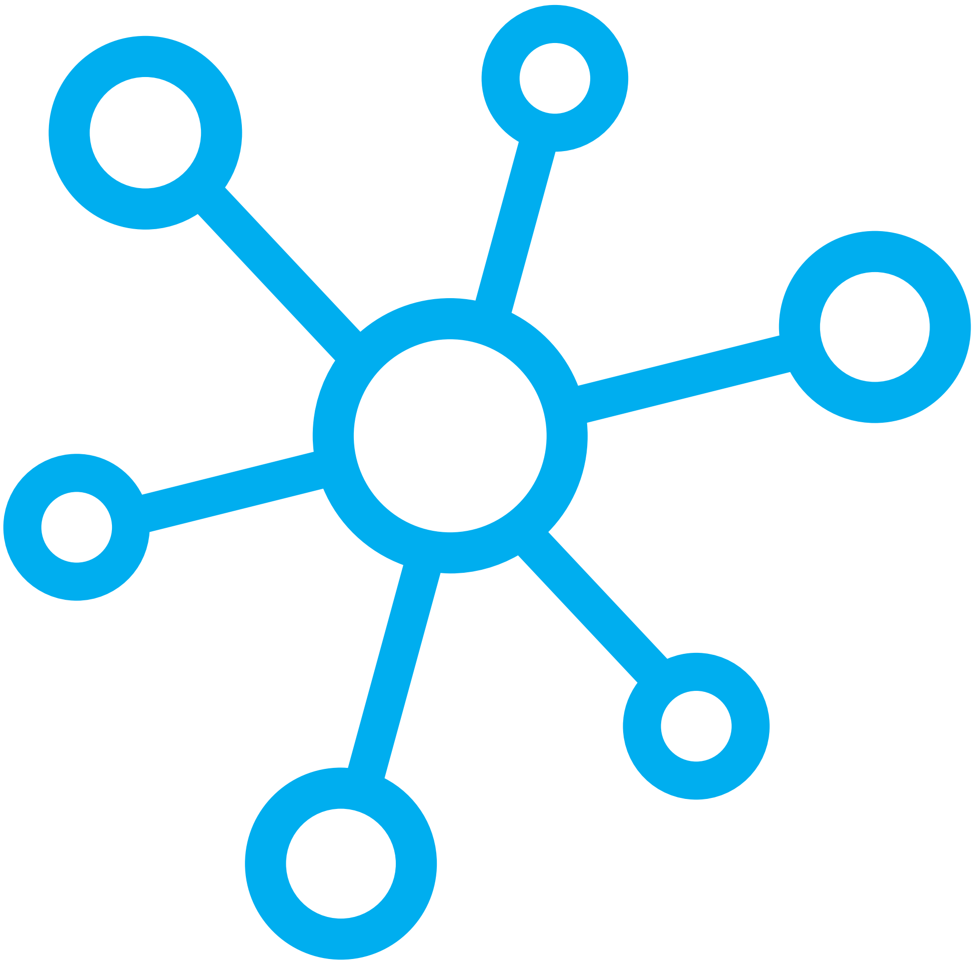
ENABLING SPACES:

MAPPING CREATIVE HUBS IN INDONESIA



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Enabling Spaces:
Mapping creative hubs in Indonesia

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1 Background

The development of alternative spaces in Indonesia took its first steps immediately *after Reformasi* in 1998. Some were even founded precisely around that historical milestone, such as Cemeti Art space (1995) or Kedai Kebun Forum (1997) in Yogyakarta. Similar alternative *artspaces* and workshops were founded at the turn of Millennium, such as ruangrupa in Jakarta (2000). Their emergence was largely unnoticed even though it proved to be the beginning of a wider movement. Bandung had its own alternative space in the presence of Common Room. It started out as a shared space for various activities, developed by Bandung Center for New Media Arts, initiated in 2001.

Far from the notion of *creative hubs*, these spaces used to be seen as an attempt to provide independent, collective alternatives in terms of ideas, spaces and approach to community building. They were largely an attempt of contemporary artists to first of all provide a location for their peers to perform and display their works. These spaces started to experience a significant growth between 2005 and 2010. This took place in Yogya, Bandung, Surabaya and Jakarta. Similiar undergoings may have took place in other cities, but are less well documented.

Alternative places started to catch the eye of urban activitists, be it individuals and communities, and became part of an independent culture, coinciding with other streams of activities such as contemporary art, independent music, films, fashion and also alternative academic discourse. The lines between these streams are pretty blur as many actors channeled several interests and passion, contributing to their communities through multiple ways.

Spaces like Bandung Creative City Forum or Common Room in Bandung can be seen as one of the best example as a space for everyone and every issue. The organisation perfectly fits the definition of a creative hub as suggested by British Council, namely *a place, either physical or virtual, which brings creative people together. It is a convenor, providing space and support for networking, business development and community engagement within the creative, cultural and tech sectors* (British Council, 2016).

This definition was eventually proposed by British Council in 2016 after several years working with and through hubs around the world. The term marks a new shift within the cultural sector, namely one where spaces are becoming more than just a gathering place for creative and innovative communities and place. It has now turned into *intermediaries* within a strategic sector, namely the creative and digital economy.
Meanwhile, coworking spaces start to emerge around 2010, with comma.ID, Code Margonda and Co&Co as pioneers of this blooming business. These were the initial spaces who created the early demand and awareness of the market. It also marked a shift in business model for owners of private offices and property owners. As the young Indonesian generation start to embrace the *start-up* boom and pushed the IT sector forward, major cities such as Jakarta, Bandung and Surabaya, saw a surge of coworking spaces.

Coworking spaces also answered the need of individual, freelance workers who were used to the *Jelly*[1] working culture but could never see their needs accomodated by coffeeshops who equally mushroomed during the last five years in Indonesia. The rise of coworking spaces was therefore timely, and also signifies the growing creative and tech sector in world's fourth most populous country. A brief timeline of creative hubs evolution in the Indonesian context is depicted below.

1 Jelly is a casual working event. It's taken place in over a hundred cities where people have come together. For a more elaborate explanation see www.workatjelly.com

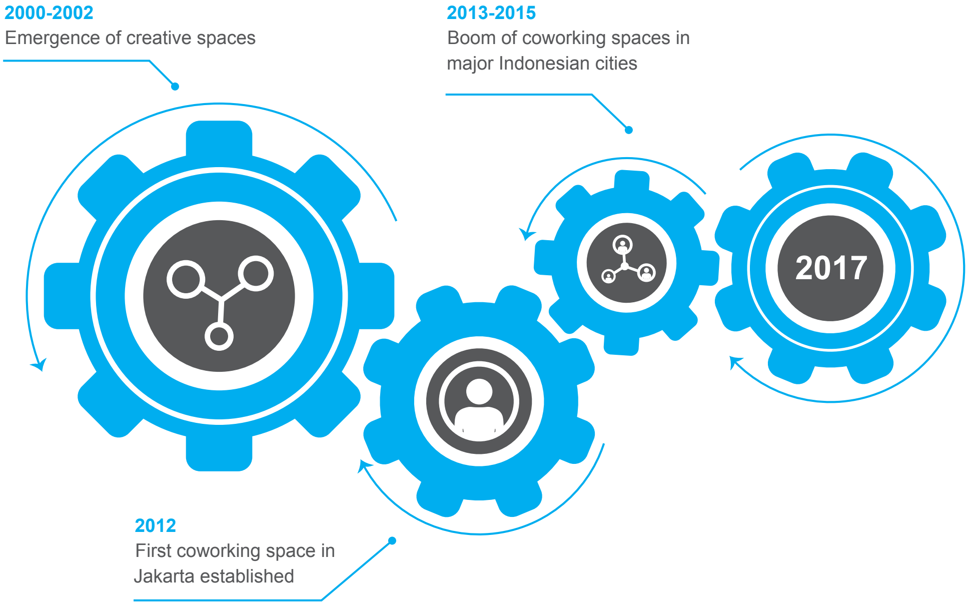


Figure 1.
provisional timeline of alternative space development

With over fifteen years stretching between the first establishment of alternative spaces and the current co-working trend, many aspects of this recent development needs to be better understood. The recent emergence of market-driven coworking places suggests a changing landscape of *spaces.* This development needs to better understood in terms of the general overview as well as the particular contexts behind this trend.

2 Methodology

This research used mix-method for data collection. The steps we followed are as follows:

Desk Research

We conducted extensive desk research to to get a rough idea of where to look for and whom we should first engage with. The activity includes doing online explorations to find creative hubs in Jakarta, Surabaya, Bandung, Medan, Makassar, Yogyakarta and other major cities.

Furthermore, we also find out several definition and types of hubs both in Indonesia and global context. Definition and typologies of hubs will be elaborated in chapter 3.

Online survey

A short online survey was conducted to capture the landscape of creative hubs and their potentials in Indonesia. To begin with, we used database from Co-working Indonesia as well as our database from desk research. We categorised samples into three types of creative hubs, namely creative space, makerspace and coworking spaces.

The survey questions were divided into five aspects and 30 questions. Those aspects include profile, activities, business model, opportunity and challenge of creative hubs. In total, we received 42 completely filled questionnaires between April 14th to May 24th 2017.

Moreover, among our 42 respondents mostly are from Jakarta (14 respondents), following by Bali and Bandung (5 respondents for each), Surabaya (4 respondents), Semarang, Yogyakarta, Malang, Samarinda and Makassar (2 respondents for each), Medan, Lombok and Manado (1 respondents for each). 5 respondents represent Maker space, 25 are Co-working spaces, and the rest are Creative Hubs (12 respondents). The data respondents of Co-working spaces are based on Co-working Indonesia database. This creates a constraint as survey result are more representative on the co-working space landscape.

According to survey results, we elaborated five aspects to portray potentials of each creative hubs in Indonesia creative economy landscape. Those five aspects are initial resources, inclusivity, financial capacity, enabler capacity, and resilience. Each hub will be portrayed in one radar chart, thus to get more measureable data we regrouped all of survey answers into those five aspects and gave score to each answer as well. We use literature review and focus group discussion results to make a scoring judgement.

Additionally, we also measured the most frequent Creative Hubs' opportunities and challenges. Both questions about opportunities and challenges are open ended, hence we categorized the answers into more general answers.

Phone interview

As part of the second phase of research, we conducted phone interview to dig more stories from some of our on-line survey respondents. We selected 2 Maker spaces include Makedonia (Jakarta) and Fab-Lab (Bandung) and 2 Co-working spaces include Co-working Legian (Bali) and Andrich Co-working space (Jakarta).

The questions areas consist of organization aim, strategy and impact of what they do.

Table 1.
List of phone interviewees

Name of Participants	Creative Hubs	Location	Type of Hubs
Danny Kosasih	Makedonia	Jakarta	Makerspace
Andy	Fab Lab	Bandung	Makerspace
Stevan Palpialy	Co-working Legian	Bali	Co-working space
Resta	Andrich Co-working space	Jakarta	Co-working space

Focus Group Discussion (FGD)

Three FGDs were already held in Jakarta, Surabaya and Bandung respectively to have intensive discussion from several creative hubs actors, especially the founders. These FGDs examined actors' perceptions about concept and definitions of Creative Hubs, their activities and what kind of issue that they support to, whom they maintain partnership and networking, and opportunity and challenge when managing hubs.

Four participants attended the FGD session in Jakarta, include Makedonia, Conclave, Code Margonda and Kekini. We started from Jakarta to see where and how the trend of creative industry came up to grow.

Table 2
List of FGD Participants (Jakarta)

Creative Hubs	Location	Type of Hubs	Initiator
Makedonia	Jakarta	Makerspace	Individual
Conclave	Jakarta	Co-working space	Individual
Code Margonda	Depok	Co-working space	Individual
Kekini	Jakarta	Co-working space	Individual

In Surabaya, the participants came from more various region include Surabaya (C2O, Gerdhu, Cubicle and), Malang (Digital Lounge Malang and Ngalup Malang), Bali (Kumpul Co-working space), Lombok (Pasir Putih), and Makassar (Tanaindie). The type of hubs are diverse as well, both for their activities and capital funding. The details of FGD participants illustrated in table below:

Table 3.
List of FGD Participants (Surabaya)

Creative Hubs	Location	Type of Hubs	Initiator
C2O	Surabaya	Library and Co-working space	Individual
Gerdhu	Surabaya	Digital incubator and co-working space	Individual
Cubicle	Surabaya	Private office	Individual
Subco Tierra	Surabaya	Co-working space	Private sector
Digital Lounge Malang	Malang	Co-working space	Private sector
Ngalup Malang	Malang	Co-working space	Individual
Kumpul	Bali	Co-working space	Individual
Pasir Putih	Lombok	Creative hubs	Individual
Tanaindie	Makassar	Creative hubs	Individual

The last focus group discussion was held to confirm and validate most of our findings. This was done in Bandung on 18 July 2017. This last data collection event managed to gather participants from five creative hubs.

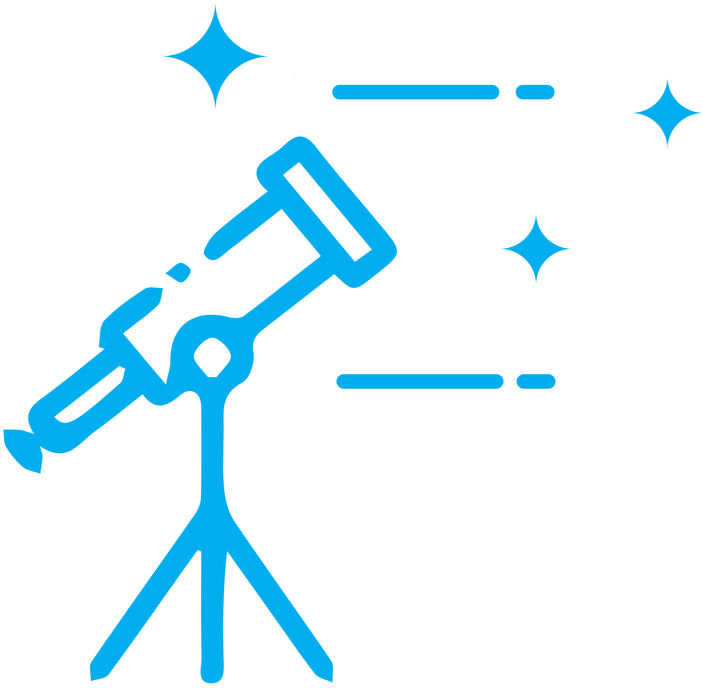
Table 4
List of Bandung FGD participants

Creative Hubs	Location	Type of Hubs	Initiator
Fablab	Bandung	Makerspace	Individual
Dilo	Bandung	Digital incubator and coworking space	Private sector
Sosiohub	Bandung	Coworking space	Individual
Co and Co	Bandung	Coworking space	Individuals
Bandung Creative City Forum	Bandung	Creative Hub	Individuals

Observation

On May 19th -20th 2017, we followed Temu Co-working ID, a gathering event held by Co-working ID. Co-working ID is an association established by people who are involved in creative hubs industry in Indonesia. The event took place in Co&Co Coworking Space, Bandung. The purpose of this activity is to observe the event which attended by more than 70 co-working spaces and maker spaces around Indonesia.

The event includes many discussion sessions about co-working spaces industry. We also conducted on-the spot interview to Cynthia Hassan, co-founder of Coworkinc and Fajar Nugraha co-founder of the first co-working space in Jakarta, Comma ID to elaborate some interesting insights which we got from the event. The insights will be put on Chapter 4, as part of the case studies.



3 The big picture

Typology: identifying spaces in Indonesia

There is an inherent tension when discussing the existence of creative hubs in Indonesia. Alternative spaces used to be 'only' perceived as 'communal' or 'alternative spaces' rather as hubs. Their function was to provide a space to gather for likeminded individuals from their own community and network. But this was before the very notion of coworking spaces was introduced and discussed in public discourse.

For analytical purposes, we choose for now to include these communal spaces with the more conventional, commercial coworking spaces. In practice, they are not the same despite sharing some similar traits.

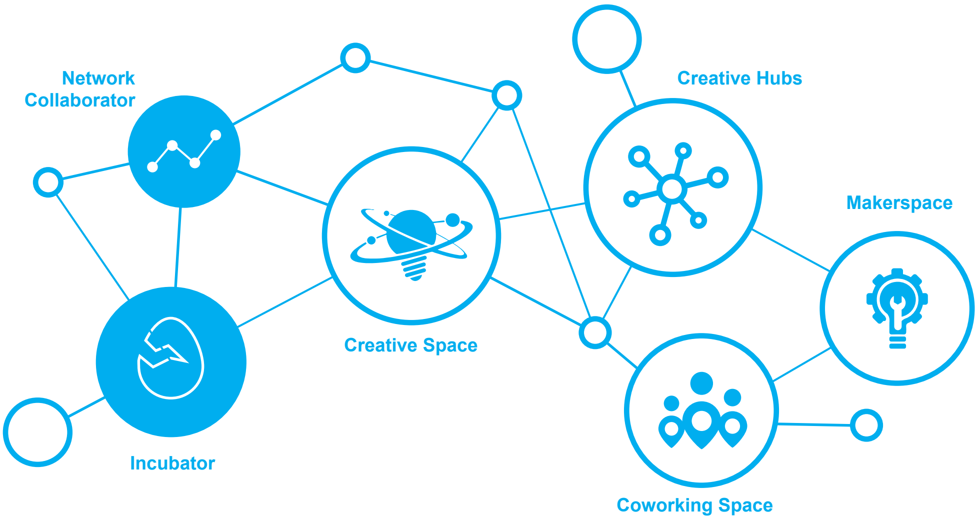


Figure 2
Typology of creative hubs in the Indonesian context

Definition and distinction

For analytical as well as practical purposes, we distinguish existing creative hubs in Indonesia based on their functions. We categorise them into *creative spaces, coworking spaces and makerspaces.*

Examples of creative space	:	*ruang mes 56, Lawang Wangi, ruangrupa*
Examples of coworking space	:	*Conclave, Co and Co, Impala*
Examples of makerspace	:	*Fablab, Makedonia, Indoestri*

Creative Space

Creative spaces are the *early* spaces that make up the independent *art and culture scene or movement in Jakarta.* These are usually initiated and run by individual and collective art initiatives, occupying different forms of spaces with the aim to provide physical space to produce, display or store art works whilst building community values along the way. As the main initial aim was to provide a space for community purposes, most *creative space* are strongly rooted in their community and are rarely backed by a tight business model.

Coworking space

Coworking spaces are different in its function. They provide not only physical space to work in, but are a convener of communities and individuals who are looking for collaborations and coproduction. In the context of Indonesia, they essentially extend the collaborative manner and nature of communities into a more 'formal' and visible public sphere. The problem now lies in the shifting of perception *coworking spaces* that is now marked by pure *economic or commercial interests*, with some 'private offices' such as Regus, or Cubicle in Surabaya, calling themselves as coworking space despite not necessarily offering the collaborative experience and sense of community.

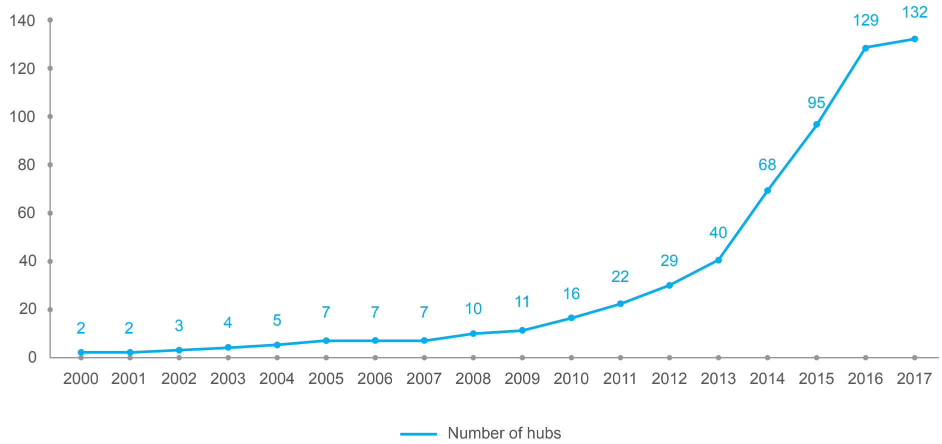
Makerspace

Makerspace share the same basic characteristics of *coworking space,* as it provides the space to collaborate and cocreate in a public manner. The main difference here is that makerspaces own specific tools (e.g. 3D-printers, cutting machines, etc.) to actually produce tools, whereas coworking spaces usually only provide office tools. This means that makerspaces generally also possess larger working areas and provide programs with a focus on crafting products.

The main feature of all types of spaces is their need to be run on the basis to sustain, in spite of the difference in values. All spaces need find their 'business model', which simultaneously also marks the sharp differences between them.

Figure 3
Growth of hubs by year of establishment

Source: Authors



In outlining the creative hub landscape in Indonesia, we start the attempt by understanding how hubs see themselves. It has been indeed a matter of self-perception as we asked participating spaces whether or not they agree with the notion of *creative hubs* [1]. This question of identity was considered important as the various features of spaces needed to be acknowledged in the first place. Without trying to polarise these spaces, the question of whether all spaces could be put under the umbrella term ‘creative hubs’ was addressed at the beginning as we were intrigued by their coexistence.

Eventually, all spaces showed their approval of the definition but also acknowledged their own unique features. Spaces in Indonesia all see themselves as an *enabler.* This is one aspect that is shared equally among all creative hubs. Along with being an enabler, another aspect that constantly appeared is the capacity of spaces in being a network collaborator. This goes from the very basic function of initiating collaborations between individuals and communities, but also across sectors and regions. Some coworkingspaces are also able to find funders or even fund collaborations, as they aim to incubate potential projects and start-up opportunities. Here we distinguish very particular coworking spaces that are backed by venture capitalists (VC) with an eye on potential business ideas to be scaled up.

The presence of such coworking spaces adds nuances and variety to creative hubs landscape we have been mapping. Overall, all spaces in Indonesia fits the minimum definition of a creative hub, with all of them showing uniqueness, richness in ideas, craftiness and great potential to thrive.

Creative hub activities

The uniqueness of each space is reflected in each activity taking place within it. The wide range of possible activities is exemplified by Code Margonda in Depok (West Java), a network collaborater who tries to cater the needs of any kind of community, from irregular Quran readings to Hacking meetings, where their main function is solely to provide shelter and space to members. Others are more catering to their creative networks, such as Impala in Semarang (Central Java) who try to nurture the art and music scene, eventhough they eventually have to curate potential events due to the high demand.

It needs to be highlighted that activities are driven by different values as well. These values are the main filters for each space, as some are more altruistic a than conventional co-working spaces. These creative spaces are commonly driven by the ideal of benefiting their community first before considering their business model, as compared to their coworking counterparts.

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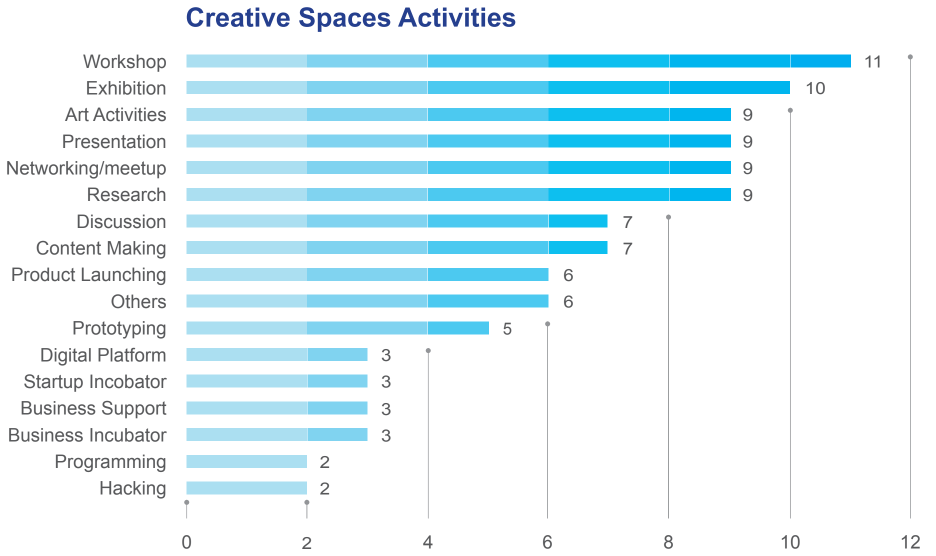
The question was addressed during Focus Groups Discussion in Jakarta (17 May 2017) and Surabaya (24 May 2017).

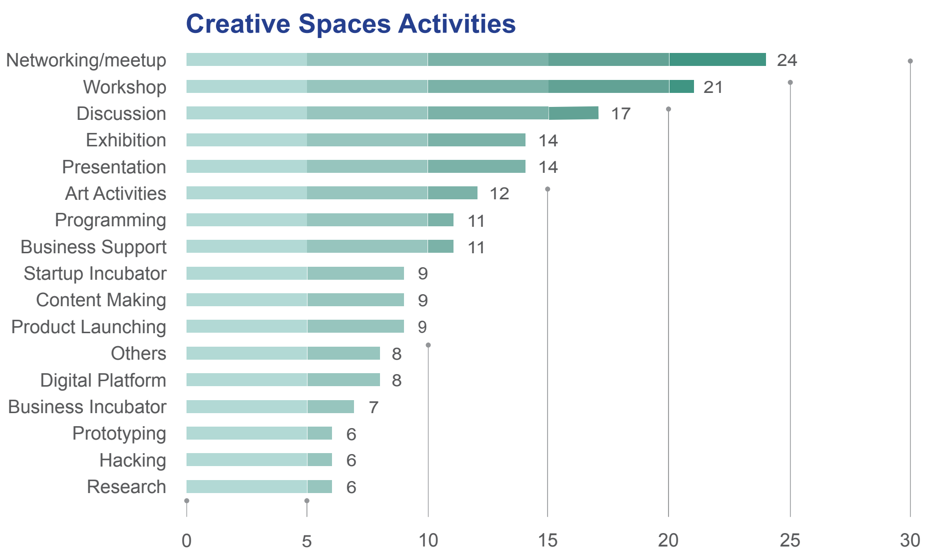
A summary of activities performed in creative hubs can be seen below:

Figure 4
Activities of creative space



The repeated activities also indicate that spaces develop a particular focus or 'niche' over certain periods of time. Some spaces have consciously picked a preferred market due to their founders' networks or expertise whilst others have established a certain *positioning* as they operate. Another explanation is that some spaces have also undertaken *market research* to better understand their potential clients or consumers. This is especially the case for coworking spaces with a well-developed business model, taking return on investments and growth projections into accounts.

Figure 5
Activities of coworking space



Meanwhile, when not working on specific projects or products, makerspaces are more occupied with networking and meetups. Tying connections with the business sector and other supporting actors is also frequently done, as at the very end, makerspaces need find their beneficiaries and users as well.

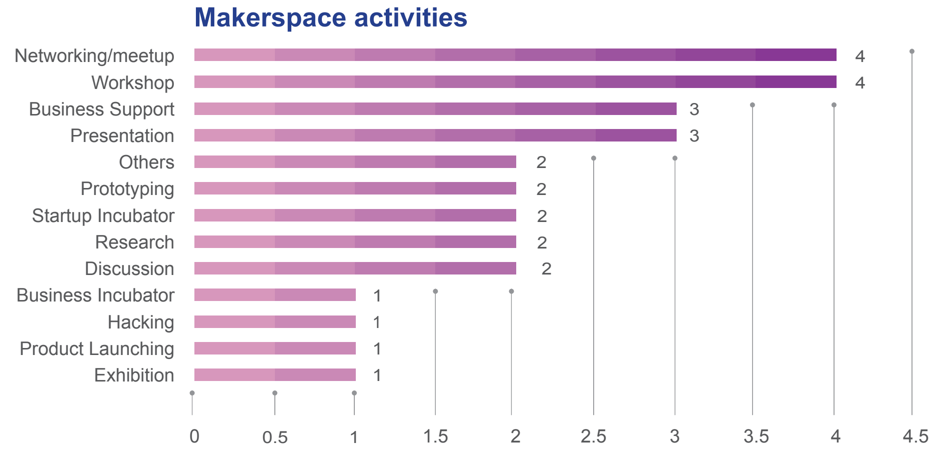


Figure 6
Activities of makerspace

Generally, most activities held by creative hubs in Indonesia deal with socio-cultural topics. This means that in general, spaces are pretty much engaged with their community and social surroundings. The growing tech sector and digital entrepreneurships also shape their activities significantly, as both are the second and third most frequent issue, determining both activity and also target audience of creative hubs.

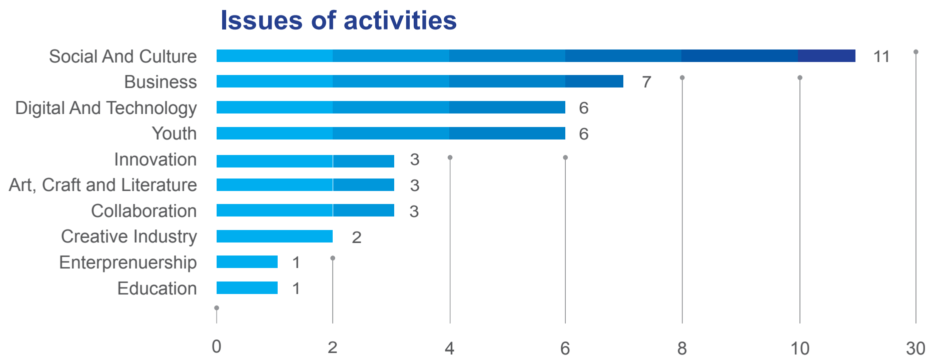


Figure 7
Issues of activities

Creative hubs ecosystems

Creative hubs, as the word suggests, serves as a link between various entities within the wider creative and tech sector. It connects, convenes, links and matches not only individuals and institutions, but most importantly: ideas. People behind these hubs realise the importance of connecting together just as much as they realise their role in a fast-growing ecosystem

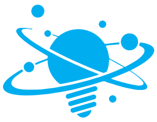
While all hubs rely on the presence of other entities to get the business going, some have more specific needs than others. This is where it is again important to understand the differences between *creative, maker and coworking spaces.* All have their own beginnings, with creative spaces setting the early pace before coworking and makerspaces started to burst into the scene.

Table 5
Stakeholders of each creative hub ecosystem

Creative Hubs Stakeholders

Creative space	Coworking space	Makerspace
Individuals as founders	Individuals as founders	Individuals as founders
Art community	Property agents	Tech vendors
Donor organisations	Venture capitalists	IT programmers
Philanthropists	System providers	Hardware suppliers
Art handlers/dealers	Legal consultants	

The creative space ecosystem consists of the important actors with their own distinctive roles that are elaborated in the following section.



Creative space ecosystem

Individuals as founders

All creative spaces emerge as the reflection of their founders' vision. In this sense, each becomes unique and evolves as they operate. As many spaces are run without a fixed long-term plan, they evolve and become a steady process 'in the making'. This is often time their biggest challenge as well: as the whole vision is centred within their founders, it is more prone to unsustainable management and decision-making is not the most democratic.

Donor organisations

International and national philanthropists only recently recognised the importance of creative spaces in Indonesia. International ones realised the importance of what creative spaces provide and offer to the wider society. Organisations such as *Hivos* are pioneers in this regard, as they dared to fund many projects undertaken by creative spaces in Jakarta, Bandung or Yogyakarta. Hivos was one of the early funders for *Common Room,* ruangrupa or Salihara. Similar to British Council, they realised that many socio-cultural issues are tackled by this organisation through very engaging measures and how they made an impact. Wider-scale events such as Biennale also received support from donor organisations.

Communities

Communities are the lifeblood of any creative space. They 'activate' the space provided by these hubs, and gives life to the place in which they operate. The presence of communities is also the very essence of coworking space, thus even more so for creative ones. The key to be an enabling space is to be open for all kinds of communities and to be open to all kinds of opportunities. This will sustain the operation of the space as it becomes more diverse and increases the 'stamina' of the organisation.

Art handlers/dealers

Creative spaces are no immediate place to trade artworks but they can be a meeting place to do so. As many spaces also function as a gallery, individual art dealers become an important but also less recognized actor within the ecosystem. It is an important oil to the engine.

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Coworking space ecosystem

The growing creative economy and the subsequent tech sector are strong foundations of the *coworking industry.* It can be seen as an industry as both coworking spaces and their supporting vendors are producing and supplying goods. It is a new subsector within a service industry. As such, it is run on a more complex network with a deeper mutual reliance. As the market is still very infant, all actors involved within the coworking industry are going through a learning process, which applies to both sellers and customers. Below are some vital stakeholders of the coworking industry

Property agents

Property agents are important as they have the key to strategic locations and get deals done. If coworking space choose to rent private offices as well, agents become important as to help marketize them to the right audience. The key is in the network possessed by these realtors. Property agents themselves still need to acquaint themselves with the coworking industry, as it is a new and specific demand that is pretty much unprecedented.

Internet service provider

ISP are the backbone of this business. Spaces spend up to 3.5 Million IDR per month in average to have a reliant service provider. It always better to have a second service provider as a backup, in order to mitigate downtimes that frequently occur.

System providers

Coworking spaces need to be run efficiently and with few costs as possible. This is where computerised system providers play their part. Accounting, membership databases and pricing softwares are part of the *coworking setup* that helps to run the business operations more efficient and systematic.

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Venture capitalists

The rise of *coworking spaces is* both a social and economic phenomenon. The latter is especially true especially in relation with the rise of digital start-ups and internet economy.

the boom of start-ups and its trickling down on coworking spaces. Eventually, VCs play a major role in the founding of coworking spaces such as *Cre8, EV HIVE or Indoestri,* all in Jakarta. They provide the necessary capital to run the spaces on a detailed business model with a clear target audience and revenue stream. On this end, VC-backed coworking spaces are very advanced in terms of business planning whilst at the same time, having to make up on their lack of community network.

Makerspace ecosystem

The makerspace ecosystem is made of the following important actors that we like to acknowledge and highlight:

Individuals as founders

Most makerspaces are founded by a team of individuals who share a common vision. That is, mostly to enable young Indonesians to materialise their ideas through the use of innovative production or design. It is no coincidence that many makerspace founders have a strong and proven background in either coding, engineering or design. While not all of them have the financial baggage to fully fund their spaces, they all have established ties with the private sector to help them do so.

Sponsoring companies

Unlike coworking spaces, makerspaces have received less direct investment. On the other hand, partnerships are more common in the form of grants and prizes. This is how Makedonia, for example, made a living for the organisation. Generous support from industry giants enabled them to run lengthy projects for communities and to invest in new tools that are subsequently used in their operations.

At the end of the day, each space emerges in different context that share some commonalities. These commonalities are also reflected in the challenges that they all face together. All of them are also intermediaries of a wider ecosystem. But from our point of view, most importantly they are one of the most important building blocks of the ecosystem, as they pioneer and shape a new sector that is vital for the next years – and decades- in Indonesia.

Location: where to find creative hubs in Indonesia

Creative hubs can nowadays be found in almost any major city in Indonesia, at least at each provincial capital. The main locations for hubs remain in Jakarta, Bandung, Surabaya, Denpasar (Bali), Yogyakarta and Medan, all of whom are metropolitan areas with a diverse population. Our samples came from various region with its own characteristics. Regional characteristic shapes the different challenges and opportunities met by creative hubs.

Jakarta is the city with biggest number of creative hubs. The type of creative hubs in Jakarta are diverse from art and culture, digital and technology, industrial incubator and co-working spaces as well. Co-working spaces have been growing in recent years on account space is needed to freelancers and start-up workers.

In Bandung, different work flow habits determined the culture of creative hubs in the city. People came to co-working spaces during usual work hours (like modest office). On the other hand, the presence of creative hubs also shapes Bandung as creative city.
Moreover, we could find co-working spaces in fad business sense in Bali easily. Most of co-working spaces in Bali, put their business for expat market. The spaces adjust with expat culture, for instance providing accommodation with exotic and tropical theme, 'culture' night every the end of weekdays, and payment in dollar currency. Although, there are some creative hubs whose concern into local community culture such as Kumpul Co-working Spaces which integrated with Rumah Sanur Creative Hubs.

In big cities such as Jakarta, Makassar, Surabaya, and Bandung, space and location have become an important challenge. They most likely rent space for hubs daily activities, instead having private owned spaces. However, in sub-urban/rural areas such as Pasir Putih creative hubs, location have not become an issue.

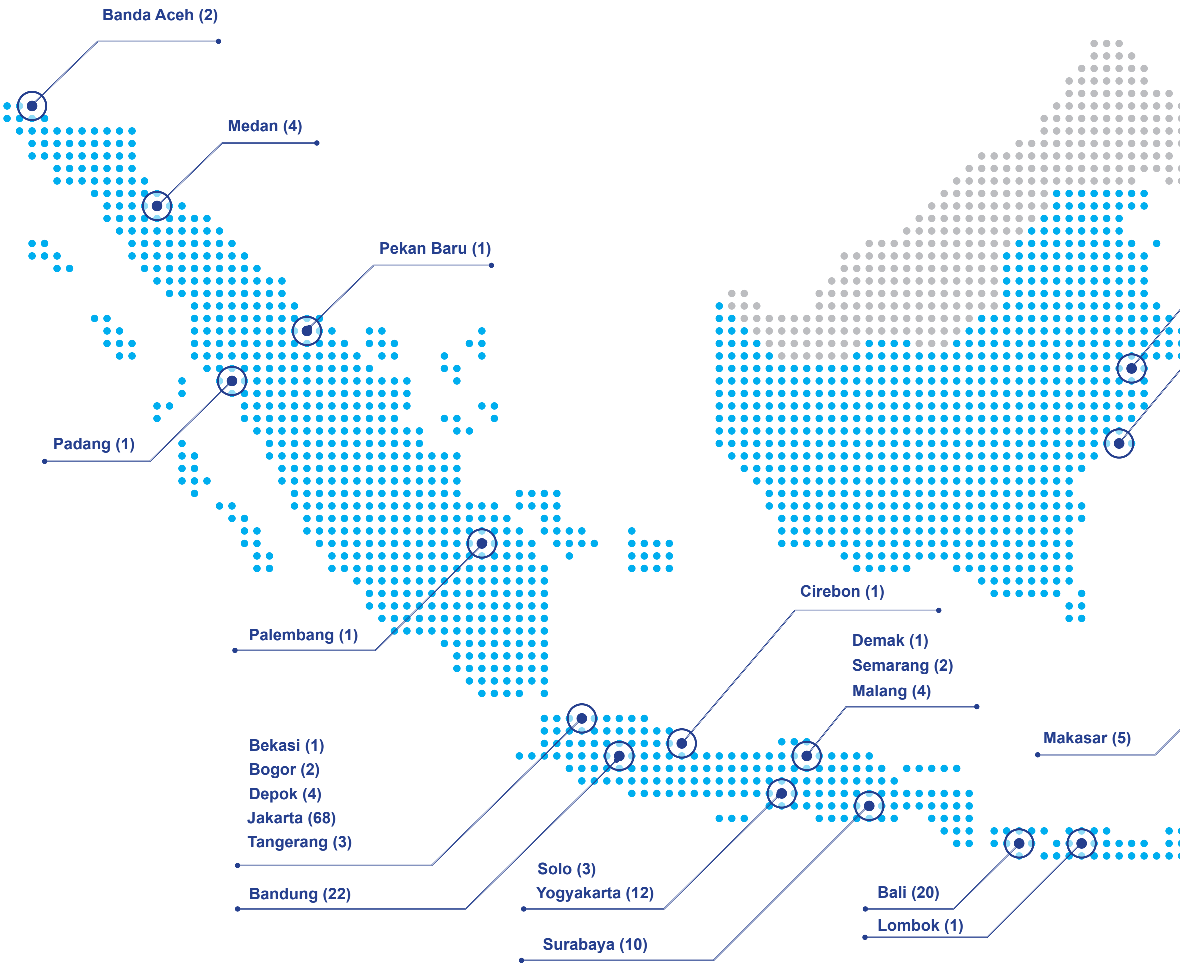


Figure 9
Map of creative hubs in Indonesia

Overall, creative hubs growing as well as creative industry in the city, and co-working spaces fad business. But the general trend sees an emergence of spaces in secondary - or middle-cities- where a new layer of middle class and aspiring youth becomes a new driver of growth. These cities are hopeful that spaces can become an intermediary in the creative and digital sector, playing an active role to not only become part of growing ecosystem, but most of all to help build it. Below is an overview of hubs, especially coworking spaces across Indonesia.

Jakarta, Bandung, Yogya stand out as cities with a special enabling system for hubs. They possess the required human capital to fill the creative and digital sector, supported by higher education institutions that maintain a steady supply of qualified individuals through campuses such as Institut Kesenian, or in Bandung's case, the Institute of Technology.

The growing digital and tech sector demands a steady supply of qualified human capital. This trend will – and is already emerging in *second cities.* This indicates a potential growth of creative hubs as well, despite –or because of- the lack of supporting elements and institutions within these towns. As has already happened in Jakarta, Bandung, Yogya or Surabaya, it is this void of creative scene that leads visionary individuals to establish spaces that enable individuals and communities to take part in the thriving digital and creative economy. They are the ones who initiate the early networks and foundations of the local tech and digital sector.

Space: *physical or virtual?*

As suggested by British Council and its country reports, hubs can either be physical or virtual, depending on their main activity and purpose (British Council, 2016). This is very much the case with hubs in Indonesia. The main distinction can be made based on their activity. Hubs with the function of providing a *coworking space* are largely dependent on a physical space, whereas *network collaborators* and *alternative spaces* are more autonomous in space usage and are in no ultimate need of a permanent physical space.

There are of course nuances to this issue. In line with regional characteristics, there are differences in the use of space across all cities. We can however conclude that non-urban spaces are less dependent on physical space, as acknowledge by *Pasir Putih* in Lombok who are able to maintain a nomadic working culture without a big fuss. Indeed, those who do not use or own a permanent space usually deliver their events by moving between spaces.

In the urban context, the problem lies in the difficulty to rent a space and finding an appropriate one as strategically located buildings are out of their financial reach. This is where partnerships with *property agents* can become strategic. Some see these partnerships as an investment, with property agents helping to market their office or working space to potential customers or clients. Owning a physical space entails additional cost: the bigger your space is, the more maintenance you have to spend. This explains why some spaces try to establish partnerships or look for sponsors to cover the renting costs.

Another issue is how ownership of a permanent space may also create distance with previously established ties, as the space ownership reflects ‘possession and elitism’, possibly creating a sense of jealousy among non-space owning creative hubs.

Space Ownership

Among 42 respondents, 38 creative hubs already have particula`r space to do their activities. Some others which have not, such as Lingkaran and Kumpul, been integrated with other established spaces. Lingkaran, as entrepreneurship hub, using Conclave (a co-working space in Jakarta) to initiate their activities while Kumpul Co-working space been integrated with Rumah Sanur creative hubs.

We divided ownership status into 4 general categories include rent, self-owned, grant, and allotment. Most of creative hubs (18 respondents) still rent a place to do their daily activities. Moreover, 8 creative hubs among 38 have a place or building by their own self. Those include Makedonia (Jakarta), Kenobi Space (Jakarta), 2Madison Gallery, Eatery and Art Space (Jakarta), Sosiohub (Bandung), Antologi Collaborative Space (Yogyakarta), DiLo Makassar (Makassar), Ruangku (Samarinda) and Clapham Collective (Medan).

3 creative hubs have their building by allotment either from founder or venture capital. Those are Co&Co (Bandung), C2O (Surabaya) and DiLo Surabaya (Surabaya). One creative hubs receive a space by grants, Ayka Makerspace which located in Samarinda. The table below illustrates total spaces by their space ownership among 38 respondents whose particular space for daily activities.

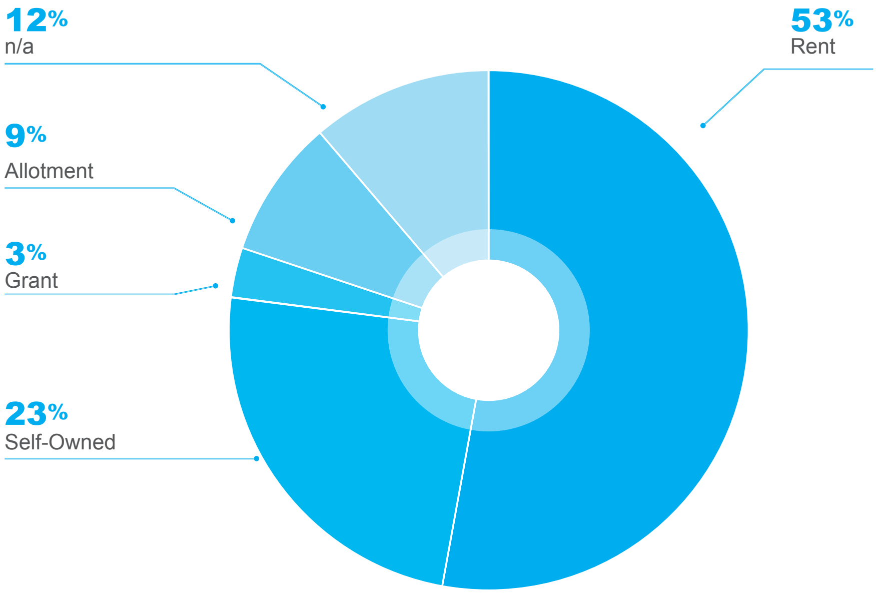


Figure
Space ownership

Conclusion

Overall, all spaces in Indonesia fits the minimum definition of a creative hub, even though a moderate proportion have unique features which make them stand out. these have identified their main role and selling point. Also, creative hubs are also emerging all over Indonesia. While many of them emerged in major metropolitans, a new shift of spaces is now appearing in second cities.

In terms of having a physical space, the availability of space will become more vital for creative hubs. This is already the case for coworking spaces, which includes space as a basis to calculate their product prize. However, the context is different with Europe or other advanced industrial countries, where hubs are often established to revitalize abandoned areas or communities (British Council, 2016).

In the contrary, venture-based coworking spaces are often established in major commercial districts with an eye on potential customers. As a consequence, the high-rising prices affect membership fees and creates the image of coworking space as an exclusive, premium office space for affluent freelancers. There is no indication that this trend will be bucked, especially with international franchises such as Regus or the nationwide privately backed Digital Lounge are now also active in the market.

4 Context: Understanding hubs in Indonesia

As discussed in the previous chapter, Indonesia has seen an unprecedented growth of creative hubs – especially coworking spaces- between 2012 and 2015. These spaces rode the wave of the rising creative and digital economy that mostly took place in the major Indonesian cities.

This rise of coinsides with the shifting global economy, with people becoming more reliant on the network of ideas and individuals instead of a permanent physical space. The trend in establishing startups, collaboration and "freelancing" contributed to the expansion of coworking and virtual spaces. Jakarta became part of this global trend and saw several coworking spaces emerge around 2010. As has been mentioned in the previous chapter, from this point of view, putting them under the term of creative hubs creates an interesting tension.

As we have come to understand the different 'functions' of a space, we also realise the different forms they come in. The British Council have come up with models of spaces as can be seen in the table below. While all types of hubs can be found in Indonesia, some distinctive forms deserve a special mention as they considered unique and typifies spaces that are context-specific and only here to be found. These are collectives, artist initiative, or forum. Their presences need to be understood in socio-historical context, as their existence is rooted in a certain structure that eventually shapes and frames its existence, members and outcome.

Types of space

Type	Description
Studio	Small collective of individuals and/or small businesses, in a co-working space.
Network	Dispersed group of individuals and/or business – tends to be sector or place specific
Online platform	Uses only online methods – website, social media to engage with a dispersed audience
Centre	Large scale building which may have other assets such as a cafe, bar, cinema, maker space, shop, exhibition space.
Cluster	Co-located creatives individuals and businesses in a geographic area.
Alternative	Focused on experimentation with new communities, sectors and financial models.
Additional traditional Indonesian types of space	
Taman Budaya	Taman Budaya is a distinctive concept of outdoor and indoor space particularly aimed for cultural and art activities, mostly convened by state actors and formal institutions.
Sanggar	Sanggar is a more conventional, yet loose synonym for workshop. It is often utilised for holding courses, workshops, trainings or exercises and as a performance space
Gelanggang Olahraga Remaja	A gelanggang is an indoor arena used mostly for sporting and musical events under official auspices. It is usually multifunctional, although the main users is usually youth and younger citizens. It is typically indoors and located near or within the town hall area.

Table 7
Creative Hub Models

It is therefore important to first of all acknowledge the difference of context and forms of spaces: that some were driven by the initiatives of communities, while others served a more commercial purposes. This is essentially what distinguishes the existing spaces. As has been described in the previous chapter, our three forms of hubs find themselves in a different environment or ecosystem.

This chapter tries to illuminate the different contexts of spaces by digging deeper into the individual stories behind existing spaces. Now we turn to the seven select cases which should give a more deeper understanding on spaces hubs operate, manoeuvre and portray themselves as a hub.

Figure 11
Learn collaboratively in Ngalup Malang.

Source
Ngalup Malang Co-working Space

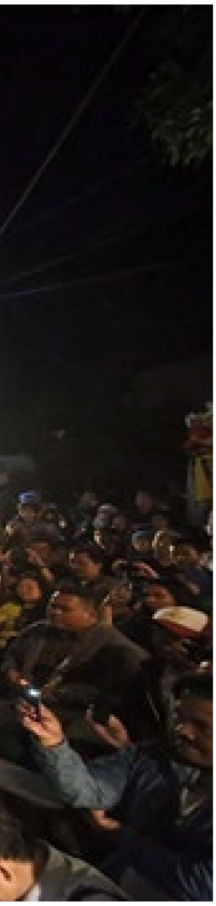
BANDUNG CREATIVE CITY

Figure 12
BCCF Simpul Space opening

Source
BCCF

Building a linkage between creative sectors and local government

Y FORUM



Stage	Established
Structure	Association (known as perkumpulan in Indonesia)
Finance	Earned income and supporting sponsorship
Team	50 independent creative organisations
Hub model:	Creative Space
Location	Bandung
Year established	2008

The story

Bandung Creative City Forum (BCCF) was established in 2008 by 50 independent creative organisations based in Bandung on a mission to make the city a leading player in urban creativity. 60% of Bandung's residents are under 40 years of age and the city - the capital of the Indonesian province of West Java - has a strong tradition of design and the fine arts.[2]

The story of Bandung Creative City forum is a story of successful *creative sector, government and industry partnership.* The forum has successfully connected several sectors in order to collaborate and co-create. It still serves as a relevant example of an effective linkage between the creative sector and government in order to enhance the creative potentials of a city, its communities and citizens. BCCF aims to widen the creative network in a collective effort to make Bandung a creative city ready and capable to compete and collaborate in the global context [3].

In doing so, the forum did not limit itself to certain groups or organisations only, but opened its doors to all potential stakeholders and collaborators. The forum underwent some transformations as well, as it evolved from being an *interest group* into a recognised counterpart and advisory to the city government. It also provided a physical space for its communities and stakeholders to hold events, discussions and other relevant activities. Most importantly, throughout their development, BCCF has shown a learning capacity that allows them to grow. As a reflection, BCCF has come to the conclusion that Allocating spaces for young people to interact and co-create is essential to enable innovative ecosystems that contribute to social transformation of cities[4]. In this sense, BCCF fits perfectly with the definition of a creative hub.

2 http://creativeconomy.britishcouncil.org/blog/14/06/30/bandung-creative-city-forum/

3 towardsthehumancity.org, accessed on 25 July 2017

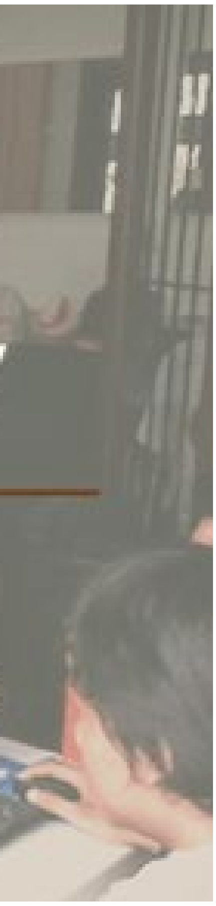
4 *ibid.*, accessed on 25 July 2017

MAKEDONIA

Figure 13
Makersvary activity at Makedonia Makerspace.

Source
Makedonia Makerspace

Providing tools for everything and everyone



Stage	Established
Structure	Community
Finance	Earned income and self-funded by co-founders
Team	5 co-founders, 1 volunteer manager and 1 maker education innovator
Hub model:	Makerspace
Location	Jakarta
Year established	2013

The story

Makedonia see themselves as a not-for-profit makerspace that is run based on community and voluntary principles. What they basically do is *Providing tools for everything and everyone.* As one of the first makerspace in Jakarta, the space had to find its own ways to 'survive'. The space is founded by five co-founders who share the same vision and 'passion' to enable people to innovate.

The main function of makedonia is to 'provide tools' for anyone to create anything. They do this by borrowing tools, lending them, teaching people how to use them and assisting them in creating new stuff. Makedoni also has a Maker Kit, that can be used for trainings and capacity building. In this sense, Makedonia see themselves as a collaborator that brings a 'multiplier' effect.

Eventhough Makedonia doesnot apply membership fees, the space still manages to generate income by gaining sponsorships or cooperating with companies who can act as funders. The clearest example is the GE Innovation forum. Out of these funds, Makedonia managed to run other programs whilst contributing to inspiring communities.

CODE MARGONDA

Figure 14
Event room at Code Margonda Co-working Space.

Source
Code Margonda Co-working Space

Create an impact through strategic partnerships and linkups

Stage	Closed
Structure	-
Finance	Earned income and self-funded by founders
Team	6 co-founders
Hub model:	Coworking space
Location	Jakarta
Year established	2012

The story

Code Margonda see themselves as a *network collaborater.* Their function is not predefined as a coworkingpsace or makerspace, but more of an intermediary. Code Margonda's doors are open to everyone, anyone, which enables all kind of opportunities to emerge in this space. Speaking of space, Code Margonda is located within a shy, modest office building in Depok (with on going plans to relocate to a near by mall). Code Margonda's journey started in 2013, without a 'real business plan' but with a strong desire to facilitate communities, students (of which there are plenty in the Depok area) and individuals to have a space to work, think and create. The organisers of the space did not limit themselves to certain areas or issues, or social groups. It was literally open to anyone, running almost 24 hours a day as many 'tennant's ran their programs until late in the evening. As a result, the space managed to interact with thousands of people and grew a database of members up to 2000. The problem however is that this generosity has not translated into tangible revenues.

Through their determination, Code Margonda have managed to create an impact through strategic partnerships and linkups. They dont cherry pick, but channel their resources for those who need them. There is a sense of relentlessness in their work, best represented by mas Didi who has been around in the sector longer than Ridwan Kamil (albeit with a more low-key impact). But the space has been positively recognized by local and international actors (the space has received several national and international awards, such as from the Indian Government)

Now however, the finansial situation is working in their favor. They have recently closed a deal with local banking service BCA, who will cover their operational costs and will help them oversee a move to a bigger area within Depok Town Square, covering around 400 m square feet. This will definitely give them a larger 'room to breathe', literally.

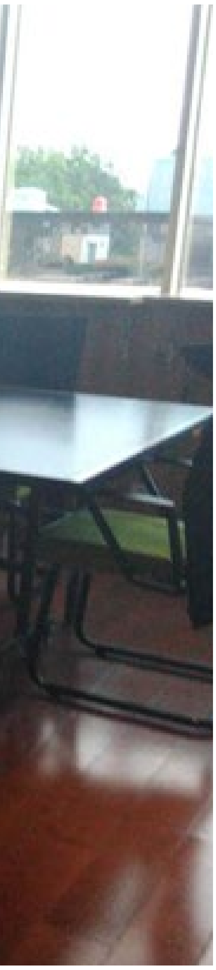
Code Margondas has not only collected appreciation, but also accolades. The space has become a rolemodel for 'smaller' spaces in second layer towns, where the need for a coworking space with sustainable business model is growing. Code Margonda acts like a mentor to them.

COMMA ID

Figure 15
Common working room at Comma ID.

Source
Comma ID

Stage	Closed
Structure	-
Finance	Earned income and self-funded by founders
Team	6 co-founders
Hub model:	Coworking space
Location	Jakarta
Year established	2012



The story

Comma.ID is arguably *the* pioneer of coworkingspaces in Indonesia, and also one the first who also closed down its service. The space chose to close as it failed to generate enough revenue to continue its service.

Comma.ID started out as an 'experimental' project by five individuals. They had done a 'market research' by themselves as they tried out working together nomadicly, coffeeshop hopping to find comfortable places to work in. This is often colled *jelly group*. Done trying out this form of working together, they came to the conclusion that establishing a coworking place is a reasonable thing to do.

The decision to rent a place in Jalan Wolter Mongunsidi, South Jakarta wasn't a difficult one. The location was strategic, the interior and infrastructure tidy and sufficient, and the price also made sense. This led them to officialy open COMMA.ID in December 2012 It was a move that led them to be pioneers of this infant industry.

But when the landowners decided to raise the rent, they were soon faced by a tough decision. The price was apparently impossible to renegotiate, and the hiking renting prices forced them to entirely rethink their business plan. The costs of continuing the operation will easily outweigh the sustainability of the idea itself.

Upon their reflection, they realised that they have actually surpassed their own expectation regarding the business. They have reached their goals and did not see the need to continue the operation. Other people have taken up their idea and the business has started to flourish, with many new coworkingplaces sharing their vision. It was then when they called it quits, only to let other visionaries to continue their work.

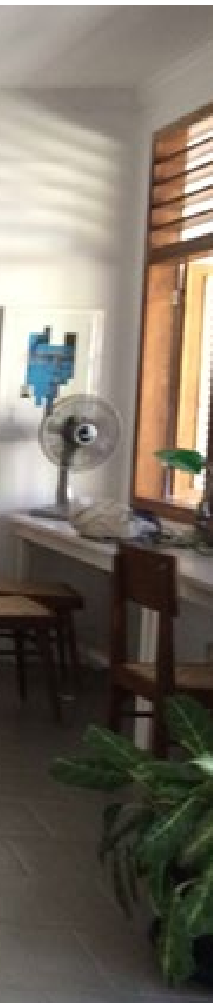
C2O LIBRARY

Figure 16
Common working room at C2O Library.

Source
C2O Library

Open an access to well-curated references and knowledge resources

Stage	Established
Structure	Community
Finance	Earned income and self-funded by founders
Team	9 committee vagabonds and 3 daily operational staff
Hub model:	Coworking space
Location	Surabaya
Year established	2008



The story

C2O Library is an independent well-curated library and community working space located in the heart of Surabaya city. Established in 2008, they have adjusted and evolved as the city of Surabaya and its society, has changed. As of now, besides providing a haven for book-people, they set up their home as community working and event place as well. But still, C2O stand on their initial vision – opening access to well-curated references for youth urban people in Surabaya.

According to Andriew Budiman, C2O visual graphic and editor, at the beginning C20 only started by wanting to create library as a place for knowledge production, people can share their ideas to each other here. Their first initiative was driven by this condition: inequality access to knowledge resources among young people in Surabaya.

At beginning, C20 only had one room for all activities. People borrowed books, read, discuss, play music, and set up an exhibition in the same room. It indicated how years ago Surabaya lacked of alternative spaces to sharing ideas and gather with other community people. C20 wanted to move into new place afterward, at a time where being *connected to internet* became a new trend. Moreover, they rented some part of their spaces (and internet) for working. They saw this *new trend* as opportunities to generate additional income.

Yet, their main concern is to maintain C2O spaces as inclusive as possible. C2O should be opened for people with different background. Hence, various activities that have been held pushed them to have diverse partnerships as well. From culture organizations, communities, and other creative persons.

Even as C20 aims to make their space as inclusive as possible, people's perception towards it is out of their control. Some people will perceive C2O as a niche place for certain communities, while other people see us as a group of social activists. Still, here they are as open as possible for a diversity of individuals with their variety of activities, from Spanish language courses to *manga* film screening. You can find it all here in this library.

COWORKING INDONESIA

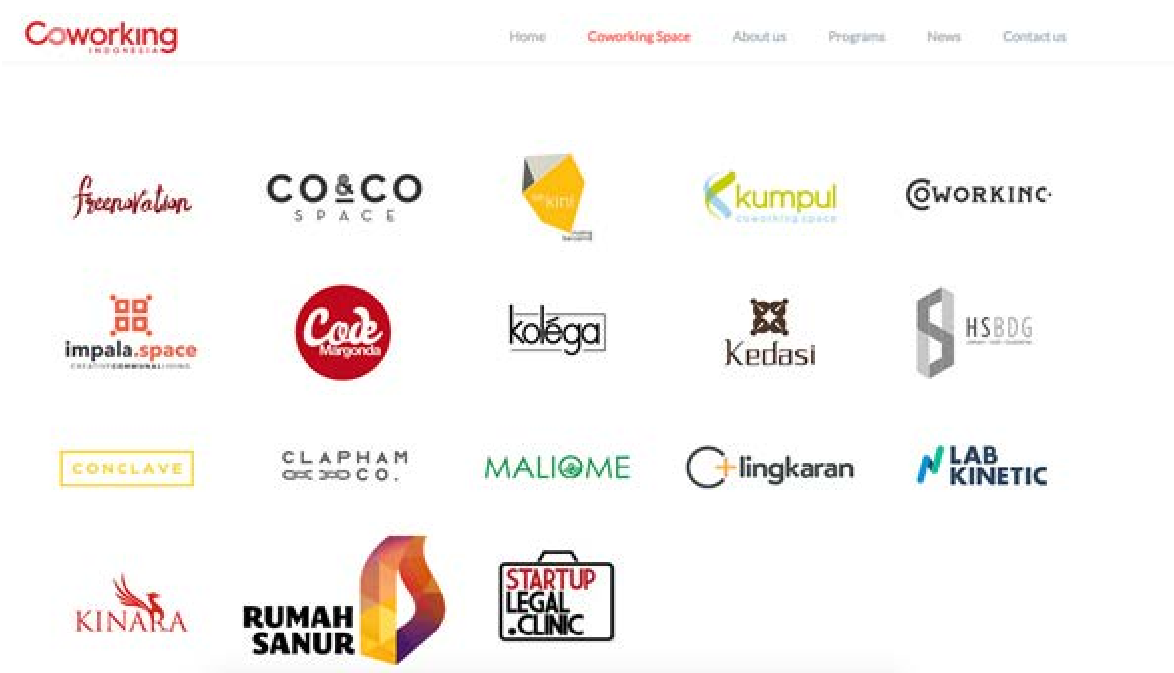


Figure 17
Coworking ID members and partnership.

Source
Coworking ID

Inspire, support and grow the coworking movement in Indonesia

Stage	Established
Structure	Community
Finance	In partnership with corporates and investment bodies that share CID's vision
Team	24 committee members
Hub model:	Coworking space association
Location	Around Indonesia
Year established	2016

The story

Many coworking managers realised the importance of linking up and collaborating together. Hence, they decided to create an association. In their own words, Coworking Indonesia serves as '*a pool of resources, expertise, knowledge and tools, accesible by coworking practitioners by collaboration, connectivity and sharing to support the creative economy through entrepreneurship*'. The association builds on five main values, *collaboration, sharing, leadership&mentorship, sustainability, and passion*.

Coworking Indonesia was initiated by some coworking practicioners in *Coworking Uncoference*, which held in Bali, February 2016. Not only aiming to create collabooration among coworking practicioners, Coworking Indonesia also aimed to expand their network into the bigger creative and *start-up* industry. Since the culture of coworking needed to be more recognized in Indonesia, Coworking.Id practicioners believe that *coworking space* culture has a big potential grow in city which have creative and startup potentials.

Coming out with *collaboration* mission, encourages Coworking Indonesia to build good network with coworking practioners all over Indonesia itself, industry and government. Hence, they aim to give support to *coworking spaces* community in Indonesia through knowledge and network sharing. Coworking Indonesia also plays a role as representative of coworking spaces in partnership with government and address their vision to investor and corporates to gain some supports.

To implement their vision into reliable goals, Coworking Indonesia initiate two main programs: annual and regular. There are two big events in a year, namely Temu Coworking Indonesia and Cowork Fest. They just initiated Temu Coworking Indonesia in May 2017, hosted by Co&Co Coworking Space Bandung. This event was attended by more 70 creative spaces (include coworking spaces and maker spaces) all over Indonesia. As association, Coworking Indonesia addressed some issues related culture of coworking in Indonesia, market education, human resources, and business strategy to keep coworking industry growing and sustain.

DIGITAL INNOVATION LOU

Figure 18
Digital Innovation Lounge (DiLo) Malang.

Source
DiLo

Provide spaces for young startup intiators

Stage	Established
Structure	Different at each branch (in Malang, for example, is a foundation while DiLo Makassar is an association)
Finance	Venture capital and earned income
Team	Different at each branch
Hub model:	Coworking space
Location	Banda Aceh, Medan, Pekanbaru, Tangerang, Bogor, Bekasi, Depok, Bandung, Solo, Surabaya, Malang, Denpasar, Balikpapan and Makassar
Year established	First established in Bandung, 2014

JNGE (DiLo)

The story

Digital Innovation Lounge (DiLo) can be found in several cities in Indonesia, including Banda Aceh, Medan, Pekanbaru, Tangerang, Bogor, Bekasi, Depok, Bandung, Solo, Surabaya, Malang, Denpasar, Balikpapan and Makassar. DiLo is initiated by MIKTI (Indonesia Digital Creative Industry Community) and Telkom, a state own enterprise in information and communication sector. DiLo provides co-working space for young start-up initiators, especially those with interest in digital creative industry.

Even though DiLo is a part of corporate social responsibility (CSR) project, the enterprise does not fully rely on corporate funding. DiLo generates income by renting space for private office as well. In DiLo Malang, for example, 70% revenue comes from corporate funding, which forces them generate other incomes through business to cover the rest 30%.

Yet, people can use co-working space for free. DiLo encourages start-up communities to initiate events at DiLo, such as holding workshop series, discussion, and seminar. DiLos have different characteristics of activity in every cities, yet operate in a similar way. All DiLos must provide co-working space for free.

DiLo staffs are members from the MIKTI community, while Telkom only provide financial resources. The head corporation has control over how many events can be held in one month, but does not intervene nor curate the events' content and concept. Hence, DiLo adjust their operational procedure to filter which event can be set up in their spaces. In Makassar for example, DiLo become a place for collaboration across 16 creative industry sectors. They also initiate incubator program for young *digitalpreneur*, since school-aged.

Ever since setting up their first space in 2014 in Bandung, DiLo now takes a notable role to grow the digital creative industry among young people in Indonesia.

Insides of a hub

Figure 19
Member rules in C2O Library.

Source
C2O Library

All creative hubs are unique. This uniqueness is often also their main capital in attracting members and customers. This part explores how each hub can make use of their traits and at the same time, becomes a modality for the creative sector as a whole. There are two aspects that we highlight in this section, namely identifying the potentials of hubs and how their business model is – and how it should be set up.

Potentials and strengths

As all spaces build on different values and goals, they also possess different potentials and strengths. This research has tried to capture the particular strengths of Indonesian creative hubs as depicted below.

Strength of spaces

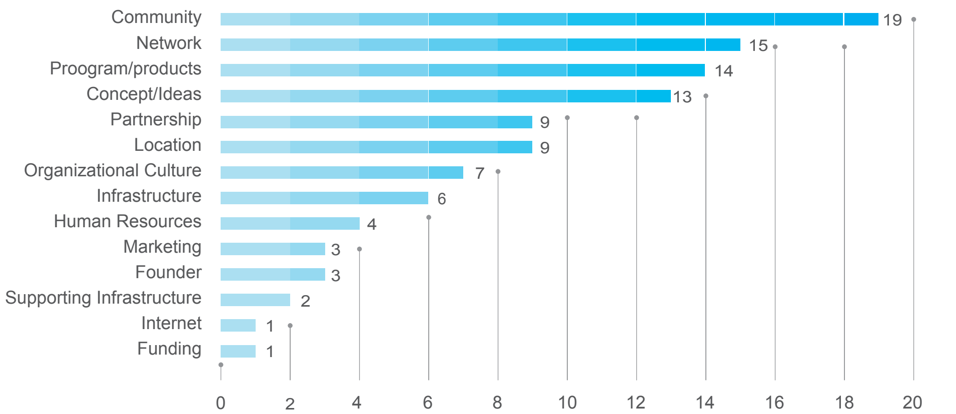


Figure 15
Strength of creative hubs

According to most spaces, their main strength lies in their network. This is typical as all spaces rely on the activities, know-how, ideas and engagement of their partners in 'activating' their space. Without any activity, spaces would only be empty infrastructures. As the network becomes active, programs start to come in and can be sold to a wider audience, namely people who have not been engaged with the space. This is why concepts and ideas in creating programmes becomes the third most frequent strength cited. The location of the space is also important as its need to be placed strategically within or close to city centres[5], business districts, universities or any other buzzing areas. Valuating the land or property value is also important as it is one component to calculate the membership fee. Once spaces have managed to set up a permanent –or semi-permanent- location of their hub, another important requisite is the availability of supporting aspects by establishing partnerships. These may include partnerships with an Internet service provider, accounting systems, or with property agents to finance the rent or purchase. Finally, most spaces all see their internal resources such as staffs, marketing skills and the founders as their main strength and potentials.

The presence of founders in day to day as well as advisory functions remain important, especially when the network and ideals are built on their vision. It is then important to translate their vision into the daily operations. *Co &Co serves as* an important example as they are one of the few spaces who emphasise the importance of *internalising family values* within their space, treating members and partners as if they were part of a family. It is treated as a core value that should be shared between any member of the coworking space and turns out to be a functioning value of their organisational culture.

Business Model

Having a business model is non-negotiable if space managers consider the importance of sustainability. Yet, it is mostly the coworking spaces who have a dedicated business plan to help them project and execute their activities in a structured way.

The possession of an annual plan proves as an interesting example. Spaces such as, Conclave has the clearest approach in planning. This is not so much the case with Makedonia and Code. All of them have plans for activities, but not so much with the business model. Our stories confirm that The more business-oriented you are, the clearer your needs to be, because you're concerned with the return of income or break even point

Creative spaces are less prepared when it comes to planning their activities and programs, and are more 'vulnerable' to external changes. This is due the lack of a business plan and often an unintended consequence of their cooperation with donor organisations, making them less adaptable to the changing external environment.

In general, Indonesian spaces may need to find a different business model than the ones in europe or other advanced industrial countries[6]. This is due the different market character and the way coworking spaces are perceived by potential customers.

5 The concept of 'city centre' or downtown is uncommon to most Indonesian cities, but here we refer to the main commercial districts or sub districts that are considered to be of high value and strategically located.

6 Coworking Meeting, 19-20 June 2017

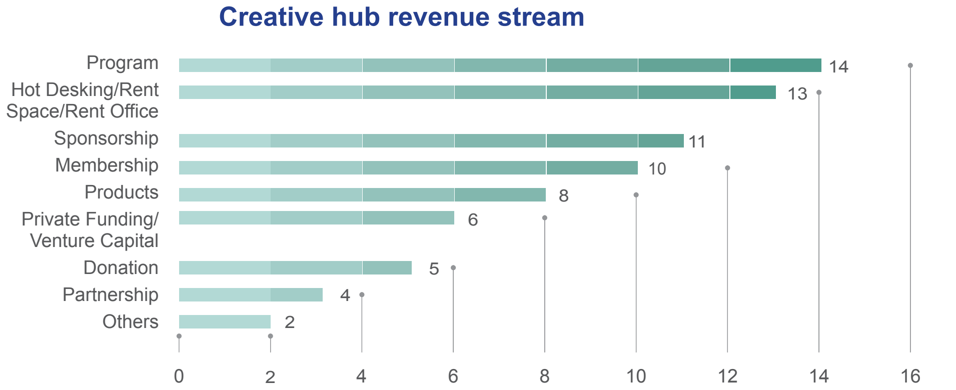


Figure 20
Revenue streams of creative hub

Our survey results suggest that programs are the main source of revenue for most creative hubs. Programs equals to events, and events are the simplest way of generating direct income, be it through renting space, providing event-organising services, or charging customers with registration fees to take part in trainings, workshops, tutorials or any other form of programs.

In the context of coworking spaces, the second biggest revenue stream is renting the spaces. This is apparently easier to do as the demand for working space is still very high, especially in the major Indonesian cities. The third biggest income is sponsorship, where spaces gain financial benefits of holding collaborations and providing certain services to national or international companies.

Membership comes in at fourth, which confirms the assumption that targetting individuals and communities to become a paying member is still difficult. There is also a low conversion rate from event-attending individuals to become a member of the coworking space. The problem here involves the education of the market, where coworking services are still very new and less known to the general public. Space managers often jokingly reititrate that coworking spaces are more than just 'a coffeeshop with speedy Internet', indicating how most urban audience understand them to be. The challenge to educate the market is big enough, namely as big as its potential.

income for spaces is gained through the monetizing of programs. As the market still needs to be educated on the service of co-working, financial sustainability becomes the most imminent issue to tackle. In major cities, coworking is increasingly becoming an industry. This will have implications on cost, competition and image of coworking spaces. That being said, creative hubs are emerging in second cities and this development very much confirms the optimism of space managers regarding the current trend of the creative and tech sector. In the absence of a capable government, the role of associations in Indonesia becomes not only unique in local context, but also regional as it is currently the only known coworking association within the ASEAN region.

Hence, the following can be suggested as an immediate follow up to this research.

- Training for creative hubs management
- Inviting experts to share insight on managing hubs.
- Link up Indonesian hubs and/or its associations with international networks

Source
Coco Workshare

5 Looking forward:
Challenges and opportunity

Regardless of the function, type, founders or location of a space, all creative hubs in Indonesia face challenges that test their resilience. Based on the online survey and interviews, this chapter provides an overview of common challenges faced by creative hubs.

Common challenges

The most common challenge faced by hubs is funding. This is a concern in both short and long run. It also begs the question whether spaces actually have a business model as a foundation to build their activities on. Some creative hubs (such as Rumah Sanur) are aware of the importance of a business model and may serve as a learning source for others, as it might be applicable in different contexts.

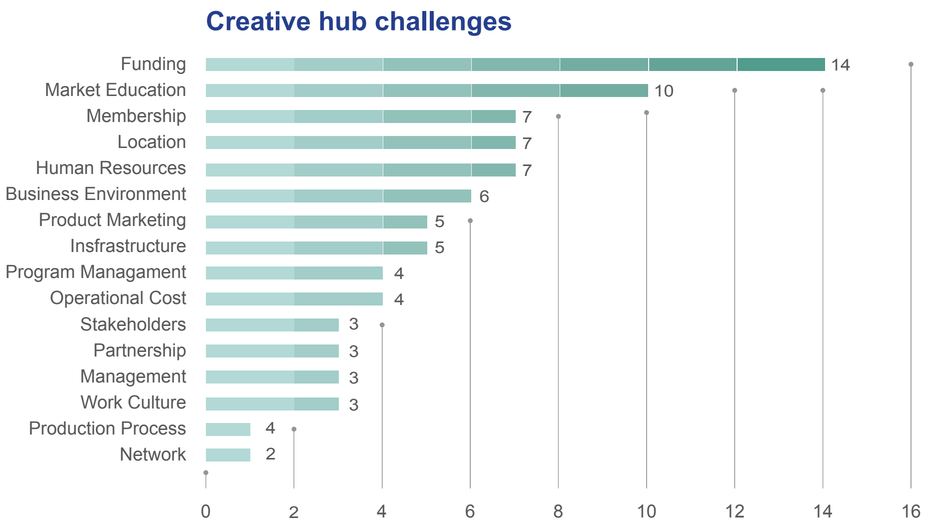


Figure 21
Creative hubs challenges

The second most common challenge is educating the market. As the industry is still very much in an infant stage, the services are only well-understood among small target groups. Creative hubs are often mistaken for an *upgraded coffee shop,* providing nothing more than a working table and speedy internet connection.

As explained by Cynthia (co-founder of Coworkinc and member of the Coworking association [1]), spaces need to be aware of their identity and image in order to be able to monetize. Spaces need to know who they are, utilise word of mouth and start believing that people will come by themselves. It is an important recipe to not only build a brand, but also acts as an important filter to know their most potential market.

Other challenges include the internal setup of a space. This involves the training and nurturing of staff or human resources. As the business is still very young, skills and expertise needed to run the show also need to be transmitted and capacity collaboratively built to meet the needs of the market. Managing and operating spaces is therefore an important asset that cannot be fulfilled instantly, instead something that needs to be built from scratch, on the ground. Hubs operator learn to be experts by themselves and through collaboration with other hubs or hubs managers. This is why organizational management appears as one of the main challenges faced by hubs, which also includes maintaining memberships and managing programs. The difficulty includes the balancing of commercial aspects with the more value-driven programs to benefit communities, ensuring a healthy ledger whilst making sure that ideals are fulfilled.

One important challenge that has often been addressed as well is the possession of a *permanent/semi-permanent physical space.* As addressed in other parts of this report, owning or having a physical to work in is an important requisite to get the whole operation going.

Sectoral challenges

Table 1
Sectoral challenges faced by creative hubs

Creative Hubs sectoral challenges

Creative space	Coworking space	Specialty or focus
Sustainable business model	Sustainable business model	Setting and adhering to standards
Financial stability	Financial stability	IT programmers
Donor organisations	Venture capitalists	

While the survey results indicate common, universal challenges of hubs, the extent to which they are faced individually, varies. Venture Capital-backed coworking spaces are less wary with the question of funding, but more concerned with engaging communities. Creative spaces who are well-knit and close with communities on the other hand, are less concerned with engagement but more by their lack of a tight business model. Makerspaces are also concerned with revenue streams, as not all types of products or commodities are sellable or marketable. This is something they need to work on as partnering companies operate with limited funding as well, whilst production items are very affordable and require heavy investments.

Creative hubs are here to stay, and it's hard to see them stopping their business due to insolvencies. However, longevity can only be achieved if the operations is sustainable. In more practical terms, if the operations of the space is visible beyond the annual horizon. This is not something that every space can claim to do, as most of them operate on annual planning.

A clear vision is therefore very important and it all goes back to how their founders – and current managers- envision the space to be in a long run. Vision is not something set in stone, and once the goals have been achieved, revising agendas is likely to happen. Coworking spaces on the other hand, will have to do rebranding, once the initial targets have been achieved. As most coworking spaces are run on commercial interests.

Eventually, creative hubs in Indonesia are generally resilient, as they are established in times of socio-political changes. They have learned to be adaptable from the very beginning, many times in a hard way. This has led them to not only be 'tough', but also optimistic in running their operation.

Growth Projection

Despite all these challenges, space managers show a healthy amount of optimism when it comes to predicting the future. This optimism is reflected in the high score of our survey. On a scale of 0-10, the average optimism score was 8.275, showing a glowing confidence of hub managers in the future of the sector.

Based on these results, it is fair to say that most hub managers predict a continuing growth of spaces. They all foresee a bright future for creative hubs in Indonesia and predict a growth that is surprisingly positive despite the volatile nature and infant stage of this sector.

All spaces are optimistic that this sector will continue to grow. They share this view given the current positive climate. Existing coworking spaces shape the future industry as they already set the ‘rules of the game’ from now.

Even though the market is still volatile, new spaces will appear. This sector will continue to be ‘alien’ to investors’, but as long as activities related to creative and digital economy continue to take place, spaces will remain relevant. This is why educating the market will be even more important.

The role of the government should be significant in boosting this growth through Indonesia’s Creative Economy Council (BEKRAF). BEKRAF and other agencies can play a facilitating role and help to ease the establishment of creative spaces in Indonesia. Role of support systems (as mentioned in the previous chapter) will even be more significant

Where will new growth take place?

The interesting aspect or question is where this spaces will emerge. Didi from Code Margonda suggests that they will emerge in ‘second layer cities’, so those outside the major ones. Code is pretty convinced that they themselves have been influential in driving these spaces to emerge. They serve as a model for ‘small, affordable, low cost and low key’ spaces in smaller cities.

Impact of hubs

All spaces have shown to be impactful, but none are really aware of what they have created. Hubs need to start document and archive their activities more seriously. All spaces have annual plans, but not in a rigid, framework-like sense. They are more focused on filling the activity calendar in order to anticipate program-related needs. This is important to plan ahead for major events and lengthy workshops, for example. But none of this scheduling and programming is related with monitoring, evaluation or other forms of program review. It is fair to say that most spaces approach this matter fairly loosely. In terms of planning, most organised spaces we encountered are the ones having concrete targets. Hence, these are the ones run on a firm business models with clear objectives, such as Conclave, EV Hive, etc. This is less evident in cases such as Kekini or Code Margonda.

Eventually, while most hubs have not considered the topic of impact more seriously, it remains interesting to explore as all spaces have impacts, especially for their community.

Figure 2
'Temu Coworking ID' meeting in Bandung.

Source
Coworking ID

6 Support for creative hubs

Creative hubs find themselves in the early stages of a growing industry. They are part of an infant ecosystem, still very much finding and defining their roles in a volatile environment. All the while, creative hubs have also managed to show resilience by adhering to 'DIY' principles whilst ensuring a learning process where hubs committed to support each other. Despite this resilience, hubs are also in need of support to foster what already is a vibrant ecosystem.

Creative hubs as intermediaries

Creative spaces are built on the principles of independence. They have successfully thrived amidst limited financial capacity by relying on their networks and community engagement. Spaces such as *Pasir Putih* in Lombok or *Tanaindie* in Makassar for example, are living laboratories of self-sufficient and sturdy hubs who are also a support system for their communities. Their presence feeds inspiration and live into their network. These two – among many other- examples show the importance of independent creative hubs. They are a living example of why the word *community* within the coworking industry is real. Meanwhile, the 'independence' of VC-backed co-working spaces is an important fact that highlights the trend, or shift, within the coworking industry itself. It is a fact that should be perceived in a wider context of the growing creative and tech sector, in which creative hubs play an important role as *enablers.* While the VC-backed co-working spaces are less in need of financial backing, they too are still learning the ropes of the industry. In this sense, both creative and coworking spaces are in need of better management, better-trained staff and know-how of manoeuvring in what is still an infant industry.

Final recommendations

The role of associations and market

The presence of a coworking association stands out in Indonesia's creative hubs ecosystem. Provided a steady growth of hubs, it is safe to say that Coworking ID as an association of coworking spaces will become more important over the years to come. Even though its authority is limited to coworking spaces only, its influence will be significant in shaping the creative sector in general. The association sets out to manage to growing market by providing insights, capacity building and solutions for existing and prospective spaces. Here is where the government can come into play, especially the local ones. Direct support from the government is not immediately expected, but they need to be aware of disconnect between tech, creative, and other sectors with government plans. At the same time, infrastructure support is a basic challenge that needs to addressed. If the central or local government decides to be active in this sector, they too are in need of capacity building as there is still a major gap in understanding between creative actors and government officials.

Building a support system

In terms of resilience and adaptation, most spaces see their network as their biggest strength and potential. Meanwhile, most spaces still rent their locations which becomes a challenge in the long run as this becomes a financial burden and source of instability. The main income for spaces is gained through the monetizing of programs. As the market still needs to be educated on the service of co-working, financial sustainability becomes the most imminent issue to tackle. In major cities, coworking is increasingly becoming an industry. This will have implications on cost, competition and image of coworking spaces. That being said, creative hubs are emerging in second cities and this development very much confirms the optimism of space managers regarding the current trend of the creative and tech sector. In the absence of a capable government, the role of associations in Indonesia becomes not only unique in local context, but also regional as it is currently the only known coworking association within the ASEAN region.

Hence, the following can be suggested as an immediate follow up to this research.

- Training for creative hubs management
- Inviting experts to share insight on managing hubs.
- Link up Indonesian hubs and/or its associations with international networks

Source
Co&Co Workspace

Annex

Online survey questionnaire

The questions below aim to generate general profile of your creative hub/creative space.

No.	Question	Choice of Answers
1.	Please specify your creative hub/creative space (for example: Centre for Innovation Policy and Governance – CIPG)	
2.	Based on the activities, what is/are the types of your creative hub/creative space? (You may choose more than one answer. Tick (v) the accurate answer).	• Studio • Co-working space • Makerspace • Incubator • Virtual space • Art Center • Network • Other • (specify)
3.	When was your creative hub/creative space established? (month/year. For example: April/2017)	
4.	Please tell us the vision and mission of your creative hub/creative space.	
5.	Please mention three main strengths of your creative hub/creative space.	
6.	Is your creative hub/creative space a legal entity? (Please circle one of the answers).	Yes/No
7.	If yes, what type of legal entity it is? (Tick (v) the accurate answer).	• Limited Company • Foundation • Association • Limited Partnership • Cooperative
8.	Does your creative hub/creative space have a working space for conducting activities? (Please circle one of the answers).	Yes/No
9.	If yes, what is the status of the working space in your creative hub/creative space?	
10.	Does your creative hub/creative space have a space for creative activities?	Yes/No
11.	What facilities are there in your creative hub/ creative space?	• Meeting room • Hot desk – working room • Fixed desk – working room • Studio • Office room • Workshop room • Printing • Event space
12.	How many co-founders and staffs are there in your creative hub/creative space?	
13.	Who is the founder of your creative hub/creative space?	• Individual • Government/local government • Educational institution • Venture capital /company/state-owned enterprise • Other (specify) ....

Program and Activity Process

The questions below aim to generate general profile of your creative hub/creative space.
Program and Activity Process

No.	Question	Choice of Answers
1.	What activities do you do in your creative hub/ creative space? (You may choose more than one answer. Tick (v) the accurate answer).	• Monitoring • Mentoring • Tutorial • Exhibition / curating program • Networking event • Training / Seminar • Research • Time banks • Business support • Hacks • Prototyping • Artistic activities • Content development • Business incubator • Startup incubator • Digital platform • Other (specify) ……………
2.	How active your creative hub/creative space is in organizing activities?	• Approximately once a week • Once-twice/month • Once in 3 months • Other (specify) ……………….
3.	What is the main focus of your creative hub/ creative space? (You may choose more than one answer. Tick (v) the accurate answer).	• Digital and technology • Business • Fintech • Social and Culture • Circular • economy, peer to peer, and open source • Gender • Youth • Other (specify) ………………………..
4.	Does your creative hub/creative space have tools to create art? (Please circle one of the answers).	Yes/No
5.	If Yes, please specify (You may choose more than one answer. Tick (v) the accurate answer).	• Printer/3D printer • Sewing/weaving/screen printing tools • Painting/dwell tools • Farming tools • Carpentry/metal fabrication tools • Laser cut • Prototyping software • Other (specify)…………………
6.	What online platform that your creative hub/ creative space uses for promoting activities? (You may choose more than one answer. Tick (v) the accurate answer).	• Organizational website/blog • Instagram • Twitter • Facebook • Other (specify)

Business Model

The questions below aim to explore business model that your creative hub/creative space applies.

No.	Question	Choice of Answers
1.	What are the funding sources of your creative hub/creative space? (You may choose more than one answer. Tick (v) the accurate answer).	• Paid membership • Donation • Product sales • Program sales • Program/funding collaboration • Room rental • Tool rental • Working desk rental • Sponsorship
2.	Please specify the funding structure of your creative hub/creative space (for example: 30% membership, 40%	
3.	Please tell us the percentage of operational cost that the current business model manages to cover.	

Partnership

The questions below aim to identify the collaborating partners of your creative hub/ creative space

No.	Question	Choice of Answers
1.	Who are the partners of your creative hub/creative space? (You may choose more than one answer. Tick (v) the accurate answer).	• Other creative hub/creative space/co-working space • Community • Local/International Company • International Organization • Cultural center • Other creative individual • Other (specify).................
2.	What motivates you to collaborate?	
3.	When was the collaboration established?	• From the beginning of the establishment • 6 months after the establishment • 1 year after the establishment • More than 1 year after the establishment
4.	Is there any value or criteria to select partner? (Please circle one of the answers)	Yes/No
5.	If yes, please specify	

Challenge and Opportunity

The questions below aim to identify the challenges and opportunities in your creative hub/creative space.

No.	Question	Choice of Answers
1.	Please tell us three main challenges in your creative hub/creative space.	
2.	From the scale of 0 -10, how optimistic are you on the progress of Creative Hubs in Indonesia? (0 very pessimistic - 10 very optimistic)	

1. For a complete list of coworking spaces please refer to Co-working ID