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# Analysis of the Adaptation Process of Traders After the Revitalization of Traditional Markets (Case Study at Pasar Legi, Surakarta City)

<sup>1</sup>Andriana Azzahra, <sup>2</sup>Sri Hilmi Pujihartati <sup>1,2</sup>Universitas Sebelas Maret, Indonesia E-mail: andrianaazzahra673@gmail.com

#### **ABSTRACT**

Revitalization is an effort to improve something that is vital and has experienced a decline in function so that it can be reactivated. In this case, traditional markets are one of the objects that need routine revitalization. Pasar Legi is a market that previously experienced a fire, causing traders to lose their places to carry out economic activities. Therefore, such disasters can also serve as a reason for revitalization. Pasar Legi underwent revitalization in 2018. Many changes occurred at Pasar Legi as a result of this revitalization. Consequently, traders need adaptation strategies to sustain their businesses amid these changes. This study aims to (1) identify the forms of adaptation processes undertaken by traders and (2) understand the positive and negative impacts of physical revitalization on traders. This research employs a qualitative method with a case study strategy. The findings reveal that many traders adapted primarily through behavioral changes. As a result, they devised various methods and innovations to attract buyers again. Meanwhile, some traders, particularly those selling in the new building, expressed dissatisfaction with the revitalization. This dissatisfaction stems from the presence of the new building and the establishment of parking fees, which has diminished visitors' interest in coming.

**Keywords:** Revitalization, Adaptation Process, Traditional Market

# INTRODUCTION

The market is the center of economic activities, and it serves as a place for interaction between traders and buyers to conduct financial activities, particularly the buying and selling of goods and services. In this context, the market is a place where families meet their primary needs, particularly for food. Traditional or modern markets are typically chosen to fulfill their family's needs. Generally, markets serve only as distribution points or places for channeling essential goods from producers to consumers. The distribution of goods from producers to consumers can proceed smoothly if the market functions effectively and is understood by the market managers. Regarding distribution, producers routinely conduct market research to understand the goods or services that align with consumer interests.

Regarding the functions of the market, Aliyah (2017) explains that, generally, the market has three main functions: (1) distribution, (2) product organization, and (3) price formation. Furthermore, according to Gonta (2017), based on the management patterns used, markets can be divided into two categories: (1) traditional markets and (2) modern markets. Gonta (2017) explains that traditional markets still utilize simple management patterns, where each trader operates independently, there is interaction between sellers and buyers in the form of bargaining, and they typically feature less organized product placement. In contrast, modern markets employ management patterns, have fixed and labeled prices, and have well-organized merchandise. The advantages of modern markets sometimes lead consumers to have their expectations or demands regarding what can be obtained in these modern markets, whether in terms of service, price, facilities, or other aspects.

Some of these statements may reflect the concerns of traders or actors in traditional markets. These issues can represent weaknesses in conventional markets and serve as attractions for modern markets. Harisudin (2019) explains that traditional markets are often associated with being dirty, filthy, and smelly, creating an uncomfortable shopping atmosphere; on the other hand, modern

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markets offer a more pleasant environment, sometimes even equipped with air conditioning. Furthermore, Kurniawan et al. (2022) explain that in large cities, traditional markets are often seen as sources of congestion, as many traders need kiosks for their businesses and thus trade haphazardly in inappropriate places. This situation also contributes to the perception that traditional markets are uncomfortable, leading many consumers to view traditional markets as their second choice after modern markets.

Given the numerous shortcomings of traditional markets, this presents a new challenge for the government as the market manager. Nashihah et al. (2024), considers that the government also plays an important role in maintaining economic stability and infrastructure. One of the efforts to enhance traditional markets' quality, cleanliness, and comfort is implementing revitalization programs. In this context, Kurniawan et al. (2022) explain that revitalization refers to the effort to improve a place that once held value and importance but has experienced decline or degradation. In this context, revitalizing the market means enhancing its quality in terms of service, cleanliness, and availability of facilities. More than that, reviving the market also means striving to change perceptions so that the market is not only seen as a place for economic activities but also as a public space for enhancing commodity routes.

In (Sultan, 2019), several specific objectives of revitalizing traditional markets are mentioned, including (1) encouraging traditional markets to compete with modern markets, thereby increasing the sales turnover of traders; (2) improving services and access for consumer communities while making traditional markets a driving force for the local economy; and (3) creating traditional markets that are clean, healthy, safe, fresh, and comfortable, so they can become a permanent shopping destination and serve as a reference for the development of other markets. These objectives can be achieved by implementing revitalization programs and improving market quality.

Furthermore, (Sultan, 2019) also mentions the benefits of revitalization programs for the community, including (1) facilitating access for traders and buyers to meet each other, considering that both are economic actors; (2) enhancing the activities of traditional markets as a vital element for the smooth circulation of the economy; (3) improving community welfare; and (4) increasing public trust in the central and local governments. The benefits of revitalizing traditional markets are facilitating the flow of the economy, both for individuals and the wider community.

In (Aosgi, 2019), it was explained that Pasar Legi was once wholly burned down at the end of October 2018, forcing the government to create an emergency market along Sabang Street and around Monument 45 Banjarsari. This statement indicates that the program conducted at Pasar Legi is about revitalization to improve market quality and implement a market relocation program. Market relocation means moving the market for specific purposes. In this case, the kiosks, stalls, and open areas of Pasar Legi were relocated to the emergency market, which was created to allow Pasar Legi to undergo physical improvements after the fire without disrupting traders' activities. (Aosgi, 2019) states that for revitalization, Pasar Legi feels responsible for the welfare of the traders, which is why an emergency market was established along Sabang Street and Monument 45. This is fine for the traders, who know the need for building repairs. However, a significant issue, as mentioned in (Yosilarasati, 2022), is that small traders need to adapt significantly to maintain their businesses in the face of changes. In this context, some traders at Pasar Legi are small traders, so they must undergo this adaptation. This adaptation is carried out to help small traders alleviate their concerns. These concerns can arise from the many impacts resulting from the revitalization process.

It can be understood that implementing revitalization programs will have various impacts on traders. One aspect of this can be seen in the increased attractiveness of the market after the revitalization program. Additionally, after the revitalization program, changes will occur, both in the facilities available in the market and in the forms of interaction between traders and between traders and buyers. This will undoubtedly require a process of adaptation due to the shifts necessitating adjustments to a new environment.



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#### LITERATURE REVIEW

The revitalization of traditional markets is a crucial step to improve their competitiveness and attract more consumers, especially the younger generation (Ferdian et al., 2020; Merlinda & Widjaja, 2020). However, the success of revitalization efforts depends not only on physical improvements but also on the behavior and adaptation of the traders themselves (Ferdian et al., 2020; Sentanu et al., 2021).

One key aspect of the adaptation is the empowerment and training of traders to provide better services to consumers (Ferdian et al., 2020; Sentanu et al., 2021). This can significantly increase trader income after the revitalization (Sentanu et al., 2021; Pratiwi & Kartika, 2019). Additionally, better market management and cleanliness can contribute to revitalization efforts' success (Simandjuntak, 2023; Pratiwi & Kartika, 2019).

Traders must also adapt to changing consumer preferences and competition from modern and online markets (Kintani, 2020; Aliyah et al., 2020). This may require them to respond to shifts in consumption patterns and adopt new strategies to remain relevant (Pratami et al., 2019). Factors such as access to capital, product diversity, and location within the market can also influence trader income and adaptation (Pratami et al., 2019; Wibowo & Istiqomah, 2018).

The adaptation process can be challenging, as some studies have reported decreased trader income after revitalization (Aprilia, 2018). This highlights the importance of involving traders in the planning and implementing revitalization efforts to ensure their needs are addressed (Aini et al., 2019). Fostering social capital and solidarity among traders can also help them adapt to the changing market environment (Arifin et al., 2021).

Furthermore, traders' adaptation to changes in market structure and trading mechanisms has been studied in the context of financial markets (Boyd & Kurov, 2011). These studies suggest that traders' ability to learn and adapt to new conditions can be a key determinant of their survival and success.

In conclusion, the adaptation process of traders after the revitalization of traditional markets is a complex and multifaceted phenomenon that requires a comprehensive approach. Successful adaptation involves not only physical improvements but also the empowerment, training, and involvement of traders, as well as their ability to adapt to changing consumer preferences and competition (Ferdian et al., 2020; Sentanu et al., 2021; Kintani, 2020; Aliyah et al., 2020; Pratiwi & Kartika, 2019; Pratami et al., 2019; Aprilia, 2018; Arifin et al., 2021).

#### **METHOD**

The data collection techniques broadly refer to the methods or approaches researchers use to gather information from sources. This study's data collection techniques include interviews, observations, and documentation. Pratama et al. (2024), considers interviews are processes to obtain data conducted through a question-and-answer interaction between the researcher and the informant. In this research, the informants are traders in Pasar Legi affected by the fire in 2018. Observations in this study are conducted using a non-participatory method. This means that observations are made by merely observing without direct involvement in the activities occurring within the research subjects. In this case, observation is facilitated by visiting the informants' locations, allowing the researcher to see the conditions firsthand. Documentation involves collecting written materials that can complement the research process. Documentary data may include letters, reports, diaries, biographies, photos, etc.

## RESULT AND DISCUSSION

## Types of Revitalization Implemented in Pasar Legi

a. Physical Revitalization

Physical revitalization refers to the revitalization conducted on the building structure, specifically in this research context, the Pasar Legi building. The updated building can include

\* Corresponding author.



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both the interior and exterior. In Pasar Legi, physical revitalization occurred due to a fire that devastated the entire market. In this case, the occurrence of the disaster can be seen as one of the factors prompting the physical revitalization. Additionally, Pasar Legi routinely conducts physical revitalization efforts such as replacing kiosk lights, ensuring clean water, ensuring electricity supply, and so on. These actions are taken to support the needs of the traders.

# b. Management Revitalization

Management revitalization can be understood as the revitalization of human resources. This can be achieved by enhancing the functions of the management and standard operating procedures. Management revitalization may involve improving the market structure, which also relates to the stakeholders in the market. In addition to market management, revitalization can enhance traders' capabilities. This relates to their ability to innovate and their communication methods with buyers.

# c. Socio-Cultural Revitalization

Socio-cultural revitalization is an effort to improve the system that demonstrates a good social relationship among individuals, both between traders and between traders and stakeholders. This aims to create a conducive and comfortable atmosphere for social relationships within the market. Once a comfortable atmosphere is established, interactions will flow smoothly among them. This also reflects an awareness that there will be reciprocal relationships among individuals that can provide mutual assistance.

## d. Economic Revitalization

Economic revitalization encompasses everything related to the primary needs of traders. This aligns with the main reason traders engage in selling activities: to improve their economic welfare. Therefore, economic revitalization may include efforts by the market to ensure the financial cycle of traders and their ownership within the market, which is also implemented in Pasar Legi.

# Forms of Adaptation Processes Undertaken by Traders in Response to the Revitalization Program

# a. Addition of Merchandise

The addition of merchandise can be done by adjusting the capital first. This is done to prevent an increase in the trader's expenses. Capital can be understood as a sum of money used to run a business; regardless of the situation, money is required in all activities that support the business (Tambunan, 2022). However, from a different perspective, some traders may avoid methods to add merchandise. This occurs based on several considerations; in this study, the considerations involved are capital and the durability of the goods.

# b. Addition of Workforce

The workforce can be increased by hiring additional employees or inviting family members to join in trading. By adding to the workforce, the business owner works with others; in other words, there is someone to assist. This can be a solution when overwhelmed by managing the business alone. Traders may feel overwhelmed due to an increasing number of visitors, or in the context of relocation; traders need others to help lift goods. This is due to the selling location needing more transportation access.

## c. Addition of Sales Strategies

Adding strategies or methods for selling refers to innovations originating from the seller's ideas. In this case, traders at Pasar Legi have innovated by selling in a mobile manner, selling online, and providing delivery services.

# d. Adjustment of Selling Prices to Conditions

Buyers have a distinct characteristic: they seek out cheaper options. If a trader sells their merchandise at a high price and the buyer finds another store that sells it cheaper, the buyer will shop at the cheaper store. However, sellers also need to generate as much income as possible.



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Ultimately, sellers must find a price that is reasonable and reasonable. This ensures that both sellers and buyers do not incur losses.

# Positive and Negative Impacts for Traders Post-Physical Revitalization

# a. Positive Impacts

# 1. Building Shape Renovation

The renovation of the building's shape is the most crucial aspect of physical revitalization. In the context of the burned Pasar Legi, the renovation of the building is a critical issue, as it relates to how traders can continue their economic activities, namely selling. In Pasar Legi, the building's shape is an important point of focus, as it significantly distinguishes the market's condition before and after reconstruction. After the renovation, Pasar Legi features a main building used for trading activities and serves as the market's mascot.

# 2. Improved Cleanliness

Traditional markets are often associated with being shabby, dirty, and smelly. Therefore, achieving a clean environment can be a unique value when a traditional market maintains cleanliness. Cleanliness enhances visitors' or buyers' trust in a shop.

# 3. Larger Trading Space

A spacious area can be an added value for potential buyers. Ample space allows for a neat impression, preventing overcrowding. Additionally, buyers do not have to feel anxious about squeezing in or queuing when a shop they visit is busy.

# b. Negative Impacts

## 1. Access Difficulties

Access difficulties arise due to the implementation of parking fees and the market's location within a building. These factors ultimately make buyers reluctant or uninterested in visiting the market, leading to decreased foot traffic. This certainly causes a slight decline in traders' income.

## 2. Change in Trading Locations

Traders prefer strategic locations that can be easily accessed from various points. A strategic location is advantageous for both traders and buyers. With a strategic location, traders feel comfortable and quickly acclimatize, supporting their trading activities. However, in the case of Pasar Legi post-revitalization, many traders complain that only those selling in the outdoor market obtain strategic locations. This sentiment is not shared by traders who are selling inside the market building.

# 3. Increased Expenses

Expenses have risen due to several factors, including decreased market appeal, which is directly related to the access difficulties experienced by buyers. Additionally, there is the obligation to pay rent; some traders in the indoor market who find the market quiet eventually decide to rent shop space or other accommodations outside the market. Lastly, there is the necessity to pay labor costs; traders who employ staff take on the burden of wages or salaries.

# Traders' Strategies for Addressing the Negative Impacts of Physical Revitalization

# a. Capital Adjustment

Capital adjustment can be achieved by reducing or minimizing capital. This is an effort related to traders' difficulties in generating income that aligns with their expenses. It is closely linked to the traders' interests in making a profit rather than incurring losses. Capital can be reduced if traders also lower their production costs. However, this poses a risk of sacrificing the quality of goods or the quality of business ownership. This risk can be avoided by reducing capital rather than diminishing it.

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## b. Increasing Workforce

To increase their workforce, traders can avoid hiring professional or specialized employees. This is because trading in markets is usually a family business. Therefore, anyone in the family can assist, such as a husband or wife, children, or relatives. However, it is also common for market traders to employ individuals outside their family, often referred to as employees. These employees typically come from friends or acquaintances.

c. Borrowing Money or Taking Loans from Banks

Traders employ this strategy for various forms of adaptation following revitalization that requires substantial capital. Borrowing money from a bank can be a last resort after traders have considered other strategies. This is because once traders borrow money from a bank, they incur debt that must be repaid along with interest. This means that traders effectively take on additional burdens. Therefore, borrowing from a bank should only be seen as a last alternative, not a primary option.

## **CONCLUSION**

With the revitalization, the market now features a new three-story building. However, the reality is that the new building, which requires entry, discourages buyers from coming, negatively impacting traders' income. The traders inside the building are those who sell in the evening market. In contrast, traders in the morning and night markets are experiencing significant profits. This is because their selling locations do not require entry into the building; they are outside the market. Here, they benefit from fresh air, ample space, and a high volume of customers. The theory used by the researcher in this study is Anthony Giddens' structuration theory. This theory introduces the concepts of structure and agency, which are interrelated in creating patterns within the market. Agents can be understood as individuals acting as actors. In a traditional market, the agents or actors are the sellers and buyers. In this context, they position themselves and play roles in establishing patterns of social interaction.

Meanwhile, structure encompasses the rules and resources that exist and are created within the patterns of the social system. In this study, the patterns of the social system before and after revitalization are different. This difference necessitates market participants to implement adaptive strategies.

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