

# Developing Traditional Market Standard: A Socio-Economics-Environment Approach

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**Abstract**—The role of traditional markets is degraded due to their dirty and uncomfortable conditions and also the proliferation of modern markets. On the other side, traditional markets are the economical infrastructure where some of the societies paw for a living. Hence the local government is authorized to protect and empower traditional markets in their territory. The objectives of this research are to (1) explore existing standard and regulation, and (2) propose a feasible indicators using socio-economic-environment approach in developing minimum standard for traditional market to increase competitiveness. This research used qualitative method with explorative and descriptive approach. Data is obtained through documentation review and observation. Document review are conducted to develop an instrument for measuring minimum standard for traditional market by considering three aspects; social, economics, and environment. Preliminary testing was done using observation at 12 traditional markets managed by each local government at West Java Province. Data analysis process utilized documentary analysis and content analysis. As a result, there are 38 indicators for social aspect, 10 indicators for economics aspect, and 25 indicators for environment aspect. From preliminary testing, it showed that most traditional markets at West Java Province have only fulfilled less than 50% indicators for each aspect observed. Further study is required to be conducted to test validity and reliability of all indicators.

**Keywords**— *Traditional Market, Socio-Economics-Environment, Documentary Analysis*

## I. RESEARCH BACKGROUND

The presence of market implies economics activity level within an area. The role of market in Indonesia, mainly traditional indigenous market (*pasar*), has expanded to be a center of social, political and cultural activity [1].

However, the role of *pasar* is degraded due to their dirty and uncomfortable conditions and also the proliferation of modern markets [2]. Juahari [3] showed that *pasar* has fallen because of competing modern markets, changing lifestyles and consumption patterns of Indonesian society, a lack of knowledge and alignment of the government towards traditional markets, and the inconsistency of implementing existing vertical and horizontal policy. Moreover, modern markets, i.e. minimarkets, have deeply penetrated the public offering a better convenience new way of shopping [4]. Even though all means of rejuvenation and revitalization of *pasar* have been performed, it is not satisfactory enough to solve challenges facing *pasar*. The image of *pasar* as a place with

less facilities and cleanliness is already constructed in consumer minds [5].

The Indonesian government encourages the development of *pasar* in order to preserve the livelihoods of *pasar* traders [3]. The Presidential Decree and Commerce Minister Decree<sup>1</sup> regulate the structuring and development of *pasar*, shopping centers and modern stores. Both decrees are also supported by the Decree of Health Minister<sup>2</sup> that manages the requirements of a healthy market environment. Furthermore, each province, regency, or municipality in Indonesia has issued regulations concern commerce area zoning, regulation of distance between traditional markets and modern markets, and other regulations in order to support *pasar* [6].

Based on those facts, *pasar* governance is essential in order to preserve its continuation against modern market and dreadful management. Therefore, the objectives of this research are to explore existing standard and regulation and propose the socio-economic-environment approach in developing minimum standard for traditional market to increase competitiveness.

## II. LITERATURE REVIEW

Most *pasar* in one regency or city are managed by Regional Technical Executive Units (RTEU)<sup>3</sup> which operate generally under The Industrial Affairs and Commerce Local Government Services<sup>4</sup>. As a public entity, *pasar*, therefore comprises stakeholders or actors [7].

The stakeholder theory helps to identify the external people, groups and organizations that claim the organization's attention, namely claimant, influencers or even a combination of both [8][9]. Claimants and influencers of *pasar* in this

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<sup>1</sup>The Presidential Decree Number 112 Year 2007 and the Commerce Minister Decree Number 70/M-Dag/Per/12/2013 regulate Structuring and Developing Traditional Markets, Shopping Centers and Modern Stores.

<sup>2</sup>Decree of Health Minister of the Republic of Indonesia Number 519/Menkes/SK/VI/2008 provides Guidelines of the Organization of a Healthy Market

<sup>3</sup>Regional Technical Executive Units are units that work under the industrial affairs and commerce level government services that are responsible to manage the operation and daily activity in *pasar*. They are also responsible to collect financial contribution from the merchants within the area of *pasar*. Normally, one *pasar* is supervised by one regional technical executive unit.

<sup>4</sup>The Industrial Affairs and Commerce Local Government Services are government bodies responsible to manage both traditional and modern markets.

research explicitly are those who have direct interaction with 'pasar' activities, such as: merchants, customers, RTEU, 'pasar' Management.

The main purpose of Healthy 'pasar' is to provide 'pasar' that are clean, safe, convenience and healthy for the stakeholders [10]. In accordance to that, the decree of Health Minister Number 519/Menkes/SK/VI/2008 concerning Healthy Market ('pasar') regulates standard requirement that contains for instance; market site, commercial zone, parking spot, building construction materials, ventilation, etc. The National Standardize Body in 2015 also supported regulations on healthy 'pasar' by publishing Indonesia National Standard that standardizes the minimum criterion on Healthy 'pasar'.

Previous studies have indicated that 'pasar' need to be governed appropriately considering social, economics, and environment aspects in order to struggle against modern market and fulfill the targeted financial retribution [3][11][12]. However, prior research did not use indicators, in example; social, economics, and environment, to attain deep understanding on 'pasar'.

### III. METHODOLOGIES

Qualitative research emphasizes the process of discovering how the social meaning is constructed and stresses the relationship between the investigator and the topic studied and has increasingly become a viable and widely used for understanding and explaining about which in-depth understanding was desired [13][14][15]. The process of data collection in qualitative field research depends on the perceptions and observations of the researcher, and not solely on structured research instruments such as questionnaires, psychometric tests, etc. [16]. Data in qualitative research is organized in a logical manner to provide an accurate and valid representation of the factors or variables that are relevant to the research question [17]. In addition, a wide range of written materials can also be used to produce qualitative information [18].

Exploratory approach in this research is typically used since there was little known in a particular research area. It is proved by a little number of previous research in this topic. Besides the topic is highly complex. The main aim of exploratory research is to identify the boundaries of the environment in which the problems, opportunities or situations of interest are likely to reside, and to identify the salient factors or variables that might be found there and be of relevance to the research [19]. Therefore, qualitative field studies with explorative and descriptive approach will be done in this research in order to develop a deep and full understanding of the objects being researched.

Data in this research is obtained through documentation review and observation. Documents collected are from associated institutions, government regulation, and previous studies that will be reviewed in relevance with research subject.

Documentation review conducted as first step of this research in order to collect and organize all existing relevant document. Central government regulation of 'pasar' has launched through Health Ministry. However, a few local

government developed local regulations to manage 'pasar' on their authority. Data exploration become main methodology in this preliminary research. Furthermore, researcher judgement is applied to form the pilot instrument of 'pasar' standard that aligned with Health Ministry regulation as a highest government level in charge, and considered three aspects; social, economics, and environment. Descriptive analysis and theme analysis used in processing data from documentation review in order to provide suitable indicators as an instruments.

Moreover, instrument preliminary testing is conducted as second step to confirm the goodness of fit of instrument with the real conditions in the field. The data collection method used observation. To select sample at this stage, researcher used purposive sampling method as the most proper method for qualitative research. A total of approximately 611 'pasar' disperse throughout West Java Province in 2013 [20]. Samples are limited to 12 'pasar' managed by each local government in West Java Province, regarded as the best 'pasar' in each city/regency. So, this research used cities/regencies as follow:

- 1) Kabupaten Cianjur
- 2) Kabupaten Bandung
- 3) Kota Bandung
- 4) Kota Cimahi
- 5) Kota Sukabumi
- 6) Kabupaten Majalengka
- 7) Kota Cirebon
- 8) Kabupaten Garut
- 9) Kabupaten Sumedang
- 10) Kota Bekasi
- 11) Kabupaten Kuningan
- 12) Kabupaten Indramayu

Content analysis and statistics descriptive was used in processing collection of data from preliminary testing at 12 sample markets. Further study is required to be conducted to test validity and reliability of all indicators.

### IV. FINDINGS AND DISCUSSIONS

Data in this research is obtained through documentation review and observation. Document review was conducted using some documents in relevance with research subject especially from central government institution, such as:

- 1) The Presidential Decree Number 112 Year 2007 and the Commerce Minister Decree Number 70/M-Dag/Per/12/2013 regulate structuring and developing traditional markets, shopping centers and modern stores.
- 2) Decree of Health Minister of the Republic of Indonesia Number 519/Menkes/SK/VI/2008 provides guidelines of the organization of a healthy market.

Previous studies have indicated that 'pasar' need to be governed appropriately considering social, economics, and

environment aspects in order to struggle against modern market and fulfill the targeted financial retribution [3][11][12]. Hence, researcher judgement was applied to develop suitable indicators for measuring minimum standard of 'pasar'.

The result of this study revealed there are 38 indicators for social aspect, 10 indicators for economics aspect, and 25 indicators for environment aspect. A proposed indicators as a finding of this research will be conducted in survey methods using observation and interview technique.

#### A. Indicators of Social Aspect

##### 1) Observation at 'pasar'

TABLE I. INSTRUMENT OF SOCIAL ASPECT OBSERVATION

List of Observation	Availability (Y/N)
Availability of sign board of commodity zoning and public facilities zoning	
Availability of entry access for disability	
'Pasar' layout simplify for disability	
Availability of appropriate parking facility for cars and bikes	
Availability of separation of parking lot for cars and bikes	
Different entrance gate and exit gate of parking lot	
'Pasar' management office is easy to access and find	
Proper permanent building of 'pasar' management office	
Toilet/restroom facilities are distinguished for men and women	
'Leher angsa' type is used in the toilet/restroom	
Water reservoir is clean and free of wiggler	
Toilet/restroom is always kept clean	
Proper toilet ventilation and light	
No slippery and easy to clean floor	
Availability of watertight litter in the toilet/restroom	
Availability of handwashing facilities with running water from faucet and soap	
Availability of septic tank for sludge waste from toilet	
Availability of appropriate Mushola	
Mushola is equipped with ablution	

Table I is used to test the fulfillment of social aspect at 'pasar' by assuring there are equality facility for disability, separation facility for men and women, and availability of basic facility at public area.

##### 2) Interview with 'Pasar' Manager

- Is there any proof of ownership in developing 'Pasar' (SHM/GB/GL)?
- Is there any written rules on how to serve meals and commodities at 'Pasar'?
- Do 'Pasar' management provide loading dock area?
- Do 'Pasar' management provide organization structure and *Standard operational Procedure* at the office?

- Do 'Pasar' management provide CCTV instrument for monitoring all activities at 'pasar'?
- Do 'Pasar' management provide a meeting room?
- Do 'Pasar' management provide medical and security room at 'pasar' area?
- Do 'Pasar' management provide smoking room?
- Do 'Pasar' management provide a safe electrical installation all around 'pasar' area?

#### B. Indicators of Economics Aspect

##### 1) Observation at 'pasar'

TABLE II. INSTRUMENT OF ECONOMIC ASPECT OBSERVATION

List of Observation	Availability (Y/N)
Availability of ATM facilities surrounding 'pasar' area	
Availability of suitable access path for entering and leaving 'pasar' area	
Availability of public transportation that are provided for visitor in and out from 'pasar'	

Table II is instrument to test economic aspect. As observation instrument, checklist are needed to ensure consumer easiness in doing their activity at 'pasar'.

##### 2) Interview with 'Pasar' Manager

- Is there any calibration instrument as measurement tools for trader?
- Are there branch office of bank available at 'pasar' area?
- Is there any cooperation institution which accommodated trader at 'pasar'?
- Is there any promotion program that are managed by 'pasar' management for encouraging the willingness of society to visit 'pasar'?
- Is there any non-retribution revenue for local government?
- Is there any regulation of trader tariff retribution determined by local government?
- Is there any regulation of counter rental cost determined by local government?

#### C. Indicators of Environment Aspect

##### 1) Observation at 'pasar'

TABLE III. INSTRUMENT OF ENVIRONMENT ASPECT OBSERVATION

List of Observation	Availability (Y/N)
The distance from gas station, chemical warehouse, factory, and garbage dump (landfill) is far enough	
Area is free of animal-borne diseases	

(Table III, cont.)	
'Pasar' layout are managed to be easy to access for visitor and commodity transfer freely	
Availability of commodity and device layout management that are provided for visitor easy to move freely	
Availability of commodity type separation by zoning	
Air ventilation/circulation is appropriate	
Proper room light	
Availability of appropriate drainage facilities	
Availability of trash bin for visitors and traders in many places at 'pasar'.	
Trash bin with organic and anorganic separation	
'Pasar' building used easy to maintain/clean material	
Availability of fire extinguishers system	
Availability of green open space in 'pasar' area	

Table III consists environment aspect that has to be considered at 'pasar' especially as public facility. Those indicators was developed for providing safe and comfortable market.

## 2) Interview with 'Pasar' Manager

- Has the location already been appropriate with local government regulation (RTRW)?
- Does the location of 'pasar' stand at free of disaster area?
- Does the location of 'pasar' stand at ex-garbage dump or ex-chemical factory?
- Is there the availability of drinking water treatment instalation?
- How does waste water treatment?
- Is there availability of garbage cart?
- Is garbage transported to temporary garbage dump at least once per day?
- Is there the availability of solid waste treatment instalation?
- Is 'pasar' layout managed for easy to acces for any fire and disaster mitigation?
- Has 'pasar' management determined a meeting point for disaster conditions?
- Is there the availability of hydrant/water source for fire extinguishers system?
- Is there the availability of desinfectant room for washing the equipment of processing of poultry?

Observation was developed to test the feasibility of proposed indicators in order to measure minimum standard of traditional market in Jawa Barat Province. There were 12 'pasar' as a purposive sample that were observed. The result of observation are depicted in Table IV.

TABLE IV. THE INDICATORS FULFILLMENT OF MINIMUM STANDARD FROM 'PASAR' OBSERVATION

Name of Market	Percentage of Indicator Fulfillment
Pasar Induk Cinajur	67
PasarInduk Garut	57
Pasar Tanjungsari Sumedang	48
Pasar Cisaat Sukabumi	44
Pasar Rakyat Jagasatru Cirebon	36
Pasar Karangampel Indramayu	42
Pasar Baru Kuningan	48
Pasar Pondok Gede Bekasi	46
Pasar Antri Cimahi	54
Pasar Baru Bandung	64
Pasar Padalarang Bandung Barat	48
Pasar Majalaya Kabupaten Bandung	42

Table IV shows only 4 'pasar' have fulfilled more than 50% indicators. The mean of indicator fulfillment is 49.7% indicators. However, table IV also indicates the similarity of 'pasar' conditions from markets sample of this study. The lowest indicators fulfillment are from social aspect that mostly was caused of the government lackness in maintaining 'pasar'. Trader and consumer habits also caused markets condition are very poor.

Since sampling technique used in this study is purposive, it seems that representative sample should be analyzed also to get feasible indicators. Probability sampling techniques will provide indicators as a result to be generalized which can be applied at all markets as a population in this study.

## V. CONCLUSION

There are 38 indicators for social aspect, 10 indicators for economics aspect, and 25 indicators for environment aspect in order to fulfill the minimum standard of 'pasar' based on Decree of Health Minister and Presidential Decree. The result of observation as preliminary testing showed that most traditional market at West Java Province have only fulfilled less than 50% indicators proposed. Further study is required to be conducted to test validity and reliability of all indicators.

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