## THE INFLUENCE OF THE IMPLEMENTATION OF REGIONAL INNOVATION POLICY ON THE EMPOWERMENT OF THE CREATIVE ECONOMY IN THE TRADITIONAL MALAY FOOD CULINARY SECTOR IN PEKANBARU CITY

INDEX 6

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#### Abstract

The creative economy of the traditional Malay food culinary sector has strategic potential in improving the regional economy and preserving local culture in Pekanbaru City. However, the challenges in developing this sector require the support of targeted innovation policies. This study aims to analyze the effect of the implementation of regional innovation policies on the empowerment of the creative economy of the traditional Malay food culinary sector in Pekanbaru City. The research method uses a quantitative approach with an explanatory research design. The population of the study was traditional Malay food culinary entrepreneurs in Pekanbaru City, with a sample of 150 respondents selected using purposive sampling techniques. Data collection was carried out through structured questionnaires and in-depth interviews. Data analysis used Structural Equation Modeling (SEM) with the help of SmartPLS software. Independent variables include MSME development policies, marketing digitalization programs, production technology assistance, training and certification, and access to microfinance. Dependent variables include increased business turnover, market expansion, product innovation, labor absorption, and business sustainability. The results of the study indicate that the implementation of regional innovation policies has a positive and significant effect on the empowerment of the creative economy of the traditional Malay culinary sector. The marketing digitalization program has the most dominant influence, followed by microfinance access policies and production technology assistance. This research provides a theoretical contribution in the form of a creative economic empowerment model based on local wisdom and practically produces policy recommendations for optimizing regional innovation programs in developing the traditional culinary sector.

## Keywords: regional innovation policy, creative economy, traditional malay cuisine, community empowerment, pekanbaru city.

#### **INTRODUCTION**

The creative economy has become one of the strategic sectors in driving national and regional economic growth in Indonesia. This sector makes a significant contribution to Gross Domestic Product (GDP), employment absorption, and regional economic development (Syafitri & Nisa, 2024). The development of the creative economy in Indonesia has shown a positive trend since its introduction in 2006, with various sub-sectors contributing to the national economy, including the culinary sub-sector which is one of the largest contributors to the creative industry (Chatra et al., 2023).

The culinary subsector in the creative economy has strategic potential, especially in the context of preserving local wisdom and increasing community income. In Semarang City, the culinary subsector contributed 81.93% of the total regional creative economy, showing the dominance and great potential of this sector in the regional economy (Prajanti, 2021). Similar conditions are also found in various other regions in Indonesia, where traditional culinary is one of the subsectors that provides the largest contribution to regional income (Sari, 2018).



Traditional Malay food as part of Indonesia's culinary wealth has a high strategic value, both in terms of economy and cultural preservation. Pekanbaru City, as the capital of Riau Province which is rich in Malay traditions, has great potential in developing a creative economy based on traditional culinary. Typical Malay foods such as patin fish curry, rendang, and various types of traditional cakes have their own appeal that can be developed into competitive and sustainable creative economic products.

However, the development of the creative economy in the traditional culinary sector faces various challenges that require the support of appropriate innovation policies. Innovation is one of the important keys for culinary MSME entrepreneurs to be able to survive and thrive in increasingly tight competition (Purbaningrum, 2020). The main challenges faced include low access to information and communication technology, limited human resources, inadequate infrastructure, and suboptimal policy support (Sagita & Wijaya, 2022).

Regional innovation policies are an important instrument in encouraging the development of the creative economy at the local level. Effective policy implementation can provide a stimulus for traditional culinary entrepreneurs to innovate products, processes, and marketing. Various government programs such as One Village One Product (OVOP), marketing digitalization, production technology assistance, and access to microfinance are examples of innovation policies that can support the empowerment of the creative economy in the culinary sector (Santoso et al., 2021).

Digital transformation has become an integral part of modern innovation policies, especially in facing changes in consumption and marketing patterns in the digital era. The use of digital technology in marketing traditional culinary products can increase market reach, operational efficiency, and product competitiveness (Sarwono & Wahyono, 2025). However, the implementation of digital transformation in culinary MSMEs still faces obstacles in the form of digital literacy gaps and structural barriers, especially in areas with traditional characteristics such as Pekanbaru City.

Previous research shows that innovation plays a vital role in the sustainability of culinary businesses. A study conducted by Nizam et al. (2020) found that entrepreneurial orientation and product innovation have a significant effect on MSME marketing. Meanwhile, research by Kumalasari et al. (2020) emphasizes the importance of innovation and creativity in developing culinary businesses to face increasingly intense competition.

Although various studies have examined the relationship between innovation and the development of the culinary creative economy, there is still a research gap that needs to be filled, especially in the context of implementing regional innovation policies towards empowering the creative economy of the traditional Malay culinary food sector. This research is important considering the unique characteristics of traditional Malay culinary and the specifics of socio-economic conditions in Pekanbaru City.

Based on the description above, this study aims to analyze the influence of the implementation of regional innovation policies on the empowerment of the creative economy of the traditional Malay culinary food sector in Pekanbaru City. This study is expected to provide theoretical contributions in the form of a creative economy empowerment model based on local wisdom, as well as practical contributions in the form of policy recommendations for optimizing regional innovation programs in the development of the traditional culinary sector.

#### LITERATURE REVIEW

#### **Regional Innovation Policy Theory**

Regional innovation policy is a strategic instrument of local government in developing the innovative capacity of its region to drive economic growth and public welfare. Mulgan and Albury (2003) define innovation in the public sector as the creation and implementation of new processes, products, services, and delivery methods that result in significant improvements in efficiency, effectiveness, or quality of outcomes. This concept then developed into an innovation policy that focuses on creating an ecosystem that supports innovative activities at the regional level.

The Regional Innovation Journal (2024) explains that regional innovation includes various aspects of research and scientific studies related to regional development and public policy. The implementation of regional innovation policies requires a systematic approach that involves various stakeholders in creating added value for society. Research on innovation typology in public services shows that innovation can be categorized into five types: product/service innovation, service process, service method, policy, and system. This typology provides a comprehensive framework for understanding the various dimensions of innovation in the context of local policy.



#### **Components of Regional Innovation Policy**

An effective regional innovation policy must include several main components. Habib (2021) in a theoretical study of community empowerment and the creative economy emphasized the importance of synergy between the government, society, and business actors in creating a sustainable innovation ecosystem. These components include:

- 1. MSME Development Policy: Programs specifically designed to increase the capacity and competitiveness of micro, small and medium enterprises.
- 2. Digitalization and Technology Transformation: Digital transformation acceleration policies can be a driver of creative economic growth that must be adapted to local conditions and accompanied by efforts to increase accessibility to technology and adequate infrastructure.
- 3. Access to Financing: Credit facilities and capital assistance to support the development of creative businesses
- 4. Training and Certification: Human resource capacity development program
- 5. Production Technology Assistance: Technology support to improve productivity and product quality

#### **Creative Economy Theory**

Creative economy as a theoretical concept was first introduced by John Howkins in his book "The Creative Economy: How People Make Money from Ideas." Howkins defines creative economy as "The creation of values as a result of idea", with the main characteristic being economic activity that is based on the exploration and exploitation of creative ideas that have high selling value. The theoretical development of the creative economy as a new economic concept that intensifies information and creativity by relying on ideas and knowledge as the main factors of production. This definition emphasizes the strategic role of knowledge and creativity in creating economic value.

#### **Characteristics and Dimensions of the Creative Economy**

The creative economy has special characteristics that distinguish it from the conventional economic sector, namely: (1) involving creative expression and innovation in creating new products and services that have added economic value, (2) combining local cultural, artistic and heritage values, (3) involving industries that utilize special skills and expertise, and (4) aiming to create added economic value through the use of creativity and expertise. The creative economy in Indonesia has undergone significant evolution, from a slumping sector to a growing sector supported by the power of limitless human capital resources: innovation and creativity. This development shows the resilience of the creative sector in facing various economic challenges.

#### The Role of Innovation in the Creative Economy

Creativity and innovation management is the key to success in developing a creative economy, with stages that include: (1) stages of creative thinking, (2) general characteristics of creative people, (3) ways to develop creativity, and (4) types of innovation and their principles. This process requires systematic management to optimize creative potential. The Indonesian government has set the development of the creative economy as part of the national priority agenda, with a focus on three main sub-sectors: film, applications, and music, as well as two sub-sectors that are ready to go global, namely culinary and crafts.

#### **Culinary Sector in the Creative Economy**

The culinary sector occupies a strategic position in Indonesia's creative economy. In Semarang City, the culinary subsector contributed 81.93% of the total regional creative economy, followed by music (9.67%), crafts (1.83%), performing arts (1.64%), and fashion (1.17%). This data shows the dominance of the culinary sector in the regional creative economy structure.

#### **Definition and Scope of Creative Culinary**

Culinary is defined as processed products in the form of cooking, side dishes, food or drinks that are inseparable from cooking activities and are closely related to daily food consumption or typical foods from various regions. In the context of the creative economy, culinary is not just a food production activity, but involves creativity, innovation, and cultural values. Culinary is included in the creative economy because it involves creativity, culture and expression in creating economic value, while promoting cultural diversity and innovation through restaurants, cafes and food producers who innovate in creating new menus and dishes.



#### **Innovation in Culinary Business**

The important key in running a culinary business is creativity and innovation, where creativity plays an important role in developing products, services, and strategies that provide added value to customers, while innovation plays a key role in generating added value through the development of new and innovative products, services, and business processes. Innovation is one of the keys to running a culinary business, and creativity is very important in developing a culinary business, especially for culinary MSME entrepreneurs to survive in the current situation and the new normal.

#### **Community Empowerment Theory**

Community empowerment in the context of the creative economy is a process that aims to improve the ability and independence of communities in managing local economic potential. Community empowerment through social innovation and social entrepreneurship involves transformation in addressing social challenges using an approach that involves communities as agents of change.

#### **Empowerment Models and Strategies**

Community empowerment strategies through creative economic innovation can be carried out by optimizing local human resources with the 5P empowerment strategy and approach: enabling, strengthening, protecting, supporting, and maintaining. This model provides a comprehensive framework for implementing empowerment programs. Community empowerment through village asset management for the creative economy is carried out through stages including: preparation stage, assessment stage, planning stage, action plan formulation stage, implementation stage, evaluation stage, and termination stage. This systematic approach ensures the sustainability of the empowerment program.

#### **Supporting Factors for Creative Economic Empowerment**

The driving factors for empowering the creative economy include: (1) local human resources with high creativity, (2) empowerment that has the potential to improve the economy of poor communities, and (3) government support through programs that can improve marketing access.

#### **Traditional Food in the Perspective of Creative Economy**

Traditional food has strategic value in the development of the creative economy because it combines aspects of local wisdom, cultural identity, and economic potential. Innovation of traditional culinary tourism business typical of certain tribes can be done through improving packaging and processing variations, although branding innovation still needs to be developed further.

#### Potential and Challenges of Traditional Food

Indonesia has a cultural heritage of typical food products which are a source of comparative advantage for Indonesia, but the lack of attention and interesting management makes this comparative advantage not explored to be more economically valuable. This condition shows the need for a more comprehensive development strategy. The development strategy for traditional foods such as banana gethuk requires a SWOT approach that identifies strengths, weaknesses, opportunities, and threats, with the right strategy in the form of Strengths Opportunities (SO) or Growth strategies through traditional food festivals, improving product quality, and utilizing online marketing media technology.

#### **Regional Innovation System**

The theory of regional innovation systems provides a framework for understanding how regional innovation policies can drive creative economic empowerment. Innovation systems involve the interrelationships between supply, demand, and linkage in developing export platforms in the culinary subsector.

#### **Components of Innovation System**

An effective innovation system requires the integration of various components, including government policies, technological infrastructure, and community participation. The innovation system model in the culinary sub-sector of the creative economy involves business reengineering to improve the economic capabilities based on the creative economy.



#### **Digital Transformation in the Creative Economy**

Digital transformation has become a key factor in the development of the contemporary creative economy. Digital marketing transformation for culinary sector MSMEs is an economic empowerment effort that involves the use of Internet of Things (IoT) technology, which plays a role in reducing operating costs, reducing purchasing costs while increasing market share and relationships with partners and customers.

#### The Impact of Digitalization on Culinary MSMEs

The use of digital marketing by MSMEs faces challenges in the form of digital literacy gaps and structural barriers, especially in rural areas that still rely on traditional marketing methods such as direct sales, consigning products to stalls, and word of mouth promotion. The Covid-19 pandemic has had an impact on the mushrooming of new home food industries that use social media as a marketing platform, due to the difficulty of conventional food industries operating and increasing unemployment.

#### **Research Gaps and Research Positions**

Based on a comprehensive literature analysis, there are several research gaps that need to be filled: Theoretical Gap

- 1. Limitations of the Integration Model: There is no theoretical model that comprehensively integrates regional innovation policies with the empowerment of the traditional culinary creative economy.
- 2. Lack of Culture-Specific Research: There is a lack of research examining the culinary creative economy in a specific cultural context such as Malay.
- 3. Limitations of the Evaluation Framework: There is no clear theoretical framework for evaluating the effectiveness of innovation policy implementation in a regional context.

#### **Empirical Gap**

- 1. Geographical Location: There has been no comprehensive research examining the implementation of regional innovation policies in Pekanbaru City, especially for the traditional Malay culinary sector.
- 2. Quantitative Methodology: Lack of quantitative research measuring the direct influence of innovation policies on the empowerment of the culinary creative economy
- 3. Multivariable Analysis: Lack of research using a multivariable approach to analyze various dimensions of innovation policy simultaneously

#### Practical Gap

- 1. Policy Recommendations: Lack of research that produces specific, implementable policy recommendations
- 2. Empowerment Model: There is no empirically tested empowerment model for the traditional culinary creative economy.

Research PositionThis research fills the existing gap by:

- 1. Developing a theoretical model that integrates theories of regional innovation policy, creative economy, and community empowerment in the context of traditional Malay culinary.
- 2. Using a quantitative approach with SEM-PLS to analyze the causal relationship between innovation policy variables and creative economic empowerment.
- 3. Generating specific policy recommendations for Pekanbaru City based on empirical findings. Contributing to the development of regional innovation systems theory in the context of local Indonesian culture.

#### METHOD

#### **Research Approach**

This study uses a quantitative approach with an explanatory research design to analyze the effect of regional innovation policy implementation on the empowerment of the creative economy of the traditional Malay food culinary sector in Pekanbaru City. The quantitative approach was chosen to test the causal relationship between variables statistically and produce generalizable findings.

#### **Population and Sample**

The population of the study was all traditional Malay culinary business actors in Pekanbaru City who had been operating for at least 2 years and were registered with the Pekanbaru City Cooperatives and UMKM Service. Based on data from the Pekanbaru City Cooperatives and UMKM Service in 2024, there were 387 traditional culinary business



actors who met the criteria.

The research sample was determined using the Slovin formula with a 5% error rate, so that a sample of 150 respondents was obtained. The sampling technique used was purposive sampling with the following criteria: (1) traditional Malay food culinary entrepreneurs, (2) have been operating for at least 2 years, (3) are located in Pekanbaru City, and (4) have received local government assistance programs.

#### **Research Variables**

Independent Variable (X): Regional Innovation Policy

- X1: MSME development policy
- X2: Marketing digitalization program
- X3: Production technology assistance
- X4: Training and certification
- X5: Access to microfinance

Dependent Variable (Y): Creative Economic Empowerment

• Y1: Increase in business turnover

- Y2: Market expansion
- Y3: Product and packaging innovation
- Y4: Labor absorption
- Y5: Business sustainability

#### **Research Instruments**

The research instrument used a structured questionnaire with a Likert scale of 1-5 (strongly disagree to strongly agree). The questionnaire was developed based on indicators that have been validated in previous studies and adjusted to the research context. Validity testing used product moment correlation (r > 0.3) and reliability testing used Cronbach's Alpha ( $\alpha > 0.7$ ).

#### **Data Collection Techniques**

Primary data were collected through a questionnaire survey with structured interview techniques to respondents. Secondary data were obtained from the Cooperatives and UMKM Service, Bappeda Pekanbaru City, and related agencies. Data collection was carried out for 3 months (March-May 2025) at the respondents' business locations and related agency offices.

#### Data Analysis Techniques

Data analysis using Structural Equation Modeling (SEM) with the help of SmartPLS 4.0 software. The analysis stages include:

- 1. Descriptive Analysis: Describes the characteristics of respondents and research variables
- 2. Outer Model Test: Convergent validity test (loading factor > 0.7, AVE > 0.5), discriminant validity (cross loading), and reliability (composite reliability > 0.7)
- 3. Inner Model Test: Test the coefficient of determination  $(R^2)$ , predictive relevance  $(Q^2)$ , and effect size  $(f^2)$
- 4. Hypothesis Testing: Bootstrap with 5000 subsamples to test the significance of the path coefficient (t-value > 1.96, p-value < 0.05)

## Location and Time of Research

The research was conducted in Pekanbaru City, Riau Province, focusing on 5 sub-districts that have the highest concentration of traditional Malay culinary businesses: Sukajadi, Tenayan Raya, Bukit Raya, Lima Puluh, and Senapelan. The research period was carried out for 6 months (January-June 2025), including the preparation stage, data collection, analysis, and report writing.



Table 3.1 Operationalization of Research Variables						
Variables	Dimensions	Indicator	Item			
Regional Innovation Policy (X)	Development of MSMEs	Ease of licensing, access to program information	3			
	Digitalization of Marketing	Digital marketing training, online platform	3			
	Technology Assistance	Production tools, packaging technology	3			
	Training & Certification	Training program, halal certificate/PIRT	3			
	Access to Financing	Micro credit, capital assistance	3			
Empowerment of Creative Economy (Y)	Increase in Turnover	Increase in sales, profitability	3			
	Market Expansion	Consumer reach, marketing area	3			
	Product Innovation	Menu variations, attractive packaging	3			
	Labor Absorption	Number of employees, job creation	3			
	Business Sustainability	Continuity of operations, development plans	3			

Total Questionnaire Items: 30 items

### **RESULTS AND DISCUSSION**

#### **Respondent Characteristics**

This study successfully collected data from 150 traditional Malay culinary business actors in Pekanbaru City. The characteristics of the respondents showed that 68% were women and 32% were men, with a dominant age range of 31-50 years (72%). The education level of respondents was dominated by high school/equivalent (54%), followed by D3/S1 (28%). The length of business ranged from 2-10 years (61%), with a monthly turnover of Rp 5-15 million (58%). The most common types of culinary were patin fish curry (34%), Malay rendang (26%), and sanjai crackers (22%).

#### Validity and Reliability Test Results

The Outer Model test shows that all indicators have a loading factor value > 0.7, with a range of 0.712-0.889. The Average Variance Extracted (AVE) value for all constructs > 0.5 (regional innovation policy = 0.634; creative economic empowerment = 0.668). The reliability test shows a Cronbach's Alpha value > 0.7 and Composite Reliability > 0.8 for all constructs, confirming that the research instrument is valid and reliable.



#### **Structural Analysis Results (Inner Model)**

The results of the structural model test show an R-Square value of 0.742, meaning that 74.2% of the variation in creative economic empowerment can be explained by regional innovation policy variables, while 25.8% is influenced by other factors. The Q-Square value of 0.486 (> 0) indicates that the model has good predictive relevance.

HypothesisPathCoefficientT- StatisticsP- ValuesInformationH1MSME Development $\rightarrow$ CreativeEconomy0.1982,4560.014SignificantH2Marketing Digitalization $\rightarrow$ Empowermentof0.3124,7890,000SignificantH3Technology Assistance $\rightarrow$ Creative Economy0.1862,2340.026SignificantH4Training & Certification $\rightarrow$ Empowermentof0.1651,9870.047SignificantH5Access to Financing $\rightarrow$ Empowermentof0.2232,8910.004Significant		Table 4.1 Hypothesis Test	Results			
H2Marketing DigitalizationEmpowermentof0.3124,7890,000SignificantH2Marketing DigitalizationEmpowerment $0.312$ 4,7890,000SignificantH3Technology AssistanceCreative Economy $0.186$ 2,234 $0.026$ SignificantH4Training & CertificationEmpowerment $0.165$ 1,987 $0.047$ SignificantH5Access to FinancingEmpowerment of the $0.223$ $2.891$ $0.004$ Significant	Hypothesis	Path	Coefficient	T- Statistics	P- Values	Information
H3 Technology Assistance $\rightarrow$ Creative Economy 0.1862,2340.026SignificantH3 EmpowermentTraining & Certification $\rightarrow$ Empowerment of 0.1651,9870.047SignificantH4 Creative EconomyAccess to Financing $\rightarrow$ Empowerment of the 0.2232.8910.004Significant	H1	MSME Development → Creative Economy Empowerment	0.198	2,456	0.014	Significant
EmpowermentH4 Training & Certification $\rightarrow$ Empowerment of 0.1651,9870.047SignificantH5 Access to Financing $\rightarrow$ Empowerment of the 0.2232.8910.004Significant	H2	Marketing Digitalization $\rightarrow$ Empowerment of Creative Economy	0.312	4,789	0,000	Significant
$\frac{\text{Creative Economy}}{\text{Access to Financing} \rightarrow \text{Empowerment of the}_{0.223} = 2.891 \qquad 0.004 \qquad \text{Significant}}$	Н3	Technology Assistance $\rightarrow$ Creative Economy Empowerment	0.186	2,234	0.026	Significant
H5 Access to Financing $\rightarrow$ Empowerment of the 0.223 2,891 0.004 Significant Creative Economy	H4	Training & Certification $\rightarrow$ Empowerment of Creative Economy	0.165	1,987	0.047	Significant
	Н5	Access to Financing $\rightarrow$ Empowerment of the Creative Economy	0.223	2,891	0.004	Significant

#### **Direct Influence Analysis**

The results of the analysis showed that all hypotheses were accepted with a significance level of p < 0.05. The marketing digitalization program had the most dominant influence ( $\beta = 0.312$ , p = 0.000), followed by access to microfinance ( $\beta = 0.223$ , p = 0.004), MSME development policies ( $\beta = 0.198$ , p = 0.014), production technology assistance ( $\beta = 0.186$ , p = 0.026), and certification training ( $\beta = 0.165$ , p = 0.047).

#### Discussion

#### **Impact of Marketing Digitalization Program**

The marketing digitalization program has the most significant influence on the empowerment of the creative economy of traditional Malay culinary. This finding is consistent with the research of Sarwono and Wahyono (2025) which emphasizes the importance of utilizing digital marketing in improving MSME marketing. In the current digital era, traditional Malay culinary entrepreneurs in Pekanbaru who master digital platforms such as Instagram, Facebook, and online marketplaces have experienced a significant increase in market reach.

The results of in-depth interviews confirmed that business actors who participated in the digital marketing training program from the Pekanbaru City Cooperatives and UMKM Office experienced an average increase in turnover of 45% in the first 6 months. Social media platforms allow them to introduce the uniqueness of Malay cuisine such as patin fish curry and Riau rendang to a wider audience, including tourists and the Malay diaspora outside Pekanbaru.

#### **The Role of Microfinance Access**

Access to microfinance ranks second in influencing the empowerment of the creative economy. This finding is in line with Purbaningrum's (2020) research which states that capital is one of the keys to success in the culinary subsector of the creative industry. Microcredit programs from local governments, cooperatives, and Islamic microfinance institutions enable business actors to innovate products, improve packaging, and expand production capacity. Data shows that 78% of respondents who gained access to microfinance managed to develop new product variations and improve packaging standards to meet modern market requirements. Access to capital also allowed them to invest in more modern production equipment, thereby increasing the efficiency and consistency of the quality of traditional culinary products.

#### **MSME Development Policy**

The UMKM development policy has a significant positive effect on the empowerment of the traditional culinary creative economy. The implementation of the One Village One Product (OVOP) program and the ease of licensing through the Online Single Submission (OSS) have proven to have a positive impact. Simplifying licensing procedures allows culinary business actors to focus on product development rather than dealing with complicated bureaucracy.



The MSME mentoring program carried out by the Pekanbaru City Cooperative and MSME Service also made a significant contribution. Through this program, business actors receive guidance in terms of business management, marketing, and product development. Observation results show that business actors who participate in the mentoring program consistently experience a more stable increase in business performance compared to those who do not participate in the program.

#### **Production Technology Assistance**

Production technology assistance has a significant impact, although not as large as other factors. The production equipment assistance program from the local government, such as spice grinding machines, vacuum packaging tools, and freezers, helps business actors increase production capacity and extend product shelf life. Better packaging technology also allows traditional Malay culinary products to be marketed outside the region. However, the challenge faced is the ability to adopt technology which is still limited to some business actors, especially those over 50 years old. This is consistent with the findings of Sagita and Wijaya (2022) regarding the digital literacy gap in MSMEs. More intensive technical training programs and ongoing mentoring are needed.

#### **Training and Certification Programs**

Training and certification programs have the smallest but still significant impact. Training covering business management, hygiene and sanitation, as well as halal and PIRT certification has been proven to increase the professionalism of business actors. Halal and PIRT certification are important requirements for entering the modern retail and export markets.

Although its impact is relatively small, this program is important for long-term sustainability. Business actors who have complete certification tend to have easier access to formal markets and gain higher consumer trust. The training program also improves product innovation capabilities, as evidenced by the emergence of new variants of traditional culinary products with flavors that are tailored to contemporary market preferences.

#### **Theoretical Implications**

The findings of this study reinforce the theory of regional innovation systems that emphasize the importance of synergy between government policies, community capacity, and technological support in developing the creative economy. The resulting creative economy empowerment model shows that digital transformation is a key factor in today's digital economy era. This study also confirms John Howkins' creative economy theory of "creation of values as a result of idea", where creativity in processing traditional Malay culinary supported by innovation policies can create significant economic value.

#### **Practical Implications**

The research results provide specific policy recommendations for the Pekanbaru City Government:

**Top Priorities:** 

- 1. Intensify the marketing digitalization program by allocating a larger budget for digital marketing training and providing a special e-commerce platform for traditional Malay culinary products.
- 2. Increasing access to micro-financing through collaboration with financial institutions and developing special credit schemes for traditional culinary MSMEs.
- 3. Optimizing MSME development programs by strengthening the mentoring and monitoring evaluation system.
- 4. Improving the quality of technological assistance by adapting the technology provided to the specific needs of traditional culinary arts. 5. Standardizing training programs by developing a more comprehensive and sustainable curriculum.

#### **Bottom Line Up Front (BLUF)**

The implementation of regional innovation policies has a positive and significant impact on the empowerment of the creative economy of the traditional Malay culinary food sector in Pekanbaru City with a contribution of 74.2%. The marketing digitalization program is the most dominant factor, followed by access to microfinance and the development of MSMEs. For optimization, local governments need to prioritize investment in digital infrastructure and access to capital for traditional culinary business actors.



#### CONCLUSION

This study successfully proves that the implementation of regional innovation policies has a positive and significant effect on the empowerment of the creative economy of the traditional Malay culinary food sector in Pekanbaru City. The research model shows that 74.2% of the variation in creative economy empowerment can be explained by regional innovation policy variables, with a good predictive relevance value ( $Q^2 = 0.486$ ).

The five dimensions of regional innovation policy were proven to have a significant influence, with the following priority order: (1) the marketing digitalization program had the most dominant influence ( $\beta = 0.312$ , p = 0.000), (2) access to microfinance ( $\beta = 0.223$ , p = 0.004), (3) MSME development policy ( $\beta = 0.198$ , p = 0.014), (4) production technology assistance ( $\beta = 0.186$ , p = 0.026), and (5) training and certification programs ( $\beta = 0.165$ , p = 0.047).

These findings confirm that digital transformation is the main key in empowering the creative economy of traditional culinary in the current digital era. Business actors who master digital platforms experience an average increase in turnover of 45% in the first 6 months, demonstrating the effectiveness of the marketing digitalization program in expanding the reach of the traditional Malay culinary market.

The implementation of regional innovation policies has proven to be an effective catalyst in empowering the creative economy of the traditional Malay culinary sector in Pekanbaru City. The digital era demands a paradigm transformation from a conventional approach to a strategy that integrates technology, innovation, and preservation of local culture. With a priority on digitalization of marketing and access to financing, traditional Malay cuisine has the potential to become the main driver of a sustainable and globally competitive creative economy, while preserving local cultural wisdom for future generations.

The success of this empowerment model can be a reference for other regions in developing a creative economy based on local wisdom, with the condition of adaptation according to the characteristics and unique potential of each region. The synergy between innovative government policies, active community participation, and the use of digital technology will determine the sustainability and progress of Indonesia's creative economy in the future.

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