## **ABSTRACT**

The appearing of WTO and ACFTA makes Indonesia must prepare its self to in face the global competition. Competitive of nation is one of the important thing to be cared. Especially realizing that the free trade has shaken Indonesia industry. The government of Indonesia realizes that creative industry is a potential sector to be developed for increasing rival capacity of country in international market. Of course, to develop it, it's very important for the government to know the position of Indonesian creative industry in international trade. For knowing that, it will make the government easy to make the next policies that must be done to develop Indonesian creative industry.

One of the methods that is used to know the position of Indonesian creative industry is making SWOT analysis. From the result of SWOT analysis, it is known the variables for strengths and weaknesses of creative industry from Indonesia internal and opportunities and threats of Indonesia's external creative industry that every variable fluences the competitiveness of Indonesia. By AHP's method and rank factor, it will produce load of every variable that used to make a SPACE matrics. From SPACE matrics the position of Indonesia creative industry will be known.

From the result of this research, it can be concluded that Indonesian creative industry position is in conservative strategy. This result show that Indonesia must strive to maintain core competence and try not to take excessive risks.

Keywords: Competitiveness, Creative Industry, SWOT Analysis, SPACE Matrics, AHP's Method, Rank Factor