

## The Existence of Traditional Markets to Modern Markets in Coastal Areas

<sup>1</sup>Eka Hendi Andriansyah, <sup>2</sup>Eka Indah Nurlaili, <sup>3</sup>M. Riadhos Solichin, <sup>4</sup>Naning Eko Noviana

<sup>1,2</sup>Universitas Negeri Surabaya, <sup>3,4</sup>Widya Darma IKIP Surabaya

\* e-mail: [lekaandriansyah@unesa.ac.id](mailto:lekaandriansyah@unesa.ac.id), [ekanurlaili@unesa.ac.id](mailto:ekanurlaili@unesa.ac.id), [riadhos1986@gmail.com](mailto:riadhos1986@gmail.com), [naningekonoviana@ikipwidyadarma.ac.id](mailto:naningekonoviana@ikipwidyadarma.ac.id)

*Article Info: Submitted: 04/06/2021, Revised: 10/06/2021 Published: 03/09/2021*

### Abstract

This study aims to determine whether sales and location of modern markets affect sales in traditional markets. This study uses a quantitative approach, with data collection techniques using questionnaires, interviews, and documentation. The data analysis technique was using a multiple linear regression model using a level of 0.05 (5%) with the classical assumption test. Statistical results show that the Sales variable has an at-count value of 2,049 with an at-table value of 1,666. In the location variable, the t-count value is 3.146 with an at-table value of 1.666 at the 0.02 level. In conclusion, there is an influence between the level of modern market sales on sales turnover in traditional markets. The three dominant indicators are the income level of the community, products, and customers with a significant decline. the influence of modern market location on sales turnover in traditional markets. This condition is dominated by three indicators, including market traffic, availability of parking spaces, and market environment. Traditional markets can survive by increasing their advantages in terms of customer satisfaction through improved service in a family manner, lower product prices, product freshness, and infrastructure through which can be facilitated by the local government.

**Keywords:** Market, Sales, Location, sales turnover.

### Abstrak

Penelitian ini bertujuan untuk mengetahui apakah penjualan dan lokasi pasar modern berpengaruh terhadap penjualan di pasar tradisional. Penelitian ini menggunakan pendekatan kuantitatif, dengan teknik pengumpulan data menggunakan teknik angket, wawancara, dan dokumentasi. Teknik analisis data dengan model regresi linear berganda menggunakan taraf 0,05 (5%) dengan uji asumsi klasik. Hasil statistic menunjukkan pada variabel Penjualan nilai t-hitung sebesar 2,049 dengan nilai t-tabel sebesar 1,666. Pada variabel lokasi diperoleh nilai t hitung sebesar 3,146 dengan nilai t-tabel sebesar 1,666 pada tingkat 0,02. Kesimpulannya ada pengaruh antara tingkat penjualan pasar modern terhadap omzet penjualan pada pasar tradisional. Tiga indikator yang dominan antara lain tingkat pendapatan masyarakat, produk dan pelanggan dengan penurunan yang signifikan. adanya pengaruh lokasi pasar modern terhadap omzet penjualan di pasar tradisional. Kondisi tersebut didominasi oleh tiga indikator antara lain lalulintas pasar, ketersediaan lahan parkir serta lingkungan pasar. Pasar tradisional dapat tetap bertahan dengan meningkatkan keunggulannya pada bagian kepuasan pelanggan melalui peningkatan pelayanan secara kekeluargaan, harga produk yang lebih murah, kesegaran produk dan infrastruktur melalui Kerjasama yang dapat difasilitasi oleh pemerintah daerah setempat.

**Kata Kunci:** Pasar, Penjualan, Lokasi, omzet penjualan

## INTRODUCTION

The economy of a country is said to be growing and developing if in each region there is an even distribution of economic activity, one of which can be seen from trading activities. Based on the way of conducting transactions, the market is divided into two, namely traditional and modern markets.

Traditional markets are places where buyers and sellers make direct bargaining transactions with the goods being traded as necessities. In the modern market, the price of goods sold is fixed at a fixed price and with special services for consumers. For example, supermarkets, malls. In urban areas, the market consists of a series of vendors selling goods in groups in strategic locations and expanding widely (Kimbonguila et al., 2019)

The development of malls, minimarkets, and hypermarkets in big cities is a concern for business actors in traditional markets. Minimarkets that are mushrooming in the village area almost color every community unit. The market, which was initially controlled by grocery stores, was taken up by experts by the presence of minimarkets. As one of the coastal areas in Indonesia, the island of Madura has a lot of traditional markets considering the majority of work as fishermen who must immediately sell their marine products in traditional markets. In traditional markets, apart from selling fish products, fishermen must sell other goods such as grocery stores in them. The development of supermarkets that began to enter the coastal areas of Madura such as Indomaret and Alfamart became a concern for traders as a result of a decrease in their turnover.

Modern markets are built to provide more satisfaction in buying and selling transactions for consumers. Strategic location arrangement, prepositional layout, lighting, spacious room, clean, cool with air conditioning, and not muddy. The advantages offered to make it easy for modern markets to divert people's attention to shopping there. Problems that often occur in traditional markets, among others, are related to market management and the negative image of the community towards traditional markets due to traders' indiscipline, poor/professional market management, and lack of firmness in implementing market SOP policies/rules. The declining performance of traditional markets is also still dominated by internal problems such as poor market management, lack of market facilities and infrastructure, street vendors have emerged which have an impact on decreasing customers, as well as a classic problem, namely the lack of capital assistance for business actors in traditional markets. The potential of traditional markets will survive if the majority of the market area is as a trader, the income of the people around the traditional market, and the market can become a place of education for the people in the market area (Susanto, 2019).

The inconvenience of business actors in traditional markets has begun to emerge, modern markets which are generally only controlled by a certain group of groups have shifted the location of wealth and distribution of goods and services which were previously controlled by traditional markets. On the other hand, traditional markets can provide far more people's needs than minimarkets. This has been proven in the results of research which states that there is a decrease in sales and profits of traditional market sellers before and after the modern market (Lies, 2018; Rasyid & Zulham, 2017). The results of other studies say that not all traders have an impact on decreasing turnover, such as fruit traders who do not affect the emergence of modern markets (Masyhuri & Utomo, 2017). What about many traditional markets around the coast of Madura? With the majority of grocery stores as well as sellers of seafood. In this study, we will try to find the answer.

## METHOD

This research uses a quantitative descriptive research type. The sampling technique uses random sampling, data analysis is data using statistics to test predetermined hypotheses, using a descriptive approach to describe the research object or results. (Sugiyono, 2017).

The population used is all traditional market traders in the Banyuates Sampang traditional market, East Java, namely 250 sellers. If the population is more than 100 people, then the sample can be taken as 10% of the total population (Sugiyono, 2017) which is as many as 25 traders. Test statistics using the help of the SPSS application.

## RESULTS AND DISCUSSION

### Validity test

Based on the analysis of the validation test, the results can be shown as presented in Table 1 as follows:

Table 1

No.	Indicator	r-Count	r-Table	Note:
1	Sale			
	• X1.1	0.585	0.227	Valid
	• X1.2	0.236	0.227	Valid
	• X1.3	0.729	0.227	Valid
	• X1.4	0.598	0.227	Valid
2	Location			

• X2.1	0.274	0.227	Valid
• X2.2	0.463	0.227	Valid
• X2.3	0.574	0.227	Valid
• X2.4	0.687	0.227	Valid

Source: processed data

Based on Table 1, it can be explained that all indicators used in measuring variables in the study with a correlation coefficient greater ( $>$ ) than  $r$ -table = 0.227 ( $r$ -table value with  $n = 75$ ), so indicators on these variables can be categorized as completely valid.

### Reliability Test

The reliability test was used to measure the constructs or variables of the questionnaire. The construct is said to be reliable when it gives a Cronbach Alpha value greater than ( $>$ ) than 0.5. The results of the reliability test on the questionnaire are presented in table 2 below.

Table 2

Variable		Cronbach Alpha	Note.
Sale	X1	0.523	Reliable
Location	X2	0.506	Reliable

Source: processed data

### Normality test

Test for normality using the P-P Plot graph to test the residual level of the regression model presented in Figure 1.

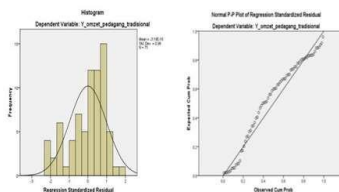


Figure 1

The normal probability-plot graph depicts the data spread around the diagonal line by following the direction of the diagonal line, so it can be said that the regression model meets the assumption of normality.

### Multicollinearity Test

The determination of multicollinearity in the regression model is based on the value of Variance Inflation Factor, tolerance, and correlation matrix analysis of independent variables. The results of the VIF values are presented in table 3 below.

**Table 3**

Model	Collinearity Statistics	
	Tolerance	VIP
1.(Contant)		
X1(sales)	0.629	1,571
X2(Location)	0.611	1.618

Source: Data processed

### Multiple Linear Regression Analysis

In multiple linear regression analysis is intended to determine the effect of the independent variables on the dependent variable. Processing data relating to linear regression analysis are presented in table 4 below:

**Table 4  
Coefficients**

Model	Unstandardized Coefficients		Standardized Coefficients	C	Sig.
	B	Std. Error	Beta		
1(Contant)	3.239	.863		3,752	.000
X1_sales	169	.083	249	2,049	.044
X2_Location	.307	.098	387	3.146	.002

Source: Data processed

The table can be explained that the results of the t-test of the modern market sales variable (X1) affect the sales turnover of traditional market traders. (Y) with t count = 2.049 and the t table gain is 1.666 at the level of 0.44. At the 0.05 limit, this value is smaller than the 5% level.

The results of the t-test on the variable location of the modern market (X2) affect the turnover/sales of traditional traders (Y). the calculated t value is 3.146 with the t table

obtained is 1.666 at the 0.44 level. By using the 0.05 limit, this value is smaller than the 5% level.

### T Uji test

The t-test analysis is aimed at testing the Sales and location variables partially/separately on the sales turnover variable of traditional market traders. When dk (degrees of freedom) = 20 - 4 = 16 with  $\alpha = 0.05$  then t-table = 1.666.

Based on the results of the previous table analysis, the results of the independent variable t-test can be presented in table 6.

**Table 6**

Independent Variable	T-count	T table	Sig
X1 Sale	2,044	1.666	004
X2 Location	3.142		002

Source: processed data

In table 6 it can be explained that the test results for the X1 variable (Sales) obtained the t-count value = 2.044 and the t-table value of 1.666 with a level of 0.44. By using the 0.05 limit, this value is smaller than the 5% level, meaning that  $H_0$  is rejected and  $H_a$  is accepted. This means that there is an influence of modern market sales on the turnover of traditional traders which has a positive influence.

The results of the test analysis for the X2 variable (Location) the value of t-count = 3, 142 with the value of t-table = 1.666 with a level of 0.02. At the 0.05 limit used, this figure is still below the 5% level, which means  $H_0$  is rejected and  $H_a$  is accepted. This means that there is an influence of the location of the modern market on the turnover of traditional traders which has a positive influence.

### Discussion

#### The Effect of Modern Market Sales on Traders Turnover in Traditional Markets

The results of the analysis show that the modern market sales variable has a positive influence on the turnover/sales of traders in traditional markets. It was found that the affected factor was a decrease in the level of income of traders resulting from modern markets with a daily income of traders of 200,000 – 100,000 or between 100,000 – 50,000

and the number of customers they had was around 7-6 and 6-5 customers. In terms of the number of products traded and traded, there is also a decrease, which is about 12 – 11 products per day which are sold during commercial activities.

This is in line with the results of previous studies which revealed that the existence of modern markets can significantly affect the decrease in income and profits of traditional market traders. The main cause is poor management and poor infrastructure of traditional markets, not solely because of the existence of modern markets (Dewi & Susilowati, 2014; Seminari et al., 2017)(Dewi & Susilowati, 2014; Seminary et al., 2017). The emergence of the Modern market reduces the turnover of traditional markets, but traditional markets must maintain their advantages, including the price level set and the infrastructure of the local government to survive (Bakhri, 2017). Based on customer satisfaction, traditional markets can maintain the use of the family system by creating a comfortable communication atmosphere in transactions that are only available in traditional markets to survive (Majiid et al., 2020).

### **The Influence of Modern Market Locations on Traders' Turnover/Sales in Traditional Markets.**

Previous data analysis shows that the variable location of the modern market affects the turnover/sales of traders in traditional markets. It was found that several influencing factors were found, including market conditions that were not comfortable for traders to trade due to slum conditions, waterlogged (muddy) with poor air circulation for market visitors. Market management that is not optimal has an impact on the accumulation of market waste due to waste disposal facilities that are not yet fully available, traditional market facilities related to parking management with the availability of narrow parking spaces causes parking functions to be not optimal which results in disruption of the smooth and orderly traffic of market visitors and public streets. The impact causes congestion for private vehicle users.

This statement is supported by the results of other studies which find that there are significant differences in distance, location convenience, and product diversification provided by modern markets to the advantages of traditional markets (Widiandra & Sasana, 2013). The location of the market greatly influences the choice of consumers to

shop for transportation costs to the location and the price of the goods sold affects the location of a market and can threaten micro-enterprises (Nur & Hasang, 2019; Susilowati, 2015).

Traditional markets can still survive because the community's perspective on shopping at traditional markets is the culture of the surrounding community. Improved market cleanliness, cheaper traditional market prices, and government policies can help maintain the traditional market reverberation. They will visit traditional markets more often and have a more positive attitude towards traditional markets (Mufriantje Elni, 2017; Nelwan & Rumokoy, 2017; Prabowo et al., 2020). Through the improvement of traditional market management, the quality of traditional market services and facilities will not be affected by the emergence of modern markets pasar (Kane et al., 2016).

The traditional market redesign can also be done to become a characteristic of traditional markets that are attractive to consumers, such as the design of floating markets in coastal areas while giving the impression of fresh products from products sold from traditional markets (Imriyanti, 2020; M.Syaiful, 2020). The development of traditional markets has a positive impact on the regional exchange of goods and services which then develops in increasing various activities through community social activities in urban communities (Aliyah, 2017).

## **CONCLUSION**

The conclusions that can be found in the results of this study indicate that there is a positive influence between sales in the modern market on the sales/turnover of traders in the market. Found three indicators that affect, among others, the level of income, customers, and products. There is a positive influence between the location of the modern market on the sales/turnover of traders in the traditional market and the effect is positive. Three indicators were found that influence, among others, market traffic, environmental conditions, and the availability of parking spaces. The traditional market environment that is not comfortable for sellers and buyers has an impact on decreasing the sales of traditional market traders which will later benefit the modern market with better facilities. Infrastructure is the locomotive of national and regional development (Haris, 2009).



Traditional markets can still exist with improvements to market infrastructure, maintained cleanliness, and modern/non-cash payment methods. The advantages of traditional markets that provide bargaining opportunities between sellers and buyers, affordable prices, and guarantees of fresh products can provide strength for the existence of traditional markets.

## REFERENCES

- Aliyah, Istijabatul. (2017). Pemahaman Konseptual Pasar Tradisional Di Perkotaan. *Cakra Wisata*, 18(2), 16.
- Bakhri, S. (2017). Strategy for Increasing Traditional Market Competitiveness in Dealing with the Presence of Modern Market. *Eko-Regional Jurnal Pengembangan Ekonomi Wilayah*, 12(1), 9–17. <https://doi.org/10.20884/1.erjpe.2017.12.1.985>
- Dewi, K., & Susilowati, S. (2014). the Impacts of Modern Market To Traditional Traders (a Case in Malang City - Indonesia). *International Journal of Technical Research and Applications*, 2(8), 38–44. <https://www.ijtra.com/special-issue-download.php?paper=the-impacts-of-modern-market-to-traditional-traders-a-case-in-malang-city-indonesia>
- Haris, A. (2009). Pengaruh penatagunaan tanah terhadap keberhasilan pembangunan infrastruktur dan ekonomi. *Bappenas*, 1–9.
- Imriyanti, I. (2020). Pemberdayaan Masyarakat dalam Perencanaan Pasar Tradisional Terapung di Desa Bulucindea, Kecamatan Bungoro, Kabupaten Pangkajene dan Kepulauan. *JURNAL TEPAT: Applied Technology Journal for Community Engagement and Services*, 3(1), 18–26. [https://doi.org/10.25042/jurnal\\_tepat.v3i1.73](https://doi.org/10.25042/jurnal_tepat.v3i1.73)
- Kane, S. N., Mishra, A., & Dutta, A. K. (2016). The Impact of Modern Retail Minimarket towards the Continuity of Traditional Retail Businesses. *Journal of Physics: Conference Series*, 755(1). <https://doi.org/10.1088/1742-6596/755/1/011001>
- Kimbonguila, A., Matos, L., Petit, J., Scher, J., & Nzikou, J.-M. (2019). Effect of Physical Treatment on the Physicochemical, Rheological and Functional Properties of Yam Meal of the Cultivar “Ngumvu” From *Dioscorea Alata* L. of Congo. *International Journal of Recent Scientific Research*, March 2017. <https://doi.org/10.24327/IJRSR>
- Lies, M. H. (2018). Effect Of Modern Market Existence (Minimarket) On Staple Food Trader Performance In Traditional Markets. *Jurnal Ekonomi Pembangunan*, Vol. 7 No3, 347–368. <http://jurnal.feb.unila.ac.id/index.php/jep/article/view/25>
- M.Syaiful. (2020). Strategi Penghidupan Nelayan Pedagang. *SIGn Journal of Social Science*, 1(1), 1–14.
- Majjid, R. I. S., Sutrisno, J., & Barokah, U. (2020). Measuring the Satisfaction Levels of Customers of Fresh Vegetables towards the Marketing Mix in Traditional Markets in Sukoharjo Regency, Indonesia. *Caraka Tani: Journal of Sustainable Agriculture*, 35(1), 117. <https://doi.org/10.20961/carakatani.v35i1.34476>
- Masyhuri, M., & Utomo, S. W. (2017). Analisis Dampak Keberadaan Pasar Modern Terhadap Pasar Tradisional Sleko di Kota Madiun. *Assets: Jurnal Akuntansi Dan Pendidikan*, 6(1), 59. <https://doi.org/10.25273/jap.v6i1.1293>
- Mufriantje Elni, F. M. (2017). Impact Analysis Of The Presence Of Modern Mall Market

- To Traditional Market In Bengkulu City. *Jurnal AGRISEP, JURNAL AGRISEP Vol 16 No 2 2017*, 191–200.  
[https://ejournal.unib.ac.id/index.php/agrisep/article/view/3034/pdf\\_27](https://ejournal.unib.ac.id/index.php/agrisep/article/view/3034/pdf_27)
- Nelwan, J. W., & Rumokoy, F. S. (2017). the Existence of Traditional Market Toward Modern Market in Tomohon City. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis Dan Akuntansi*, 5(3), 3348–3355.  
<https://doi.org/10.35794/emba.v5i3.17511>
- Nur, M., & Hasang, I. (2019). Pengaruh Minimarket Terhadap Perkembangan Usaha Mikro Di Kota Parepare. *Journal of Management & Business*, 2(2), 263–279.  
[journal.stieamkop.ac.id/seiko](http://journal.stieamkop.ac.id/seiko)
- Prabowo, F. S. ., Bariki, T., & Hidayatullah, D. S. (2020). Segmentation of Traditional Market Shoppers Based on Store Image in Bandung, Indonesia. *Jurnal Ilmu Sosial Politik Dan Humaniora*, 3(1), 42–49. <https://doi.org/10.36624/jisora.v3i1.50>
- Rasyid, K., & Zulham, T. (2017). *Dampak Kemunculan Pasar Modern Terhadap Pedagang Pasar Tradisional di Kota Banda Aceh*. 2(1), 125–133.  
<https://doi.org/https://doi.org/10.24815/jimekp.v2i1.2468>
- Seminari, N. K., Rastini, N. M., & Sulistyawati, E. (2017). The Impact of Modern Retail on Traditional Retail Traders in The Mengwi, Badung District. *Udayana Journal of Social Sciences and Humanities (UJoSSH)*, 1(1), 35.  
<https://doi.org/10.24843/ujossh.2017.v01.i01.p05>
- Sugiyono. (2017). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. Alfabeta, CV.
- Susanto, R. Y. (2019). Potensi Pasar Tradisional Blimbing Bagi Masyarakat Di Sekitar Kecamatan Lowokwaru Kota Malang. *Referensi : Jurnal Ilmu Manajemen Dan Akuntansi*, 6(2), 39. <https://doi.org/10.33366/ref.v6i2.1203>
- Susilowati. (2015). Dampak Relokasi Pasar Tradisional Terhadap Pedagang Pasar Dinoyo Malang. *Journal of Chemical Information and Modeling*, 4(10), 1–24.
- Widiandra, D. O., & Sasana, H. (2013). Analisis Dampak Keberadaan Pasar Modern Terhadap Keuntungan Usaha Pedagang Pasar Tradisional. *Diponegoro Journal of Economics*, 2, 1–6.