# EMPOWERING TRADITIONAL MARKET'S SELLERS BY THE HELP OF LOCAL INSTITUTIONS ROLE IN MALANG CITY

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#### **Abstract**

Traditional market is supporting economic sector with its important role for majority of Indonesian society. Many of them are higly dependent to commercial activities in traditional markets. Lots of commercial activities inside traditional markets are able to generate income for their local economy along with ability to absorb significant amount of job seekers. The purpose of this research are: 1. To describe the image of traditional market's seller at Malang city, 2. To explain a harmonious cooperation between traditional market's seller with their local institution at Malang city. This research is held in Malang city of East Java Province by using survey type of research. Total population is 450 sellers from some traditional markets with 80 sellers which proven qualified for sample population. Research data is collected from questionnaire, observation and documentation activities. After its data collection by questionnaire the writer take the next step to analyze the data by qualitative method to explain the image of traditional market's seller in traditional market at Malang city in relation to eligibility level, market's aspect, financial's aspect, economy aspect, or environmental aspect. The result from this research will be treated as a basis or foundation for developing skills or abilities from the sellers in any traditional market by conducting on going socialization, counselling and assistance.

**Keywords**: traditional market's sellers, local institution

## INTRODUCTION

Traditional markets are an important economic sector for the majority of the population in Indonesia. Some communities rely heavily on traditional markets. In traditional markets visitors are not always buyers, but can be sellers. Being a trader in a traditional market is an alternative job in the midst of unemployment in Indonesia. Even everyone can sell their wares in traditional markets. Activities in traditional markets can move the local economy and absorb labor. Malang City has 28 traditional markets spread in 5 districts, among others: Lowokwaru district, Klojen district, Bilmbing district, Sukun district and Kedungkandang district. Some managed by involving investors, among others, Dinoyo Market, Blimbing Market, and Gadang Market. Traditional markets as socio-cultural assets have contributed greatly to economic activity. Economic activity is closely related to meeting the demand and supply, and where the activity can be found in a

physical form called the market. Local revenue from traditional market traders retributes reached Rp 3.2 billion. Some traditional markets have undergone building renovations. Markets renovated in 2016 include dinoyo market and Oro oro dowo market.

#### RELATED LITERATURES

The market is a place where a group of people who sell goods or merchants can sell their goods and a group of people who want to buy the merchandise. The premises are a warehouse with lots of kiosks, outlets and stalls, or on those that are covered and built on top of it, or in general terms, the traditional markets are usually muddy, dirty irregular parking lots create a standstill around the market (Prihatminingtyas, 2010). The function of the market, namely the distribution function, the function of price formation, and the promotion function. As a function of distribution, the market acts as a distributor of goods and services from producer to consumer through buying and selling transactions. As a function of price formation, in the market the seller undertakes the demand for the required goods. As a promotional function, the market can also be used to introduce new products from producers to potential customers. Traditional markets are the drivers of the people's economy. Currently the traditional market is experiencing various challenges. According to the results of research conducted Anung Pramudyo, 2014 efforts made to protect the existence or existence of traditional markets include: 1. Make a regulation that calculates the interests of the people, especially small people who trade in traditional markets. 2. Conducting Revitalization of Traditional Markets. 3. Improving human resource capability and management of market management. 4. Improve service quality. 5. Innovate traditional market development and engage communities in market management. Local institutions as a structure and pattern of relationships between members of the community or organizations that bind each other, which can determine the form of relationships between people or between organizations are contained in an organization. Has limiting factors, binding in the form: norms, formal and informal codes of ethics to achieve common goals. Local institutions are an important element in community development.

#### RESEARCH METHODS

This research was conducted in Malang City survey research. Number of population 450 traders of traditional markets, sample 80 Merchants who meet the criteria. According Sugiyono (2004) survey research is a study conducted on large and small populations, but the data studied is

data from samples taken from the population. After the data is collected through the questionnaire, the next step is to perform the data analysis using qualitative methods. to explain the description of the feasibility level in traditional markets. Further socialization, coaching and mentoring.

# **RESULT AND DISCUSSIONS**

The goods traded in traditional markets are different from those marketed in the modern market. The grouping of traded goods in traditional markets is as follows: group of vegetable traders, fruit trader groups, fish traders groups, basic needs traders groups. Characteristics of traded goods ie vegetables, fruits and fish are still fresh. The price is set negotiable, if there is agreement the price of goods will soon move to the buyer. For the market society is not only a meeting place between sellers and buyers but also as a container for social interaction. The market has been united and has the most important place in people's lives. Based on the results of the study of traditional market in Malang as follows: Traditional market has uniqueness, operational time of every traditional market which have been agreed by among others: 1. Working hour one day practically 24 hours in traditional market. 2. Open the morning just so that working hours, from midnight to 12.00 noon, although there are only a few traders selling only. 2. Open from 14.00 pm until evening so the market is only afternoon until midnight. As much as 70% of traditional market traders conduct economic activities to improve the welfare of their families. while at 20% to fill in free time, and 10% to improve social status.

Traditional markets provide an opportunity to absorb the workforce both those with and without trade experience. Traditional market traders activities start from doing economic activities to improve family welfare, then the longer the economic activity will be more experienced. Based on the long traders of traditional market traders less than 2 years as much as 35%, long trading 2.1 to 4 years as much as 40%, long trading 4.1 to 6 years as much as 10%, long trades between 6.1 to 8 years as much as 10%, long trades more than 8 years as many as 15%. This means that long trading will increase the ability of the skills, skills and attitudes of traditional market traders. Malang has a traditional market potential that needs to be developed .. Traditional market traders education level consists of: not finished primary school, finished primary school, junior high, high school, university. Based on the data on the level of education obtained in the traditional market as follows do not complete elementary school 10%, graduated from elementary school 15%, graduated from junior high school 25%, graduated from high school 40% and graduated from university 10%. This

means that his education graduated from primary school and graduated by 10%. This means that doing activities in traditional markets does not require education, as long as traders in traditional markets are ready to compete with other traders, the traders will succeed. What is important for traders in traditional markets has the ability of knowledge, skills and attitude skills. The slight difference in the price of the goods offered, the buyer will move to another trader who offers the cheapest price, so that traders remain competitive and improve the quality of traditional markets

Traditional market development is not only related to physical development and revitalization, but also management, social culture, and economy in the market. While economic revitalization, among others, by providing easy access to traders. Traditional markets should be able to maintain the cleanliness and convenience of the market so that visitors feel comfortable when it comes to traditional markets. Change the mindset (mindset) of traditional market traders to increase their income and welfare. In addition, markets must be created more imaginatively, creatively and creatively, so that the market is crowded by consumers who feel comfortable and comfortable shopping. So that can compete with the modern market either in the form of hypermarkets, supermarkets and minimarkets. To strengthen the populist economy steps that need to be continued is to develop traditional markets in the city of Malang. The initial capital used by traditional traders is not as large as the modern market traders who need large capital, even obtained from bank loans or other financial institutions. The populist economic base of traditional market traders spread across rural, urban, and urban areas has played an important role in absorbing labor, increasing the number of business units, and supporting household income (Kuncoro, 2000). Sources of loans derived from non-banking include: 1. Local institutions established in traditional markets. Moneylenders are usually called fourteen loans meaning in a month the loan must be returned to amount to 140%. BAT Loan means Interbank Bank means the size of the loan and its interest according to the agreement between the borrower and the lender, the loan amount is adjusted to the needs. Based on the results of the study of 95% all the loans had burdened the borrower, while the remaining 5% is not too a burden means that if the fortune is returned, otherwise if not have the return windfall will be suspended. Of 95% of traders ever make loans, the amount of loans depends on the needs of traders traditional market. Sources of loans derived from formal institutions or banking, among others: the nearest banking with traditional markets are BNI, BRI, independent, BCA, Bank Jatim.

Almost all groups of activities have local institutions, the traditional market of Malang city has two kinds of institutions that are registered through the relevant offices, among others: 1. Formal institutional formed Office of Malang city market. 2. Non-formal institutions formed by small groups of traditional market traders who have at least 5 members. Implementation of activities is usually done once a month, to tie together in the form of obligatory dues, voluntary savings, savings and loans in pre-cooperatives and local magnitude adjusted ability of group members. At the time of the meeting usually delivered the problems faced by traditional market traders and looking for solos to overcome various problems encountered.

## **CONCLUSION**

- 1. Traditional markets have human resources that need to be developed. Need to be developed and make the traditional market into a shopping tour in the city of Malang.
- 2. Government regulation to regulate the existence of traditional market and modern market. In order for traditional market is not inferior to the existence of modern market.