



Creative Economy Development at Silver Studio 76 Using Experience Economy for Silver Craft Preservation in Kotagede

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ABSTRACT

The development of the creative economy based on silver craft at Silver Studio 76 in Kotagede, Yogyakarta, is carried out through the Experience Economy approach as a strategy for preserving local culture. The focus includes the implementation of the four dimensions of Experience Economy, which is: entertainment, education, aesthetic, and escapism in customer service, as well as the studio's role in supporting silver craft preservation. A qualitative case study method is employed to gain an in-depth understanding through interviews, observations, and secondary data analysis from social media and related documentation. This approach not only enhances the economic value of the products but also strengthens visitors emotional attachment and appreciation of Kotagede's cultural heritage. Challenges such as declining interest among younger generations, fluctuating tourist visits, limited skilled human resources, and rising production costs require ongoing innovation and optimization of digital marketing strategies. The findings contribute both conceptually and practically to developing experience based business models that sustain traditional craft industries while reinforcing local cultural preservation.

Keywords: Creative economy, Silver craft, Experience economy, Cultural preservation.

INTRODUCTION

Industrial development as a part of the efforts to advance creative economic development is expected to create a structural sustainable economy. The creative economy is a part of economic development grounded in skilled, creativity, and individual talent, leading to the production of creation and creativity which has an economic individual (UMSU, 2023). Since 2015, the craft industry has contributed approximately 15% as one of the biggest Gross Domestic Product of Indonesia (Kemenparekraf, 2022). Based on this data, the silver craftsmen in Kotagede have a significant potential to become natural contributors to the creative economy.

Yogyakarta city has been awarded 3 certificates of Warisan Budaya Tak Benda (WTBT) from The Ministry of Culture DIY. The certificate belongs to the silver craftsmen of Kotagede (Yogyakarta Government, 2022). Grehenson (2011) according to a news report by UGM said that Kotagede is in danger of losing its silver crafting

heritage due to a decline in skilled artisans and decreasing number of consumer demand. This highlight needs to find the other alternative methods for maintaining the culture of silver craft, not solely by focusing on the sale of commodities or the services.

In 2000 until 2010, the silver craft Kotagede were still developing and kept improving the number of units of industry. In the year of 2010 until 2020 it can be said as the decline moment which is marked with the decreasing number of the unit industry craft at the Center of Silver Craft Kotagede. In 2021, the industry of silver craft in Kotagede was smaller compared to the success at that time (Pratami, 2023). The efforts that have been developed by the community to create the creative economy and preservation culture through silver craft have been implemented by Silver Studio 76. The Silver Studio 76 that have been initiated since 1999 by Agus Budianto as the graduates of ISI Yogyakarta in the Silver Craft department (JIO, KotagedeSilver.com, 2010).

One of the solutions offered is combining the sale of goods and service at the same time where the customer experience is included as the main commodities. The Silver Studio 76 offered the workshop of silver craft to be adjusted in a desired type by involving the customer experience. The Experience Economy of silver crafts in Kotagede is expected to develop and give a positive impact in the economy outright to cultural conservatives. The Silver Studio have been developed with effort to innovate and follow the development and the market segment of which effort to open a web registration, create books about the silver craft in Germany that can attract the visitors of that countries, updating the design form to follow trends and times that differentiate it from local silver craftsman, creating exclusive classes for foreign guest, creating a comfortable studio atmosphere to build the personal emotions of visitors.

The studio is quite exclusive with the work method offered for the visitors compared to other craftsmen in the area, including the interior design, and services. Meanwhile, the comparison with other bigger artisan silver studio in Yogyakarta, Bali silver craftsman, and another silver craftsman from overseas.

The Silver Studio 76 has become an intriguing choice as a research object due to several factors, namely its strategic location for silver craft production and having the highest rating on Tripadvisor in the Silver craft courses segments (4,9), the most followers workshop on the social media platforms like Instagram in Yogyakarta, and using the Experience economy already implemented. The advantages from Silver Studio have been recorded in the Guide Book of Yogyakarta. From the new television report, the most visitors who came are foreigners who are looking for the strategic area, aesthetic interior design, best quality of the services, and the access for private class and workshop. Most of the time, the content creators of social media use the place for producing their ideas, the place becomes more impactful for the community around the area of Silver Studio 76.

Based on that background, this research will focus on exploring Experience Economy that has been done by Silver Studio 76. This research will investigate the deeper efforts of creative economic empowerment in Kotagede and efforts to preserve the culture of silver craftsmen in Kotagede by Silver Studio 76 with Experience Economy approach.

METHOD

The approach used in this research is a qualitative approach with a case study method. By utilizing a case study design, the qualitative approach allows the researchers to understand phenomena that occur in real-life contexts through an in-depth study of a single case or several related cases (Creswell, 2014). This

independent case study, enables the researchers to focus on in-depth phenomenon, providing the details about the complexity and contextual factors, this type of research is particularly useful for exploring issues where the context is unique or distinctive (Yin, 2018).

Data collection in this study was carried out in two ways: by gathering primary and secondary data. Primary data, obtained through interviews, served as the main source for this research, the primary data is used to complete this research. Through in-depth interviews, researchers are able to explore participants' perspectives and understand the meaning they assign to their lived experiences, to delve deeper perspectives about the phenomenon that is being studied (Creswell, 2014).

The interview with Agus Budiyo as the owner of the Silver Studio 76, who explained about the profile information and the history of the Silver Studio 76. The interview produces internal and external data which is then processed as research study material. Agus Budiyo also showed the process of creating the Silver Studio 76 craft directly while teaching the workshop for the visitors at The Silver Studio 76.

The other sources are also completed by the page of the social media instagram @silverstudio76 as the supported information for this research. From their social media accounts and also several influencers and celebrities who also introduced Silver Studio on social media, we obtained some information about who the visitors are, most of the information showed that foreign nationality is the major visitor compared to the domestic visitors.

RESULT AND DISCUSSION

Silver Studio 76 Profile

The Silver Studio 76 is one of the key players in the creative industry, specializing in the field of silver craftsmanship in Kotagede, Yogyakarta. This studio was built in 1999 with the aim of preserving the public interest for this art of silver craftsmanship. The Silver Studio 76 carries an educational and participatory concept, not only producing the accessories but also creating a space for the public community to learn and be involved in the creative process of the silver craft.

They initially made this only for the foreigner visitors because of the background for interacting with the foreigner visitors as a Tour Guide and he has his father's silver craft production at home until he decided to fully manage the Silver Studio in 2022.

The workshop at Silver Studio 76 designed as an educational experience as well as a hands-on experience. Participants can book via Whatsapp, Instagram, and the website of Silver Studio 76. The sessions started with introduction of the Kotagede's Silver Craft (segmented) and introduced the production tools, followed by a

demonstration by craftsmen, and then participants can try making their own simple jewellery, like the ring or the pendant. The making process involves heating the metal, molding, carving, and finishing.

Everyday, the Silver Studio 76 are able to do 3 sessions with the duration 1-2 hours/session. The maximum capacity of the workshop is up to 20 people inside of one studio. Not only serving the workshop, Studio 76 has also educational cultural programs, like: (1) *walking tour*, (2) *cycling tour*, and (3) *cooking class* and providing the special food from Kotagede, collaborating with the community, academian, and community around the area.

“This tour package can be done according to the needs of the guests and this method is an effort made to maintain and preserve the image of Kotagede” (Interview with Silver Studio 76, Agus Budiyo, 22 April 2025).

Silver Studio 76 is open for domestic visitors or foreign tourists, especially from Asia and Europe. The number of guests of Studio Silver 76 increased after the Covid-19 pandemic.

“During the Covid-19 pandemic, people are using social media more and are more consumptive. This brings blessings because the people of Kotagede are starting to get online orders for silver crafts, the Gen Z community is starting to realize how hidden a gem Kotagede is, and young people are starting to innovate regarding the production and sale of silver crafts.” (Interview with Silver Studio 76, Agus Budiyo, 22 April 2025).

Silver Studio 76 strives to preserve the silver craft and culture by teaching the basic skill with the young generation and public visitors. In addition the studio also maintains traditional techniques that have been passed down from generation to generation, while combining them with contemporary designs to attract the interest of the modern cultural market. Moreover, Agus Budiyo is still carrying out other integrated program activities to maintain the cultural image of Kotagede.

The existence of Silver Studio 76 has a positive impact, such as, increasing income, job creation, and opening up opportunities for the regeneration of young craftsmen and become a media to promote local culture to the International level.

The Experience Economy Implementation by Silver Studio 76

As one of the pioneers in preserving silver craftsmanship in Kotagede, Silver Studio 76 embraces the principles of the Experience Economy to curate

profound and engaging experiences for its visitors. This principle's approach is based on 4 main dimensions, entertainment, education, aesthetic, and escapism that are implemented in an integrated manner to not only increase economic value but also strengthen visitors relationships with local culture and traditions. The following is the implementation of each dimension in the context of Silver Studio 76 that focused on silver craft specialties from Kotagede.

One of the main aspects of the Entertainment approach at Studio 76 is the presentation of demonstrations and cultural performance that combined with the education. Studio 76 often holds live demonstrations of the silver craft making process, where visitors can watch skilled silver craftsmen working with traditional tools. The performance, presentations, and other demonstrations are able to be done according to the needs of the Workshop participants. This aligns with the concept of Pine and Gilmore (1999), who stated that entertainment is able to create interesting experience and attention, this ultimately evokes a deep emotional connection between visitors and the culture performances.

The cultural story presented during the class provides a rich emotional layer of experiences. Kotagede's history as a centre of silver craft and the impact in culture of Yogyakarta, provided a deeper insight for the visitors about the principles of every silver craft. Thus, this studio not only provides entertainment but also introduces the visitors about the history and the tradition that build the context for the craft and arts.



Figure 1. Silver Craft Workshop
Source: Ahrman Sandikusumah, 2025

The Education's dimension in the economic experience focuses on increasing the visitors knowledge in the context of Silver Studio 76 realized through the introduction of procedures and processes for making silver crafts. The visitors are not only presented by the process of the silver craft and the tools, but they have the opportunities to learn the technique and the main philosophy in every design of the arts. By combining the

aspect of skilled technique and cultural knowledge, the visitors are also invited to understand that every silver work produced is not only a commercial product. It is also a work of art that contains a deep aesthetic cultural and traditional values.

Silver Studio 76 has also served as an education workshop, where the visitors can experience and participate directly in their own silver craft making with the guidance of the craftsman. This workshop provides the visitors the experience of the end to end creative process while gaining knowledge about traditional techniques that have been passed down from generation to generation in Kotagede. These forms of educational engagement deepen visitors' relationship with local cultural heritage and silver craft, ultimately elevating greater appreciation of the traditional artistic practices.

Aesthetic aspect in the economy emphasised on The design of an environment that elicits aesthetic appeal and visual delight, thereby facilitating a deeply immersive experience for visitors. Silver Studio 76 implemented this dimension by designing spaces that reflect the traditional values and beauty of Kotagede which is presented through an interior design that is rich with local cultural elements, such as silver carvings as the characteristic of this area. The carefully planned spatial design aims to create an atmosphere that combines traditional elements with visual appeal and a sense of comfort, offering visitors an engaging experience that feels like a cultural retreat within the modernity of Kotagede. The reason of Agus creating this Aesthetic concept on Silver Studio 76 are as follows:

"This place was chosen because it is not too crowded but still affordable because it is not too far from the highway or main road of Kotagede. The initial concept still wanted to have a Kotagede feel but still cool and beautiful. The reason is because of the hustle and bustle of Kotagede which is busy and very hot during the day. This place is like an oasis in the middle of the hustle and bustle of the Kotagede" (Interview with Silver Studio 76, Agus Budiyo, 22 April 2025).



Figure 2. The Atmosphere Outside Studio
Source: Sisilia Hangin, 2025

Silver Studio 76 also ensures that every detail in the space, be it the carvings on the furniture, the design of the showroom, to the lighting used, is in the harmony with the theme of aesthetic experience which aims to present a harmonious and stunning atmosphere visitors who enter this studio are not only presented with the silver products, but are also invited to enjoy a visually pleasing environment, which depict the harmony between local art and culture.



Figure 3. The Atmosphere Inside Studio
Source: Ahrman Sandikusumah, 2025

Escapism emphasizes immersing visitors the opportunity to be fully engaged in the experience, as if they can "escape" from their daily routine and enter a creatively rich and aesthetically captivating environment. Silver Studio 76 realized this dimension by inviting the visitors to create their own jewellery craft that allows them to experience the end to end process as an artistant.



Figure 4. Participants Make Silver Jewelry
Source: Silver Studio 76 Instagram, 2024

The visitors are not merely passive spectators but are transformed into active craters of artistic expressions, fostering a sense of personal fulfillment and meaningful engagement with the experience. This experience allows

them to have a sense of ownership over the art they create by themselves, while giving the ability for them to experience the process previously they only witnessed as visitors. In the owner's opinion, this combination creates an immersive and memorable experience for the visitors.

“Silver Studio 76 is no stranger to the experience economy, Agus Budiyo's closeness to workshop participants (especially foreign tourists) made them come to attend workshops/visit Kotagede more than once (continued)”. (Interview with Silver Studio 76, Agus Budiyo, 22 April 2025).

Silver Studio 76 Challenges and Obstacles

The challenges encountered by the Silver Studio 76 include a decreasing interest in silver craftsmanship among the younger generations, and fluctuations in the numbers of tourist visits. and the ongoing need for innovation to stay relevant in response to shifting market tastes. The main obstacle is the limit of skilled human resources in the traditional technique (and the perfectionist side of the owners) and limitations in the digital promotion and global marketing. In addition, the increase in raw material prices is also a burden in maintaining production sustainability.

Fluctuations in the number of tourist visits become a significant challenge in order to maintain operational stability and marketing for Silver Studio 76. Dependent on the tourist to visit and watch the process of silver craft, but the product making Silver Studio 76 is prone to shifting external conditions, such as economic uncertainty, natural disasters, or other global factors that can affect the tourist sector.

Silver Studio 76 still encountered difficulties in optimizing digital platforms to market their products, especially on social media which can increase brand visibility in the international market. Without the effective promotion, the unique Kotagede's silver craft product is difficult to compete with the similar products from other regions that are superior in digital marketing strategies. Moreover, the continuous increase in raw material prices is also a burden in maintaining sustainable production. The increasing silver price as the main materials in the craft productions cause the cost of production to be high. This adds the challenge for Studio 76 to still maintain the product price affordable without decreasing the quality of the product. The increasing price of the material forced Silver Studio 76 to be more efficient in the production process, to develop innovation subsidence materials, and to find wider distribution connections to maintain the profit margin effectively.

The various challenges above make Silver Studio 76 have to develop a comprehensive strategy to encounter the fluctuating market, increase skilled human resources, and optimize marketing strategy to maintain the sustainability and economy of creative development in

the silver craftsman industry. Silver Studio 76 has to develop a sustainable innovation, maximize the use of technology, and maintain the balancing of tradition preservation and market trend.

CONCLUSIONS

The implementation of Experience Economy strategy in Studio Silver 76 through the 4E approach of entertainment, education, aesthetic, and escapism has become a successful model in developing the creative economy in silver craft at Kotagede. Silver Studio 76 has been successful applying Experience Economy approach to provide visitors and supporting preservation of silver craft in Kotagede through 4E. Silver Studio is not only offering silver craft accessories, but also successful in creating deep and meaningful experience silver craft workshops and most important is opening job opportunities. This approach strengthens visitors' emotions and traditions while enhancing appreciation for the art of silver craft in Kotagede.

Silver Studio 76 is not only implementing the 4E started from the first started by the workshop with demonstrating the process of making silver crafts, transferring knowledge about silver the silver craft making, until finally the workshop participants create their own silver crafts. Silver Studio 76 is increasingly interesting because the studio atmosphere is like an oasis of Kotagede, which still retains the heritage ambience of Kotagede and the location

Silver Studio 76 is increasingly interesting because the studio atmosphere is like an oasis in the middle of Kotagede. Its location, not too far from the center of Kotagede, which still retains the heritage ambience of Kotagede, and the cool place support the aesthetic point in conducting workshops.

The impact of Silver Studio 76 in the preservation tradition of silver craft is vital, especially for the educational workshop who combined traditional technique and contemporary design. This program not only serves as a medium for the regeneration of young artisans but also a means of promoting the local cultural and both national and international levels. The existence of this studio makes a positive contribution by increasing community income, creating job opportunities, and preserving the sustainability of silver craftsmanship, which is an important cultural heritage of Kotagede.

Most of the challenges like the reduced number of young generation in silver craft and jewellery, fluctuation in the number of visitors, the limitation of traditional technique, and uncontrolled material costs. This condition demands that Silver Studio 76 continuously innovate in terms of marketing and products, while also improving the quality of human resource in order to remain relevant and competitive in a dynamic market.

It is essential for Silver Studio 76 to maximize, use digital technology as a part of a broader and more effective marketing strategy, including the development of an e-commerce platform and enhanced engagement through social media to reach a wider audience particularly the younger generation and international tourists. To remain relevant and competitive in an ever-evolving market the studio must continue to innovate in both product design and marketing approach, while also investing in the development of human resources. The Training program for you young artisan is crucial and this can be achieved through partnership with educational institutions and art of commuting to ensure the preservation and continuity of traditional techniques. Additionally the innovation in product lines and diversification of material are vital in addressing the challenge of rising production costs, without compromising on the quality of the heritage.

Silver Studio 76 are able to maintain their position as innovative and creative industry practitioners while preserving silver craft agents in Kotagede. The approach of Experience Economy that is consistently applied will further enrich the visitor experience, strengthen the appeal of cultural tourism and support the development of sustainable creative economy in the Kotagede region.

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Resource Person

Agus Budiyanto (Pemilik Silver Studio 76, tanggal 22 April 2025)