't run out of pictures. In preparing the storyboard, (Blazer & Liz, 2015) reveals the things needed to make a good storyboard:

1) Setting up character and conflict: Variety of shooting: use wide-angle and multiple shots to increase the logic of the story.
2) Framing & Rule of Thirds: keep the scene interesting by placing the subject off-center of the frame.
3) Staging: Make a scene more alive by placing objects in an event, using the current focus of the perspective.
4) Spatial Continuity: Ensuring the frame remains consistent with the actual state of the world created in the story.
5) Temporary Continuity: Make sure the frame fits the story.
6) Directional Continuity: Consistent frame to frame story direction.
7) Timing: Keeping the complete scene clear by recording the sound of each scene that occurs.

J.   Motion Graphic

Motion or commonly referred to as motion design is a new field that combines motion and graphics with stories. Motion covers disciplines such as animation, film, and sound. The quality of motion that determines the media is the change that occurs in a scene. The graphic includes disciplines such as graphic design, illustration, photography, and painting. (Shaw, 2015) says that motion graphics has two types of use where the dedication is pure art and the second is more to art that is

traded in the form of commercials, network branding, packages, digital signage, banners, user experience design, interactive motion design, and many more uses

III. RESEARCH METHODS

The data used were the primary data. The data collection methods used was observation by making observations and recording the behavior of the object. It was carried out directly at the location of the object of research.

The object of research is a animation studio that was just established in 2020 in Yogyakarta, Indonesia.

The study focuses on knowing the extent to which the concept of the Business Model Canvas has been implemented at the Nous ID Studio, Yogyakarta.

IV. RESULT

The results of the study revealed that the Nous ID Studio has applied in business practice. The existing product form Nous ID is a visual format in the form of animation with the media used is youtube.

Fig.1 Conceptual Framework

A. Strategic Aspects

Business strategy planning that is used is the Business Model Canvas which is the reference for Nous ID in engaging in the creative business sector which consists of nine components, namely:

1) Value Proposition

Benefits offered by organizations to the market segments served is by creating fun content and using a scientific approach which presents an explanation of science using animation. The use of animation is not enough, but it requires information and a narrative that inspires a person's scientific curiosity.

2) Customer Segments

In running its business, the company determines the services provided by the company by dividing the target market into three segments, namely government, private companies and communities.

3) Channels

In delivering Value Propositions to the Customer Segments served by Nous ID Studio, using online and offline means such as sharing content on social media, workshops and webinars.

4) Customer Relationship

In establishing a relationship with prospective buyers, Nous ID Studio focuses on animated shows on the YouTube platform that can be accessed in general so that it can create opportunities for purchases of service products.

5) Key activities

The company's main activity in creating a Value Proposition is by publishing educational content in the form of animation using social media platforms such as YouTube and Instagram and taking an active role in the discussion of the science community both on a local and international scale.

6) Key Resources

Organizational resources used to realize value propositions in the form of intellectual property and managerial staff and content creating staff.

7) Key Partnership

Resources needed by companies to realize value propositions outside the company by collaborating with the science community, animation and illustration educational content creators and government institutions engaged in the field of science.

8) Revenue Stream

Generated from Nous ID Studio customers as follows:

- YouTube monetization.
- Sales of animation video creation services.
- Website Monetization.
- Subscription.
- Sponsorship YouTube videos and other social media.
- Online Event.

9) Cost Structure

The cost composition for operating the organization to realize the value proposition provided to customers is required is operational costs.

B. Marketing Aspect

1) Marketing Aspect Planning

Plan carried out by Nous ID is as follows:

- Be active in all online media such as YouTube, Instagram and websites so that the brand is increasingly recognized.
- Advertise through search engines
- Online Partnership by way of collaboration on a project.

2) Realization of Marketing Aspects

In the planning that has been made, Nous ID has been active in terms of content. With a target of uploading 1 week, there are 3 animated videos with an educational theme.
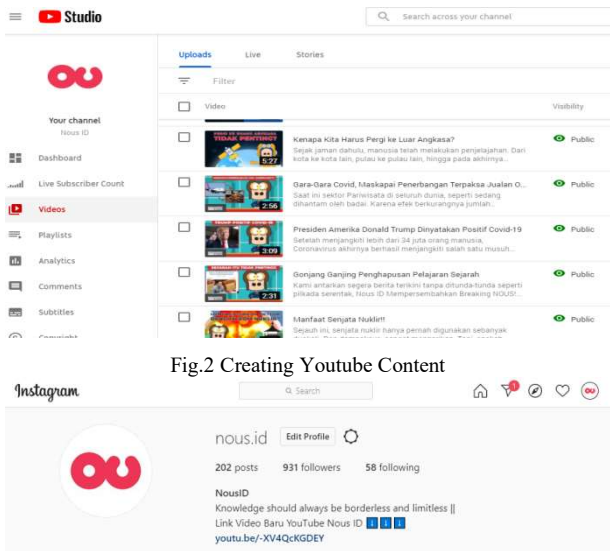
Fig.2 Creating Youtube Content

Fig.3 Creating Instagram Content

Planning to advertise through search engines with the keyword Nous ID has secured the first position, shifting Nous Consulting Indonesia, which previously made Nous ID difficult to find. This is done by advertising through adword. This has a significant impact because it is easier to find the main keyword Nous ID. With offers via email inviting us to collaborate with Nous ID.
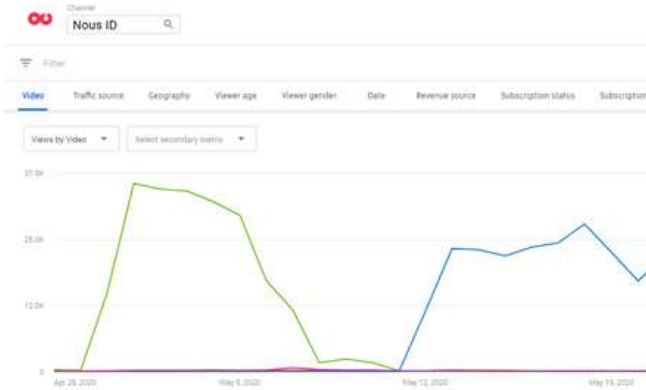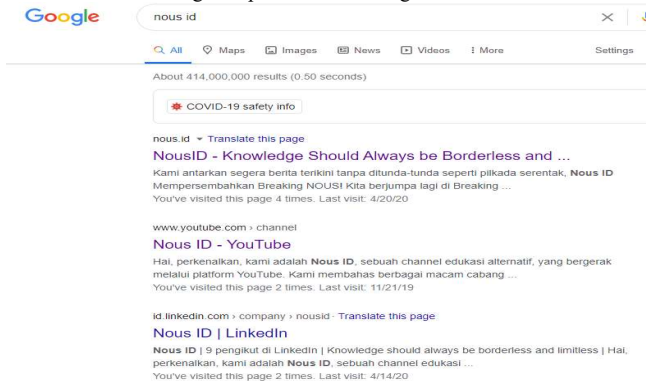

Fig.4 Impact of Search Engine Ads

Fig.5 First ranking on search engines

Realization of partnerships with other content creators has also been carried out by Nous ID in creating in-agency content and collaborating with local content creators. The mission in creating this content is to eradicate hoaxes about Covid-19 by creating YouTube content on each channel.
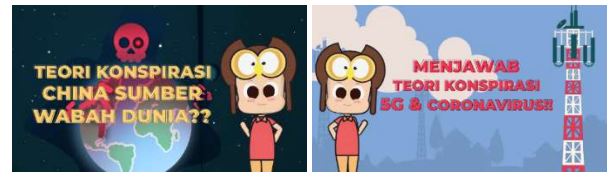
Fig.6 Realization of Collaboration

C.   Human Resources Aspect

1) Planning for Human Resources Aspects

In planning on the aspect of human resources, all employees work in synergy in creating content that is worthy of being enjoyed by all levels of society where the CEO controls and carries out all existing business activities then is assisted by finance in decision making and the operational section is responsible in creating content from start to finish and the community manager looking for new relationships in forging cooperation together.

2) Realization of Human Resources Aspects The

Realization that occurred in Nous ID, which consisted of 3 managers and 4 operational people and recently added 1 employee who worked as an animator. In making one content, Nous ID starts with pre-production which involves a scriptwriter and storyboard artist in charge of making a storyline according to the brief then continues with making a storyboard which is a storyline in the form of a sketch image. After the pre-production stage is complete, it continues with the production stage involving illustrators and animators, namely making animated assets that will be driven by the animator in creating content. Then the last stage involves the music composer, which is the post-production stage where it will provide the music and effects needed by the animation to be ready for publication or giving to clients.

Operational Aspect

1) Planning Operational Aspects

Planning Nous ID Sudio provides visual solutions wrapped in animation to convey more in-depth information, with a more fun and interesting concept and can be accepted by all ages. In ordering animation production services, there will be direct or indirect meetings where the client wants to convey the message to the audience.

2) Realization of Operational Aspects

In the realization of operational aspects of Nous ID Studio, it is divided into ten strategic operational management decisions as follows:

- *Design of Goods and Services.*

In starting a project Nous ID Studio will create a story and visual idea that will be conveyed to clients using Google Presentation.
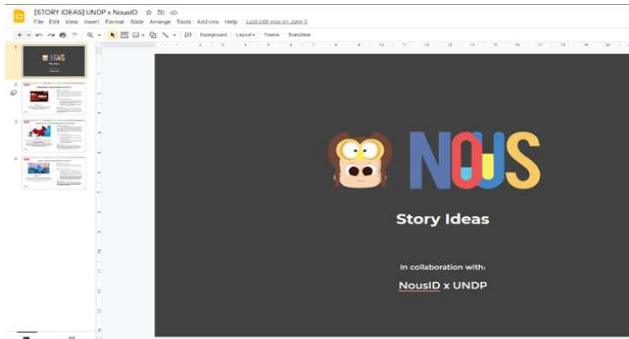

Fig.7 Designing Goods and Services

- *Quality Determination*

In order to maintain the quality and video that will be provided to clients, Nous ID Studio makes SOPs according to the design desired by the client which has been agreed by both parties. The following SOPs apply in Nous ID Studio

Fig.8 Determination of Quality

- *Process Design and Capacity*

In designing process and video capacity we use Notion so that all information provided by clients can be accessed by all divisions.
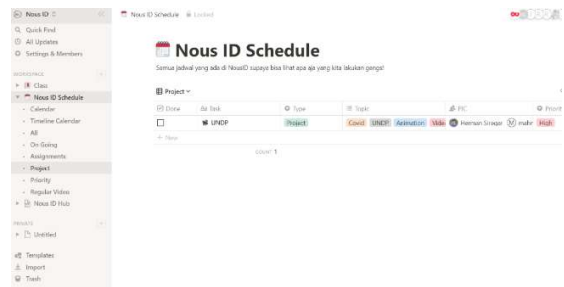
Fig.9 Process and Capacity

- *Location*

Production location chosen by Nous ID Studio in the city of Yogyakarta is due to the large number of skilled human resources in the creative and strategic fields in marketing services to LMB (Large Medium Enterprises) and startup companies that need services from Nous ID Studio

- *Layout Design*

Areas of operations management decisions applicable within Nous ID Studio in terms of enterprise design for workflows and facilities. Nous ID Studio puts forward a work environment with the concept of open space, namely eliminating barriers between employees together to work together in completing a given project.

- *HR Strategy and Job Design*

All divisions have timelines their respectivein conducting operations in order to synergize with one another.

Fig.10 HR Strategies and Job Design

In Nous ID Studio, sometimes you cannot handle the work received so useservices freelance as a solution to the many incoming projects.

- *Supply Chain Management*

Supply Chain Management of Nous ID Studio's animated visual design products, this area of operations management decisions is not considered because the company is based on visual services and does not require the availability of physical raw materials to be processed.

- *Inventory*

In this area, Nous ID Studio already has a bank of all parts of the production that can be used to speed up project work.

Fig.11 Inventory

- *Scheduling*

In every project that is being worked on, there is a timeline from the start to the end of the process for checking and monitoring the productivity level of each division.
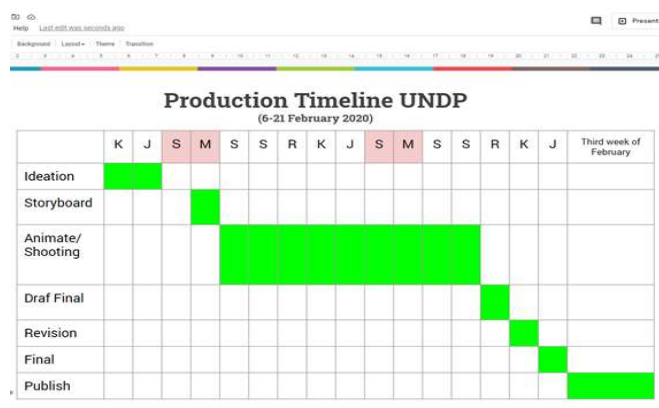
Fig.12 Scheduling

- *Maintenance*

Nous ID Studio assigns additional duties to each division to report on the health status of each equipment to keep all equipment and facilities running smoothly to handle this area of decision making

V. DISCUSSION

Business models on the aspects of the strategy used today, both in terms of design and realization, have been running properly, but some competitors continue to be present and over time these aspects need to be developed in the future.

From the planning and realization that happened to Nous ID, the advertising budget that was still relatively small had an impact on the company and therefore in the future Nous ID will increase the advertising budget so that the market can be reached is even wider. The existence of the Covid-19 Pandemic did not have a significant impact but instead, prisoners were working together by continuing to arrive.

The planning and realization that occurred in Nous ID have been running accordingly and by formulating the right human resources in the organizational structure. In terms of online communication using the line platform and google meet, to manage the production timeline using notions to run smoothly. In the state of the Covid-19 Pandemic, there were also no obstacles that affected the production process because everything was run online.

In comparison to the initial operational plan and the realization, there were not many changes, the only changes that occurred were the implementation of health protocols, the rest were according to planning even when the Covic-19 Pandemic took place.

VI. CONCLUSIONS

The animation studio is the business that is most in demand now. However, the risk of failure is also high. There are many causes of failure; one of them does not understand what customer need is. Service is a major factor in increasing customer satisfaction. Every company or service business is demanded to provide appropriate service products according to customer's expectations. Thus, the company needs to innovate in developing its service products.

In creating this business idea, initially, several market analyzes were carried out to see the opportunities that exist for Nous ID Studio. Then formulate a Business Model Canvas (BMC) which has the goal of assisting in planning the process to be carried out and validating every important point in the business, be it resources, activities, relationships to be established with related parties, income, and costs to be incurred. After all aspects of the analysis in business planning have been completed and are following the actual conditions of both the market and the company, the company can decide the right marketing strategy for its products.

This study concludes that this business is still not perfect and requires the right strategy to compete and gain a competitive advantage in the market.

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