

DYNAMICS OF TRADITIONAL MARKETS: ADAPTATION AND INNOVATION OF TRADERS IN INCREASING COMPETITIVENESS IN THE MARKET IKAN LAMA MEDAN

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ABSTRACT

The Market Ikan Lama Medan, founded in 1890 by Tjong A Fie, this tax has undergone significant changes, initially specifically as a fish trading place, now developing into a trading center for textiles and other similar goods. This research focuses on the phenomenon being experienced by traders in traditional markets where they face difficulties in adapting to digital technology, and adapting their way of trading to the policies that arise as a result of these developments. This exploration requires a qualitative phenomenological approach to understand the adaptation and innovation of traders in traditional markets. The results show that traditional traders focus on product ordering efficiency and convenient service for customers. They also build good relationships with customers to increase sales, offering discounts and special services. Traders also improvise with modern technology, but still rely on direct interaction with customers through bargaining to set appropriate prices.

Keywords: *Traditional markets, trader innovation, technology adaptation, customer service*

INTRODUCTION

Humans have been buying and selling since the time of civilization to meet their needs. Buying and selling activities are activities of permanently exchanging goods or ownership materials. One of the places for buying and selling activities is the market. As time goes by, very rapid economic development has given rise to increasingly high business competition. (Nilava & Fauzi, 2020)

Markets are an important place for transactions and as an indicator of the community's economy. In Indonesia, the market is one of the places where trading activities occur which cannot be separated from people's daily activities. With population growth, market needs in quantity and quality increase (Nika et al., 2013).

Traditional markets not only function economically, but also reflect the culture and civilization that have long existed in various regions of Indonesia. Many people's economies depend on buying and selling in traditional markets. However, currently traditional Market are starting to decrease due to the existence of modern taxes, supermarkets and supermarkets which offer better comfort and facilities.

Since the time of civilization, humans have bought and sold to meet their needs. Markets are important as a place for transactions and economic indicators of society. In Indonesia, traditional markets have been known for a long time. According to the General Indonesian Dictionary, a market is a place for buying and selling, and

traditional means following the norms and customs passed down from generation to generation. So, traditional markets are locations where buyers buy based on habits. However, in this modern era, traditional markets are often compared to dirty, stuffy and smelly places. So most people prefer to shop at modern markets which usually have clean shopping places, comfortable facilities, and usually have strategic locations, or even shop online instead of having to go all the way to the market. (Bagus Brata, 2016).

The existence of traditional markets in cities is increasingly threatened by the development of modern markets which provide convenience but have a negative impact on the economy of low-income communities. Those who rely on traditional tax sales feel disadvantaged.

Traditional markets must compete with modern taxes in the era of globalization. Even though the modern market has a big impact, there is a positive side, namely that it can absorb a lot of workers, especially young high school graduates, and reduce unemployment (Candrawati, 2015)

In the increasingly rapid era of globalization and modernization, the competitiveness of traders in markets also continues to increase. The definition of a market in general is a place for buying and selling goods where there is more than one trader in total, including traditional, new, and other shopping places. (Hadisiwi & Kh Rakhman, 2014)

The Market Ikan Lama Medan has a long history, reflecting the dynamic relationship

between traders and economic, political and social changes. Initially it was founded as a fish trading place in 1890 by Tjong A Fie, but with the times and conditions of the Deli river, this place has changed into a trading center for textiles and other goods.

Even though it has undergone various changes, buying and selling practices still involve bargaining and face-to-face communication with traders and buyers. Traditional markets such as the Market Ikan Lama Medan still use traditional transaction methods, with traders relying on their interpersonal skills to attract customers. However, in this modern era, many technological innovations have emerged, although they are generally only applied in modern markets. Traditional traders often face difficulties in adopting digital technology to promote their merchandise.

This research is interested in exploring the adaptation and innovation of traders in traditional markets, especially in the Market Ikan Lama Medan. Traders in traditional markets are still a source of affordable buying and selling goods for most Indonesians, so increasing their competitiveness through innovation and adaptation can be an example for other small and medium

businesses. Therefore, this exploration focuses on understanding the dynamics of traditional markets in increasing competitiveness, with a focus on the practices and strategies used by traders at the Market Ikan Lama Medan.

RESEARCH METHODS

The purposive method was used by researchers to identify informants. Purposive sampling is a sampling method in which a participant provides his or her own assessment of a sample from a selected population. The evaluation is considered to meet certain criteria related to the research topic.(Sampoerna University, 2022).

The characteristics of a sample of traders that researchers must assess in a sample are:

1. The traders studied must have been trading at the Old Fish Tax in Medan for a long time
2. Still carrying out trading activities to this day
3. The trading business is considered stable and still feasible to operate. This is done in order to determine and obtain specific information according to the things you want to research. There are also several informants, namely:

Table 1 Infomran Data

Store Name	Owner	Items for sale
UD Zubaidi	Mr Abu Bakar Zayn Zubaidi	Hajj tools
Soedy Sports	Bang Agus	Sports equipment
Batik Shop	Mr Husny Affandy	Clothes- clothes

The characteristics of a sample of shop customers that must be present in a research sample are:

1. Customers have subscribed to the shop for approximately 5 years

2. Get benefits when you become a customer of the shop

Table 2 Customer Name

Customer Name	Subscribe to the store
Diah Kusma	UD Zubaidi, Batik shop
Alfi Zahara	Soedy Sport, UD Zubaidi

Data Collection Techniques The main focus of this exploration is to obtain data relating to research that can be obtained directly from the exploration site (Field Research) so that the information obtained is credible. There are also several data collection techniques that are used which can be categorized as follows. : Observations, Interviews and Documentation. **Data Analysis Techniques** In this research, data reduction, data presentation, and conclusion drawing.

RESULTS AND DISCUSSION

Researchers examined 3 traditional shops located in the Market ikan lama, Medan City, where the three stalls of these traders were located a little far from the others. So researchers can get different perspectives from each of these shops. These three traders have different target buyers, different goods, different price ranges for goods, different ways of selling. With all these differences they have different data for each trader. After searching for sources that the researcher considers

appropriate. Researchers conducted interviews using the interview method with 3:

1. UD Zubaidi Store Profile

The UD Zubaidi shop is located on the Railway road at number 18-AUD Zubaidi is a shop for Muslim needs which sells various needs



Adaptation and Innovation of UD Zubaidi Based on research conducted at UD Zubaidi, the innovation and adaptation carried out by UD Zubaidi focuses on several sales systems by making it easier for customers to access goods by treating the system:

- a. Order via online order or telephone
- b. Cutting/reducing prices for subscriptions from the UD Zubaidi shop and understanding the needs of potential buyers based on circumstances
- c. the economy needed in the market or in the buyers themselves (providing special discounts for buyers who often buy, so that they feel appreciated as customers at the UD Zubaidi store.

According to Mr. Abu Bakar Zayn Zubaidi, the reason he implemented these two systems was for the first reason to ensure that prospective buyers remained comfortable with his service, which is where he started accepting orders via cellphone messages to be delivered to various requested places. The second was to helping customers who have subscribed to him for a long time, considering that during the Covid 19 pandemic, many customers needed access to traditional medicines such as Black Seed, dates, olive oil, etc. So he can sell to help customers who have subscribed to him.

The interviewee also complained about the results of the post-Covid 19 pandemic policy where traders at the Lama Medan Fish Tax had to close their sales outlets. Causing buyers and producers to carry out transactions directly without the presence of traders, which is detrimental to traders, because traders could be threatened with their existence, especially traditional traders because prospective buyers can directly order the goods they want from producers directly, and in addition, some consumers still do the practice of buying and selling directly with producers. He suffers a loss because of the tax he has to pay so

of Muslims which sells: Hajj needs/equipment, herbal medicines, Muslim clothing needs, souvenirs from the holy land of Mecca and This shop has also been established since the 1940s and is still owned by the first generation, namely Mr. Abu Bakar Zubaidi.

that the goods can reach his place of sale. Meanwhile, if buyers can buy directly, UD Zubaidi cannot take advantage and cover the operational costs and taxes required. This practice of buying and selling producers still continues among several consumers from the post-Covid 19 period until now.

Previous researchers in "Implementation of Regional Government Policy in Arranging Street Vendors (Pkl)" written by Zumrotus Sholikah said that the elements of a good policy (Brawijaya, 2019)is:

- a. policy. It is common knowledge that goals are the motivation behind the formulation of a policy.
- b. Issues: Policy making really depends on problems.
- c. Demand : Participation is known to indicate a sophisticated society. Support, demands, challenges, or criticism are all forms of participation.

Of course, the government at that time did not anticipate what problems would occur as a result of outlet closures that occurred during the Covid 19 period until now.

Regarding this description, the results of findings in the field with sources from the owner of UD Zubaidi can be concluded that the innovations and adaptations carried out by UD Zubaidi focus on facilitating product orders to prospective buyers, services that make prospective buyers comfortable with the service, there is only one policy obstacle that he complain about the globalization of trade technology, namely. The government policy that remains from Covid 19 means that prospective buyers can buy directly from producers through direct online marketing media. It is proven that the adaptation and innovation that UD Zubaidi carried out proved successful because the trading business carried out is still ongoing today.

2. Soedy's profile

Sport Soedy Sport is located on Jln. Gwangju V No. 12 - 14. Kesawan, West Medan District. Soedy Sport has been around for around 50 years. Now Bang Agus is the one who manages it as the owner of this sports equipment shop. This shop

sells various kinds of sports activity needs such as: Football shoes, sports trophies, sports clothes and equipment, fitness equipment, and other sports practice equipment.



Soedy Sport Adaptation and Innovation

Based on research conducted at Soedy Sport. Soedy Sport has implemented several innovations in trading methods that focus on service on the sales platform online is like opening an online shop service. The services created to anticipate this are:

- a. Opened several online shops from Soedy Sport (making it easier for buyers to see the goods being sold)
- b. Give some discounts to their regular customers

This step was taken to minimize the losses experienced at that time, by improving service, and giving small discounts to customers who had subscribed to it for a long time.

The resource person had problems at the beginning implementing technology into the daily buying and selling process from Soedy Sport, but over time from learning from the internet he became proficient in promoting his merchandise on social media platforms and other online sales media.

Previous researchers in "Using Online Applications in Digitalizing Traditional Markets in

Medan City, North Sumatra Province" written by Nabillah Irbah Anjani, Nazla Khairina where the government helped the process of digitizing traditional markets in Medan City by collaborating with large companies such as Tokopedia, to provide large promotional space big in their online sales media(Irbah & Khairina, 2023)

Based on the statements from the sources above, researchers can conclude that the innovation and adaptation carried out by Soedy Sport is learning about sales media that are trending at the time, and trying to implement this into its marketing methods. Meanwhile, the inhibiting factors experienced by Soedy Sport are learn to use these new sales media, and try to become skilled in using them.

3. Batik shop profile

The Batik Shop is located in the alley of the, more precisely 4 stalls after the entrance from Jalan Kereta Api, where this shop Market ikan lama Medan has been standing for as long as the market complex has been around, this small stall is owned by Mr. Husny Affandy, this shop sells various types : Batik Clothing, Clothing for daily activities and Clothing for women and men.



Batik shop adaptation and innovation

Based on research conducted at Batik shops. Batok Shop chooses to buy and sell its merchandise in the traditional way as usual. However, Batik shops use several ways to adapt to increase competitiveness, these are:

- a. Doing small marketing on social media: He includes his merchandise in a small way, on his employees' social media, and announces

special discounts for buyers who order from that social media.

- b. Place orders with manufacturers according to customer needs

The order in question is making a special order to the manufacturer for buyers who have subscribed to purchase, and requesting a certain motif for the clothes or textiles ordered. This is

done to create a special feeling in the hearts of these customers.

The interviewee admitted that he had problems in trying to learn technology in marketing on online platforms. The main factor is age, where the age of the resource person, Mr. Husny Affandy, is starting to reach the age of 60, so it is no longer possible to learn this technology. He also added that it is more important for us to prioritize buyers who have subscribed to us for a long time. According to him, the results of this effort are more efficient than having to go to the trouble of learning technology that is far beyond its lifespan.

Previous Researcher in "Traditional Market Trader Strategies Facing Competition with Modern Retail and Consumer Preferences", written by Yenika Sri Rahayu, and Bahtiar Fitanto. That buyers who have become customers will continue to buy merchandise which will likely be resold, and most likely promote the shop they subscribe to, which can be an added value for the shop itself ((Sri & Fitanto, 2012).

Based on the results of the research description obtained from Batik shop sources, conclusions can be drawn. That batik shop focuses its services on loyal customers and touches a little on social media trade. Meanwhile, the inhibiting factor that he experienced was the age factor where he was no longer able to learn this.

ANALYSIS

Based on the findings from interviews conducted on February 25 and 29 2024. Researchers obtained interview results from three traditional traders in the Market ikan lama Medan. In these three interviews the researcher obtained the following results:

UD Zubaidi in his trading business in this era of globalization, he said that in adapting to this era of globalization, he implemented a system, namely discounts, delivery, and analysis of what goods were needed at that time, which could make the results of his trading business survive in the future. COVID-19 where customers need a lot of medicines etc. And this succeeded in making the trading business run smoothly and work as usual. Although there are still obstacles in the form of changing prices and government policies.

Then, government policies during COVID-19 made it impossible for him to fully open his trading business, so he innovated his merchandise delivery system to adapt to these policies. According to him, this policy does not favor traditional traders because it was implemented suddenly.

The government must support the people's business sector with real policies that enable them to compete with large businesses which are usually more modern and elegant. One way is to revitalize traditional markets and limit the growth of fast-growing modern markets or retailers. If not, traditional markets will be left behind and the people's business sector operating there will be increasingly marginalized. (Wahab, 2016)

According to him, the results of the adaptation and innovation carried out by his trading business were quite effective in running his trading business during difficult times. The benchmark he uses is customers who have previously bought and become regulars at his place, who still buy and visit his business. All the adaptations and innovations he made are still used and have even added several loyal customers.

Soedy Sport, in this trading business, Soedy Sport uses technology in the form of online applications to promote, sell and reach new consumers for its shop. Soedy Sport admitted that the profits they get from this online application are not for profit, but as an adaptation of the digitalization of the sales process, and adaptation to developments in world global trade.

In the era of industrial revolution 4.0, the use of digital technology has become a necessity. All communities, including traditional traders, must adapt to the needs and desires of today's consumers. Therefore, traditional traders need to change their sales methods from relying on limited local consumers to using online marketing to reach a wider market. (Alfian et al., 2022)

Soedy Sport itself gave a little information about what is a bit of an obstacle in this era of globalization of trade, they complained that "Sometimes this technological adaptation has to be done slowly, and cannot be done quickly, so this is not something that everyone can learn and apply in traditional trading techniques."

According to Soedy Sport, the innovations and adaptations they made did not have much impact. What's the matter in terms of sales and in terms of the number of buyers, even though they don't really get significant sales from this online application system, they still have a shop in this online application.

Batik Shop, in the adaptation and innovation carried out by this trading business they prioritize the comfort of customers and the products they buy and sell, this is because since COVID 19 he feels that a few of his customers have started to no longer visit his trading place. When they realized this they insisted on placing

more importance on customer satisfaction, starting from quality, to service in their trade stores.

Service quality is the main factor that shapes customer satisfaction and creates loyalty. Service or service quality is measured by how well the services provided meet customer expectations. The quality offered by businesses in the market varies, as does the way customers assess the quality of the service. The quality of service in traditional markets is different from that in modern markets. Factors such as product completeness, price, and technology also influence service quality. Service quality can be divided into two: good and bad. Good service quality is an effort by business people to retain their customers. On the other hand, poor service quality makes customers disappointed with the products or services offered, so that they are considered less than satisfactory or do not meet customer expectations. (Sari et al., 2019)

Then, Toko Batik concluded that this trading business was unable to adopt it. How to compete in this era of globalization is difficult, because they have to deal with giant companies and government policies that sometimes do not favor traditional traders.

According to him, the dependence of the Batik Shop on its customers can be seen positively and negatively and has unequal benchmarks because the benchmarks for the success of this trading business can be crushed or lost due to regulations and current conditions. Nowadays, things are often changing and often these changes are not in favor of these traditional traders. However, according to Toko Batik, currently they have succeeded in stabilizing their trading business.

The results of the analysis of traders' success from the journal show that traders at the Medan Lama Fish Tax Traditional Market face several challenges and success factors in adapting to the era of globalization and digitalization.

Main Challenges:

1. Adaptation of Modern Technology:

Traditional merchants find it difficult to adopt modern technology for marketing and promotions. One of the main obstacles in learning new technology is the age factor.

2. Government policy:

Policies that often change and do not always help traditional traders are also a big challenge. One example is policies created during the COVID-19 pandemic that forced merchants to fully or partially close stores, requiring them to develop new delivery systems to survive.

Success Factors:

1. Customer service:

Focusing on good service to loyal customers really helps maintain and increase customer loyalty. This includes delivery services, discounts, and providing goods according to customer needs.

2. Marketing Innovation:

Although still on a small scale, some traders are starting to try marketing via social media. This shows an effort to adapt despite limited capabilities and resources.

3. Empathetic Relationships:

Contemporary online markets have no added value because traditional traders have the ability to establish personal relationships with customers through discussion and bargaining.

Traditional traders in the Market ikan lama Medan benefit more when they can build relationships with their loyal customers. They can remain competitive in this era of globalization by concentrating on good customer service and simple marketing innovations, although they face challenges in terms of impartial policy and technology adaptation. To help traditional traders compete with contemporary and online markets, the government must provide impartial policy support.

The results obtained from the analysis above can be concluded as follows: traders at the Market ikan lama Medan can compete in this era of globalization of trade which is full of change and innovation. The relationship of loyalty from customers to traders, where online stores and modern stores compete using brands, facilities and high digitalization technology. The way traders compete with all of this is with good service or relationships with their customers, because the nature of sales uses face to face methods or direct transactions, which means these traders must have high rhetorical values and empathy values towards their customers, so that from this empathetic relationship, an attachment is born between the customer and the trader, where this relationship is maintained well and gradually, from generation to generation so that the buying and selling process can take place successively. This results in a long-lasting relationship between the seller and the buyer, and from there these traditional traders compete and survive with modern traders or shops in this era of modern globalization.

CONCLUSION

Based on the exploration findings that have been obtained, it can be concluded that

traditional traders benefit more when they build good relationships with customers by: Preparing the availability of goods according to the interests of their loyal customers. Services that prioritize convenience for customers, in the form of price discounts and delivery of goods. . They also pay attention to responsibility for the goods they sell, for the comfort of their consumers. For their own sales media, traditional traders can use a little existing modern technology to facilitate buying and selling transactions and communicate with their customers. However, returning to the technique of dialogue with customers, this is because traders in traditional markets have one advantage, namely empathy from the seller to the buyer, which is the result of bargaining between both parties which will produce the right price for the buyer. the seller and for the buyer.

It can be concluded that traditional traders can compete in this era of modern globalized markets because of their good relationships with their customers. The results of this good relationship produce stable economic income and continue to compete well with global markets, thus making traditional markets remain relevant in the midst of globalization.

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