

Tech Start-up Incubation Program: Business Model Evaluation on Government Based Incubator in Indonesia

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Abstract – This research evaluates business model in an incubator company using a framework that consists of 21 assessment components. It is required to examine and measure the efficiency of the incubation program. The incubation program is an intensive mentoring service for start-ups and connects them with the related support system. Analysis conducted using a qualitative approach and matrix scoring generated from N-Vivo. Bekraf Incubator is a government-based incubator in Indonesia suitable for early stages of start-up. Bekraf Incubator successfully demonstrates an effective and flexible business model by focusing on 16 sub-sectors under their incubation program.

Keywords - Start-up, Business Model, Business Incubator, Bekraf

1. Introduction

Business incubation nowadays has become a ubiquitous phenomenon due to its consistent support for a tech start-up, starting from the business plan to business execution.

National Business Incubator Association defines an Incubation program as a mentoring program for novice entrepreneurs or start-ups, designed to foster and accelerate business development success through a series of intensive programs and other support.

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The support can be in the form of partnerships, networking, education, funding, and other relevant supporting facilities. Likewise, Centre for Strategy and Evaluation Services (CSES) Tech-start-up is a start-up company that takes advantage of the sophistication and advancement of technology, information systems and applications that can be accessed by users through devices such as cell phones and computers. A Tech start-up business incubator is no different from a business in general. They also require the business model to make the company more focused on their goals, helps detect product or service weaknesses, find preventive measures, and design strategies for future activities. The best practice business model is elaborated in the next subchapter of this research.

Besides private-based and university-based incubation programs, there is also a government-based incubation program. This program is relatively consistent and sustainable compared to the other type of incubation due to its nature that the programs promulgated by the government. Bekraf Incubator is the most extensive integration incubation program for start-ups in Indonesia. BEKRAF as the research object stands for *Badan Ekonomi Kreatif* or Creative Economy Agency, a non-ministerial government agency responsible for the creative economy in Indonesia under the presidential decree in 2015. Bekraf transformed into the Ministry of Tourism and Creative Economy of Indonesia under the presidential command in 2019. Bekraf also has 16 subsectors in its incubation program focus. There is the app (application) and game development sub-sectors, architecture, product design, fashion, interior design, performing arts, movie making (film), animation and video editing, photography, crafts, food and culinary, music, publishing, advertising, Fine arts or art in general, television, and radio industry [1].

There are twenty-six events that tech start-ups can follow in the Bekraf incubation program. Namely, Orbit (Talent search designer Indonesia), SCARA (Scenario for Indonesian Children Stories), LOCK (Story and Story Processing Laboratory), Create

(Creative training and education), IKKON (innovative and creative through Indonesian collaboration), Docs by The Sea, BIGGER (Bisma Goes To get Member), BEACON (Bekraf animation conference), Bekraf Creative Labs, Bekraf Developer Day (BDD), Bekraf for Pre Start-up (Bekup), BFC (Bekraf financial club), professional certification, Regional Film Commission training (KFD), IKRA (Indonesia Kriya Festival), Coddling mum, IVAA (Indonesia Visual Art Archive), AKATARA (Indonesia film market and business forum), WCCE (world conference on the creative economy), HKI Run, BIIMA (Bekraf IPR Information in Mobile Apps), Archipelageek (Marketing of innovative Indonesian products in the application and game subsector), Musicology, Kreatifood, One-Stop Bekraf, and IG (Geographical Indication Festival).

2. Literature Review

Lai and Lin explain the pre and post entrepreneurial phase for an organization and, when specified into a tech start-up business incubator, it has to be divided into before, during, and after the incubation process [2]. The necessary incubation process is consisting of pre-incubation, incubation process, and post-incubation [3]. Each phase consists of elements defined by the smaller part or called a topic and sub-topic. The main incubator component in the business model evaluates through seven topics and 28 sub-topics.

Before the incubation process, an incubator company has to provide a company [4]. The company's sources consist of physical resources, intellectual resources, human capital, and finance sources [4], [5]. Sources are a potential value that can be in physical or non-physical form. Besides sources of capital, the pre-incubation program requires developing their business idea through the vision, mission, purpose, and goal of the company [2]. Business idea development is the success formula of the company documented since the company was established. The third topic in a pre-incubation case is the business plan. The business plan consists of a customer segment, customer relationship, value proposition, business channel, revenue stream, key activity, and key partner [5]. The business plan stated how the company would function in the future.

During the incubation process, they are starting from the target achievement. Target achievement is incubator's ability to contribute to the economy, internationalization, and commercialization [6], [7]. There is also business execution as part of implementing a plan to reality [8]. The sixth topic in the evaluation framework is benchmarking, consisting of a performance, technology, process, competence, and strategy [9].

After the incubation process, the seventh topic to analyse is value creation to see the quality, specification, variation, and services provided by an incubator [10]. Searching Engine optimization, Searching Engine Marketing, due diligence, and public expose sub-topics in the value creation topic.

3. Methodology

Interview, field assessment, and document review is the data collection method in this research. Informants consist of the vice head of Bekraf, Director of Research and Development, ICT Infrastructure Director, Deputy of Capital, Deputy for Infrastructure, Deputy for Non-Bank Access, Head of Sub Division of Intellectual Property Right and Mentor. Document review consists of creative economy outlook, Bekraf Strategic Plan 2015-2019, Indonesian Start-up Map 2018, web, and press release. Field assessment is a visit to the Bekraf event from 2017 to 2019. So, there are eight informants, three primary documents, and 20 events in total.

Figure 1 explains the data collection conducted simultaneously to gather a complete version of the incubation program. An interview is a verbal question and answer activity to obtain information. The form of the information obtained is stated in writing or recorded audio, visual, or audio-visual. Unstructured interviews are the main activity in observational studies because there are dynamic questions developed during the interview. Field assessment is the researcher's involvement in the business activity during the incubation process, such as to see the compliance from the promised facility to reality. Document review consists of the business yearly report, provided file in their website, and a business guideline.

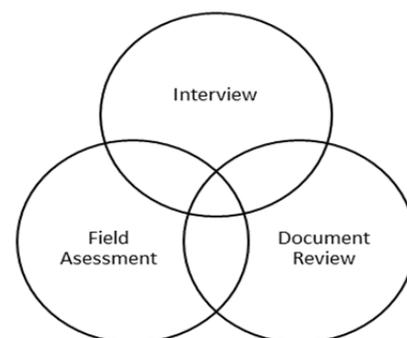


Figure 1. Data Collection Method

Figure 2 shows the composition based on the seven topics on business model evaluation. Data gathered are transcribed and processed in a qualitative tool, N-Vivo. N-Vivo enables the author to analyse the data by providing code, define code, combine, and interpret code to form an evaluation framework [11]. The square composition shown in Figure 2 is the

information gathered on each topic. Bigger the size and lighter colour level meaning the more significant, the richer, and the more profound data on a particular topic. Smaller and darker squares which are possible to be merged eliminate or merge into the other related sub-topic. Seven topics and 28 sub-topics in the evaluation framework are development on evaluation model research 2017 that are used in general incubator company, whether private-based, government-based, or university-based incubator [12].

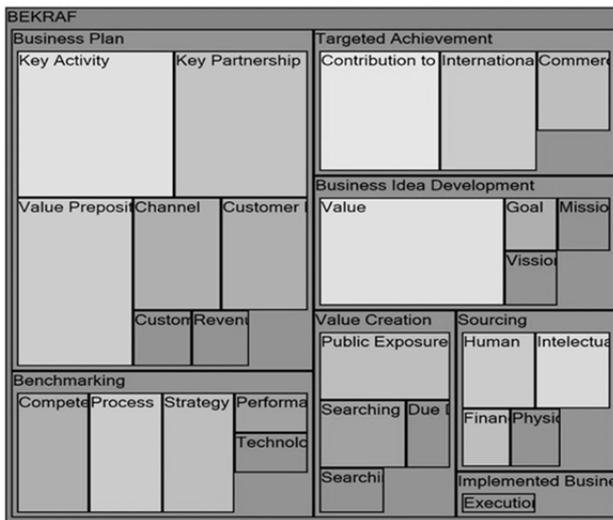


Figure 2. Sub-Topics Composition in a Business Model Evaluation

4. Result

4.1. Sourcing

a. Physical

The physical resources of the company are related to tangible assets owned by the company. The Bekraf incubator has the main office, which at the time of this research conducted was in the Ministry of State-Owned Enterprises of Indonesia building, Central Jakarta. Currently, Bekraf has moved under the Ministry of Tourism and Creative Economy of Indonesia in Central Jakarta after combining several ministries and state agencies with being more efficient in 2019.

b. Intellectual

Bekraf has intellectual capital as required in the industry. This research data and analysis are based on the Creative Economic Agency's organizational structure before joining the ministry of tourism and the creative economy under Bekraf's leadership and several deputies. This deputy consists of research, education, creative economy development; access to capital; Infrastructure; marketing; Intellectual Property Rights team, and relations between institutions and regions.

c. Human

The following are the educational backgrounds, occupations, and positions of Bekraf deputies. Deputy Head of BEKRAF is currently 54 years old. He has academic experience in chemistry from a reputable tech-university in Indonesia with a strong advertising industry background. The Director of Research and Development is an alumnus of the best University in Indonesia. He has educational experience in Engineering and Management, has a doctorate, and has served as a civil servant for years. Director of Information and communications technology Infrastructure served at Bekraf for approximately five years after previously serving as deputy director of cyber investigation at the Ministry of Communication and Information. He is an alumnus of Computer Science and industrial engineering degree. The Deputy of Capital has experience in the finance industry.

Moreover, he is a practitioner in the digital start-up ecosystem. He has experience as the principal director of a venture company specifically for small and medium business financing and alumnus of one of the most reputable tech-university in Indonesia. Deputy for Infrastructure is a person with more than 25 years of experience in the software industry. He is an architect from one of the most reputable tech-university in Indonesia and took a master's and doctoral degree in intellectual property rights. Mentors for Bekraf for the East Java area are practitioners of software development such as iOS and Android. For years, he has been in the digital start-up industry and an educator at various campuses, schools, and digital start-up incubation programs in Indonesia. This sub-topic seems better to add the intellectual factor to simplify the evaluation component.

d. Financial

Based on the Indonesia Official Parliamentary news, it summarized that the Bekraf budget as a whole (16 leading sub-sectors) comes from the APBN (State Revenue and Expenditure Budget). The budget for 2016 is around IDR 600 billion (from IDR 1.1 trillion initial requests), 2017 around IDR 600 billion (from IDR 900 billion initial claims), 2018 around IDR 600 billion (from IDR 700 billion initial requests), 2019 around IDR 650 billion (from IDR 750 billion initial requests). The contribution of sixteen sub-sectors to GDP in 2016 was IDR 922 trillion, IDR 989 trillion in 2017, and IDR 1000 trillion in 2018. Fund adsorb in 2019 are 95% with expected a 30% budgetary increase in 2020, or the equivalent of IDR 1.1 trillion.

4.2. Business Idea Development

a. Vision

A vision statement is a statement of organizational goals, which means to guide internal decision making. Vision statements are not limited to business organizations and can also be used by non-profits or government-based organizations. This vision looks different from the one listed on the official Bekraf.go.id page. There was a significant adjustment in the organizational vision because the first vision's scope is in Indonesia. In contrast, the other vision statement covers the world level target in 2030.

b. Mission

The mission is a sentence that describes the function of the company, market, and competitive advantage, a brief written statement of the company's goals and philosophy. The mission statement defines what an organization is, why it exists, the reasons for its existence, which usually complement the values espoused, and the company's goals.

Unlike what is stated in the 2015-2019 strategic goals document, Bekraf also lists a slightly different mission in terms of content. Bekraf has the vision to build Indonesia into one of the world's economic powers in the creative economy by 2030. This discrepancy shows inconsistencies.

c. Value

As a government agency that has the task of carrying out creative economic development matters, Bekraf has set a vision to develop the creative economy into a new force for the national economy by continually encouraging creative economy actors' progress. To become a new force for the national economy: all of Indonesia's creative assets and potentials need to be combined to achieve independencies in the creative economy; a conducive climate for the development of the creative industry needs to establish; innovation in the creative field that has added value and competitiveness in the international world needs to be encouraged; public insight and appreciation of all aspects related to the creative economy need to open; awareness and appreciation of intellectual property rights, including legal protection of copyright, need to be built; and specific strategies to place Indonesia in the one of the world's creative economy need to be designed and implemented.

The elements of ecosystem development carried out by Bekraf are reflected in its organizational structure. Thus, the direction of the creative economy development policy are: 1) Developing superior research and competency of human resources in the creative economy sector; 2) Increasing access to capital for creative economy actors; 3) Facilitating

the availability of Infrastructure for the creative economy sector; 4) Increase the market expansion of the creative economy sector; 5) Increase economic benefits for holders of Intellectual Property Rights in the creative economy sector; 6) Build and strengthen institutions and regulations in the creative economy sector, and 7) Strengthening the implementation of bureaucratic reform and good governance.

d. Goal

The goals of Bekraf are related to the contribution to the growth of Creative Economy GDP, which is expected to gradually increase to be higher than the National Economic Growth and the realization of Indonesian creative products that are known and famous in the global market. The innovative economy ecosystem's development is at the core of the Creative Economic Development Program implemented by the Creative Economic Agency. There are three ultimate outcomes from implementing the creative economy program, namely: (1) increasing the number of companies; (2) added value per company; and (3) Indonesian innovative product brands worldwide. These three impacts are translated into creative economy GDP growth, which is expected to reach 6.75%, an increase in the export of creative products worth USD 21.5 billion, as well as the development of the quality of the workforce with an absorption rate of 17 million people by 2019.

4.3. Business Plan

a. Customer Segment

This sub-topic explains consumer groups' division according to demographics, characters, needs, and other classifications for different marketing purposes. Bekraf has an extensive market segment, divided into 16 business subsectors. For the incubation program called Bekup (Bekraf Pre Start-up), all start-up companies, both those with prototypes and ideas, have a program that can be followed. Each start-up represents a city where the digital start-up incubation program is conducted.

b. Value Proposition

A value proposition is a value promise to be conveyed, communicated, and recognized. It is also the customer's belief about how value will be delivered, experienced, and earned. The value proposition can apply to the entire company for the product or service it provides. The value offered by Bekraf Incubator include: 1) Incubation coverage for start-ups with a broader reach with 16 subsectors, 2) Structured database, making it easier to find partners, 3) Opportunity to apply for funding from the community, 4) Get support and legal assistance for registered start-ups, 5) Free patent rights in

collaboration with cross-agency, 6) There are many opportunities for overseas exhibitions, both from events held by Bekraf and sent as representatives of Indonesia abroad.

c. Channels

It facilitates creative economy players through appropriate distribution channels with: 1) Creation, by providing facility such as creative space, in a broader scope encouraging the development of creative clusters; 2) Production, to facilitate business player to produce their creations on an economically viable business scale, in the form of establishing new businesses (start-ups), access to capital (financing), access to production facilities/tools, and programmer; 3) Distribution, to accommodate new creative economy businesses to gain access to markets and maintain a market structure that makes it easier for new entrants; 4) Consumption to enable new creative economy businesses to build markets and to help to educate the society; 5) Conservation is the building of a repository for innovative products used by creative economy actors as a source of inspiration for the next creative process. There are 16 subsectors in Bekraf. Each of them has a program that exhibits the product and outcome of the incubation once every year. There are 26 programs available for a start-up to follow.

d. Customer Relationship

Before the incubation period, the selected digital start-up for the Bekraf incubation program was announced through social media, websites, and the start-up community. While undergoing the incubation program, participants are connected to the digital start-up ecosystem through national and international exhibitions and competitions; in the pitching competition, they receive input, suggestions, corrections, and rebuttals from experts. Post-incubation assistance is still carried out through discussions on start-up talk forums, broadcast messages in messenger groups, and updating insights through social media. Apart from the incubation program, Bekraf is also becoming the bridge that connects the smallest communities that need funds or software and hardware procurement by applying the government grant scheme. Customer relationship is more precise to be merged from the customer segment into customer sub-topics.

e. Revenue Stream

Bekraf is a government organization that focuses on the creative sector by using regional revenues and expenditure budget. So, the ability to earn money is not the goal of establishing this institution. The financial gain is measured by their contribution to Indonesia's gross domestic product (GDP) from the creative sector. Creative Economy GDP is an

aggregation of all added value created by innovative businesses in 16 sub-sectors. In the economic field, GDP is the market value of all goods and services produced by a country in a certain period. GDP is a method for calculating national income. Therefore, the growth of GDP in the creative economy is determined by the number of creative economy's business units. The more the number of businesses is, the greater the capacity to generate added value to the economy. The second is the amount of added value per company or the productivity of creative companies. In conclusion, Bekraf does not generate income for profit. During the data collection, the revenue stream topic is somehow colliding with the finance sub-topic and merging between the two.

f. Key Activity

The critical activity begins with an Ideation workshop, an outreach, and an invitation to digital start-up activities at the Bekraf incubation program. They were followed by the boot camp, where start-ups need to complete profiles and team building, idea writing, business and market analysis, testing, and validation of ideas. The description of the boot camp program is divided into several activities. 1) Creating profiles: profiles, joining teams, programs 2) Writing ideas: idea creation, consumer segmentation, personas, benefits offered 3) Market and business analysis: business analysis, competition 4) Product testing and idea validation: experiments. The third stage is the Routine review journey, a private session between the team and mentors, partial consultation, and team progress reports. The last step is a demo day related to meetings with incubators with advanced programs, accelerators, investors, exhibitions, and competitions.

g. Key Partnership

Bekraf has vital partners with Indonesian corporate, multi-national, and international companies related to the digital start-up ecosystem network. They have programming consultants like Decoding Indonesia, multi-national Small and Medium Business Corporation like Korean SBC, distribution companies like Accelerice, which officially launched the Food Innovation and Knowledge Hub. Meanwhile, to encourage the strengthening of the national creative economy ecosystem, Bekraf collaborates with 25 local governments consisting of 4 provinces, 11 cities, and ten districts. Meanwhile, the three associations that will cooperate with Bekraf are the Indonesian Batik Lovers (IPBN), the Indonesian Private Television Association (ATVSI), and the Indonesian Comic Association. Bekraf signed a memorandum of understanding (MoU) with PT Bank Negara Indonesia (BNI), PT Bank Rakyat Indonesia (BRI), and the Health Social Security Administration

(BPJS) to develop businesses of the creative economy business player. There is a certain collaboration with fellow incubation agencies such as IDX Incubator, MIKTI (Indonesian Information and Communication Technology Creative Industry Society), and most university-incubator in Indonesia. So, their leading partner instead of the big or well-settled company, they focus on SME's partnership.

4.4. Targeted Achievement

a. Contribution to Economy

The creative industry increases national economic growth and creates social welfare with achievements of 1.102 trillion Indonesia rupiah throughout 2018, an increase of 19.45% compared to the accomplishments of 2016. In the 2015 incubation program, there were 30 participants in 2016, 69 participants in 2017, and 113 participants in 2018 (incubation until 2019). In 2019 Bekraf did not open recruitment for the incubation program due to business reorganization and limitation due to pandemic in 2020. 23 of the 65 samples of companies incubated by Bekraf are active after the incubation period, which means that 35% of companies have developed and succeeded in contributing to the Indonesian digital start-up ecosystem.

The impact of incubation success will affect opening job opportunities, increased household income, greater public consumption capacity, boosted production performance, and structured financial management. The economy of a country is turning in more vigorous growth. The more successful stories come from this incubator, the faster the government target in promoting 2.000 start-ups in the year 2020 is achieved.

b. Commercialization

In general, the commercialization process that will be guided at Bekraf consists of reputation establishment, legal certificate, Taxpayer Identification Number, Court Ratification, Trading Business License, Company Registration, and related documents for commercialization purposes. Others are related to allowing start-ups to trade, such as Social Insurance Administration Organization and patents. Bekraf will cooperate with other ministries but still provide guidance and assistance to entrepreneurs. Bekraf also provides consultation booths that start-up entrepreneurs can visit at exhibitions and socialization events at certain events. Nowadays, virtual consultation is also available.

c. Internationalization

Bekraf is committed to increasing the export value of the local creative economy products to the global market. This internationalization support is an

acceleration program that prepares the expansion of innovative products and services abroad. Innovative products and services ready for and graduate from the incubation program are the best in their subsectors.

Also, digital start-ups have special media by which Bekraf fostered participants to participate in international innovation events. Other innovation exhibitions have also been held in Indonesia, namely POPCON Asia 2017. POPCON Asia 2017 will be attended by various game products from Indonesia, Japan, America, France, Singapore, Korea, Thailand, Malaysia, Australia, and the Netherlands. The most significant event that attended more than 1.500 participants from 50 representative countries is the first World Conference on Creative Economy in 2018.

4.5. Implementation

a. Execution

Implementation is the realization of plans and ideas that have been prepared in the pre-incubation phase. They are executed well, but there are also inconsistent for many reasons. Bekraf program was established in 2015, and in 2019 there are adjustments due to changes in organizational structure and the merger of the creative economy bureau to Ministry. In 2020 there is no further information regarding the continuation of the programs due to the pandemic. This event complies with the 2015-2019 strategic plan, but the continuity needs to be consistently evaluated. There were no updates regarding the information on incubation participants' recruitment until August 2020.

Participants cannot submit proposals for 2020, they are declared postponed, but then at the end of September 2020, where the pandemic is more restrained, the program opens virtually. The informant said that it would see the pandemic's future development and the budget approved by the central government. Despite the problem of tolerating and adjusting to the pandemic, the incubation program needs to run and keep supporting the tech start-up that is possibly useful for helping communities during a crisis.

4.6. Benchmarking

a. Performance

The performance topic will compare the productivity of companies related to similar industries. The Bekraf incubation program is a government agency design that is categorized as a government-based business incubator. In 2019,

Bekraf received the second award for sound financial management and accountability reports with the predicate of Fair without Exception audit opinion. Recognition for their commitment to advancing the creative economy ecosystem was also received from several university awards and regional government awards.

The digital start-up ecosystem, through the program offered by Bekraf, has advantages. There is the BEKUP program (Bekraf for Pre-start-up) to accommodate the tech start-up proposal. The BDD program or Bekraf Developer Day is established for programming quality development. The BE-X program (Bekraf Acceleration) and start-up pitch competition in the Go Start-up Indonesia program competition for start-up acceleration. The awards and activities strongly support the digital start-up ecosystem to develop comprehensive and sustainable guidance and assistance and comparable with similar industries where not many incubators in Indonesia have as many start-up incubations programs and agendas as Bekraf Incubators. Performance sub-topic has execution nuance. So, performance in future research can be merged with the implementation.

b. Technology

Indonesia is considered to have the potential to become a world technology producer through various applications and uses of technology that facilitate people's activities and work. In this case, Bekraf Incubator can provide qualified software and hardware for start-up operations that have prospects but do not have sufficient funds for procurement. Another issue with start-ups that enter through the BEKUP program, technology facilities are provided by providing Amazon cloud and Amazon Web Service.

c. Process

The process will involve internal control of the company. Bekraf Incubator emphasizes bureaucratic reform effectively and efficiently, opens IT-based, serving and participative, competent, and competitive human resources. The ultimate goal of Bekraf bureaucratic reform is to achieve an institution that is free of corruption, accountability, and performance, with quality public services.

Capacity building and understanding of the quality management system were carried out in 2015 and 2019 using ISO 9001: 2015, strategic plans, and regulations of the head of the Creative Economy Agency. Organizations that implement ISO are required to do several steps. First, to determine the necessary processes in the organization, determine the sequence and interaction of the procedures for the company, establish the criteria needed to ensure that the operation and control of the transaction process and other activities are practical, efficient, measurable, and monitorable. This sub-topic is most suitable with the execution along with the performance sub-topic.

d. Competence

Bekraf competency prioritizes people who have educational or professional backgrounds related to their positions in their parent company organizational structure. This requirement will affect the ability to make decisions in the field. Even though Bekraf is a government institution, officials and their supporting teams prioritize academic qualifications, experience, and practitioners in the related areas that support the digital start-up ecosystem. Data regarding the competence are slightly colliding with the human sub-topic mentioned in the first topic.

e. Strategy

There are three strategies used by Bekraf, namely: first, top-down approach in the form of determining the superior level in management, deliver the message to the lower management level to execute. Second, the bottom-up strategy, Bekraf also carries out activities that are the aspirations of the community. For the support to run effectively, efficiently, and with quality, proposals will be selected by a competent team called the curation team. This approach can be seen from the local government's involvement in proposing start-up actors from the government level closest to the community. The third strategy is to ensure that all Bekraf activities go coherently towards developing the creative economy ecosystem. This approach follows the nature of an incubation program, which is inclusive, open, and collaborates with many parties for economic equality.

4.7. Value Creation

a. Search Engine Optimization (SEO)

When searching through a search engine for Indonesian digital start-up incubators, what appears on the top first page is a list of incubation companies in Indonesia recommended by leading news portals in Indonesia. Bekraf is the main result in the searching engine aspect. The basic SEO that Bekraf does organic is the use of the 'My Business' feature in a search engine. So, that company profiles, websites, and social media appear on the first page on the right part of the online searching engine.

b. Search Engine Marketing

Bekraf does not use Search Engine Marketing (SEM). It can be seen that all search results about the Bekraf incubation program are of organic content. SEM is a form of internet marketing (sometimes also called internet promotion) that involves promoting websites by increasing their visibility on search engine result pages through paid advertisements. SEM is an effective way of advertising because it is very likely that people will click and visit your promoted content. After all, the ads displayed follow what visitors are looking for, so they are a precise targeted market. If one searches with the keywords "Bekraf" or "incubator Indonesia," there are no search results on the paid advertisements or sponsorships page.

c. Due Diligence

Bekraf's due to diligence process is adequately complete. Started with questions and answers session with their tenant during socialization event. Incubation program begin with digital start-up player recruitment, business consultation, pitch deck and mentorship. The entire method covers curation and examination through in-depth interviews with management and parties appointed by the management team and other related parties upon accepting incubation participants. Bekraf incubator provide consultation for start-up feasibility studies with various parties. For example, confirmation with capital market expert if the company planning for initial public offering. For legal consultation also available expert from environmental services, Department of Transportation, public Works Service, or directorate of Law and Human Rights and another related field for start-up business. If necessary, in connection with the transactions carried out, the consultant may communicate with other capital market supporting institutions or professions to confirm the results of due diligence he has carried out, for example, an accountant or professional programmer.

Consultations and discussions on due diligence are conducted intensively, both simultaneously and privately. Start-up players are given opportunities and encouraged to carry out this consultation through in-class meetings, one-on-one tutoring, and messenger group discussions.

d. Public Expose

The presentation of the program outcome of the Bekraf incubation was held at an annual event entitled the Bekraf Festival. Since 2017, this event has been regularly held in Indonesia's major cities, namely Bandung, Surabaya, and Solo. This event was showcased into the sixteen subsectors, plans, and achievements of Bekraf on three consecutive days, once every year, and the following 25 events.

Pre-incubation, mid-incubation, and the post-incubation program is always updated on social media, press releases, and on the Bekraf website. They represent a form of general exposure mechanism for accountable Bekraf's activities. Collaboration with strategic partners also impacts external exposure because of the same energy supporting advancing the digital start-up ecosystem in Indonesia. Public disclosure can be explained in both due diligence and commercialization sub-topic.

5. Conclusion

A collaborative and creative economy is an era of thinking derived from knowledge, science, data, virtual collaboration, and network. By joining an incubation program, a digital start-up can achieve the facility and escalate their performance. The government-based incubation program is government-funded through the state budget and regulated by government regulation. Bekraf, as a government incubation program for tech-start-up, is successful and relatively sustainable. Since 2019 they transform into the Indonesian Ministry of Tourism and Economy Creative, which also enable them to implement flexible business model.

Table 1 is the accumulation of the mentioned items to be evaluated. Seven business model topics require an evaluation process before, during, and after the incubation. There is sourcing, business idea development, business plan, target achievement, business plan implementation, benchmarking, and how a business incubator is creating value. Components are shown in the Table below. At some point, there are similar and identical respond and answer. From 28 evaluation elements, it is simplified to 21 assessment components to show the framework's effectiveness. Bekraf seeks to fulfill the vision of increasing the Indonesian GDP, the value of exported product and quantity, workforce opportunity by synergizing creativity, production, distribution, consumption, and conservation on digital start-up outcomes.

Table 1. Evaluation Framework for Bekraf

Topic	Sub-topic
Sourcing	Physical
	Human
	Financial
Business Idea Development	Vision
	Mission
	Value
	Goal
Business Plan	Customer
	Value Proposition
	Channels
	Key Activity
	Key Partnership
Target Achievement	Contribution to Economy
	Commercialization
	Internationalization
Implemented Business Plan	Execution
Benchmarking	Performance
	Technology
	Process
Value Creation	Searching Engine Optimization
	Due Diligence

Evaluation framework for Bekraf Incubator can be the reference for tech-start-up before applying to an incubation program. For the incubator company, the evaluation framework is useful to observe the business model suitable for the targeted market. In this research, 35% success in developing start-ups is above the global wisdom (90% of start-ups face failure during the development stage) [13]. A prominent model that can be adopted in the other incubation program can contain similar characteristic over demography or targeted market segment.

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