



ANALYSIS OF SOCIAL INTERACTION AS A SURVIVAL STRATEGY FOR TRADITIONAL TRADERS IN THE DIGITAL ERA

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ABSTRACT

This study aims to analyze the survival strategies implemented by traditional traders in the Monza Sambu tax in the social and cultural context in the digitalization era. The method used is qualitative with a descriptive approach, involving data collection techniques through in-depth interviews, observations involving several techniques such as direct observation, informal interviews, and documentation of physical conditions. This study found that traditional traders face significant challenges due to digital developments. In addition, traders also apply local cultural values to maintain their identity amidst the flow of modernization. The results of this study found that traders in the Monza Sambu tax face the challenge of transitioning to the digital market is not easy, although some traders realize the importance of the existence of online markets, but not all of them have the ability or facilities to sell digitally, this adds to the difficulty for them to continue to compete with the increasingly growing digital market, not only the transition to the digital market is a challenge for traders infrastructure and weather constraints are also challenges.

Keywords: social interaction, survival strategy, traditional traders, digital era

1. INTRODUCTION

Pajak Monza Sambu is a traditional market located in Medan City, Jl. Sambu No.67, Gg. Buntu, Kec. Medan Tim., Medan City, North Sumatra. As one of the markets that has been established for a long time, Pajak Monza Sambu has a significant role in the local economy, both as a place for transactions of daily necessities and as a social space that allows direct interaction between traders and buyers. The existence of this market is part of the lives of the surrounding community, not only as a place to shop but also as a place to meet, chat, and live traditions in local culture.

Traditional markets in Indonesia including Pajak Monza Sambu have an important role as the center of the community's economy. However, the development of technology and digitalization has brought major challenges for traditional traders. Many traders at Pajak Monza Sambu still rely on direct sales methods without utilizing digital technology, making it difficult to compete with e-commerce platforms that offer convenience and comfort to consumers.

Traditional markets such as Pajak Monza Sambu not only function as a place for economic transactions, but also as a space for socio-cultural interaction that strengthens relationships between individuals. The sustainability of traditional markets is essential to maintain local wisdom and cultural diversity in the context of urbanization and digitalization. This research is needed to understand how traditional markets can adapt and survive amidst digital market pressures, as well as to find effective strategies to improve the competitiveness and economic sustainability of traditional traders.

In addition, this market faces its own problems such as limited product variety, lack of trader knowledge about digital marketing, and inadequate infrastructure, such as poor cleanliness and drainage. These conditions, if not addressed immediately, could threaten the sustainability of traditional markets. However, Pajak Monza Sambu still has its own appeal through the family atmosphere and close social interactions between traders and buyers, such as the bargaining culture that cannot be found in e-commerce. This potential provides hope for increasing the competitiveness of traders through technology training, development of hybrid business models, and improvement of market infrastructure.

According to previous research by (Wulandari et al., 2024) in their research found that the application of digital technology can help traditional markets expand their market reach. However, they also noted that most traders still face challenges in terms of digital literacy and inadequate infrastructure. Nevertheless, traditional markets that implement digital marketing strategies have managed to survive and even increase their competitiveness in a market that is increasingly influenced by technology.

Furthermore, research conducted by (Istiarohmi, 2024) in his research on the Warujayeng Tanjunganom market in Nganjuk revealed that one of the keys to the success of traditional markets in competing with digital markets is the ability of traders to strengthen social relationships with their customers. The distinctive bargaining culture in traditional markets creates a more personal closeness between traders and buyers that is difficult to find in digital markets. This shows that local social and cultural interactions are still differentiating factors that strengthen the competitiveness of traditional markets.

According to research conducted by (Novianti et al., n.d.) traditional markets in Kedungwuni Market face a major impact from the shift of consumers to digital markets. This research shows that traditional market traders who adopt hybrid sales methods (offline and online) can increase their competitiveness by utilizing e-commerce-based technology. This opens up opportunities for traditional markets to survive despite being pressured by the rapid development of digitalization

(Wibowo et al., 2022) suggest that collaboration between traditional markets and digital platforms can improve traders' marketing performance. In this study, technology training for traditional market traders proved important to help them adapt to the development of the digital market. This study also emphasizes that the use of social media and e-commerce platforms can expand the market reach for traditional traders.

This study aims to explore the survival strategies of traditional traders in Pajak Monza Sambu to remain relevant amidst digitalization, while also providing practical recommendations that can be applied to other traditional markets in Indonesia.

2. RESEARCH METHOD

This research employs a qualitative methodology to examine the survival strategies of traders at Monza Sambu Market amid the challenges posed by digital market competition, as well as the influence of social and cultural interactions on the sustainability of traditional markets. Data collection techniques encompass direct observation of market activities, informal interviews with traders to examine their challenges and strategies, as well as their adaptation to digital technology. The study's subjects included traders, consumers, and social interactions within the market. The analysis involved data reduction to emphasize pertinent information, succeeded by a narrative presentation of the findings. Conclusions are derived from thematic and narrative analysis, highlighting patterns in trader strategies and the effects of digitalization. This study aims to analyze the survival strategies of traders, examine the influence of social interactions in traditional markets, and identify the challenges associated with the adoption of digital technology.

3. RESULT AND DISCUSSION

Traditional Markets are places where sellers and buyers meet and are marked by direct transactions between sellers and buyers and usually there is a bargaining process. With the existence of traditional markets, people will be very happy where the market provides many basic necessities and daily needs and of course the prices are also cheaper (Angkasawati & Devi Milasari, 2021).

Traditional markets are markets that have natural competitive advantages, strategic locations, large sales areas, a complete variety of goods, low prices, a bargaining system that shows the familiarity between sellers and buyers (Ketjil et al., 2022).

Monza Sambu Tax provides various daily necessities, such as clothes, shoes, bags, and household equipment, with the majority of goods being local products although there are also imported goods. Prices vary based on materials, quality, and models, while the bargaining process is often influenced by the closeness of traders and buyers, especially in the Batak ethnic community, this builds kinship relationships.

Bargaining is part of an economic action that cannot be separated from communication itself. Bargaining is communicating as a way to get the desired results. Input and output are important things about how messages can be conveyed. In this realm, bargaining is under negotiation (Nurmawaddah, 2022). If fellow Batak people meet and have the same clan, there is a tendency for prices to be lowered as a form of social and kinship relations, adding to the warmth of interactions between traders and buyers. Monza Sambu Market offers a variety of goods with quite a lot of choices. Product differentiation affects competitive advantage. This means that the better the product differentiation, the more competitive advantage it will increase (Kirman et al., 2022). However, most of the products sold in this market tend to be limited to local goods and do not follow current popular trends. Many shops in this market sell products with less varied choices, such as more classic clothes or old models, and are less in tune with the latest fashion trends.

Conversely, some other shops may offer more choices, but tend to stay on the same track and are less in keeping with changing trends that are in demand by consumers today. This makes it difficult for this market to compete with traders who are more active in following market trends and have more modern product variations.

Research by (Pertwi et al., 2024) shows that adopting a differentiation strategy to compete with e-commerce. They emphasize product quality and uniqueness of design to meet customer expectations. In addition, friendly personal service and special promotions for loyal customers are the main focus. With this strategy, traders try to maintain competitiveness with e-commerce, maintain good relationships with customers, and offer products that have advantages in the market.

Social interaction between sellers and buyers occurs because of mutual dependence that influences and benefits each other. Sellers need buyers to buy their merchandise, while buyers need sellers to provide the goods they need (Jannah, 2024)

The interaction that occurs between sellers and buyers, both in traditional markets and modern markets, is a form of trade transaction. This shows that the social interaction between sellers and buyers is classified as an associative social interaction with a form of cooperation (Panggabean, 2017). This social interaction is very important in maintaining the sustainability of traditional markets, because apart from being a place to shop, markets also function as a place to gather and share information.

The friendliness and personal interaction provided by traders at Pajak Monza Sambu are also important factors that make buyers feel at home and interested in returning to buy goods in the same place. Consumer buying interest is a consumer behavior where consumers have a desire to buy or choose a product, based on experience in choosing, using and consuming or even wanting a product (Nurjanah, 2022).

Traders in this market are known to be very friendly and sociable, friendliness is used to attract customers interpreted as sweet speech and attitude or sociable and pleasant both in speech and behavior in front of consumers or customers (Sihotang & Putri, 2022) in creating a warm and friendly market atmosphere. They don't just sell goods, but also establish social relationships with customers, offer products in a fun and pressure-free way.

According to the researcher, this study refers to Peter M. Blau's exchange theory which states that face-to-face interaction is to lay the foundation for understanding the social structure that develops and creates social forces that mark its development. Blau focuses on the exchange process that he believes governs most human behavior and underlies relationships between individuals and groups (Sufyanto, 2024).

This certainly attracts buyers to come back, often buying more than one item. In the interactions that occur in this market, price bargaining is also part of the enjoyable experience for buyers, creating a more personal relationship between traders and customers.

Although this market has a strong appeal to the public, Pajak Monza Sambu still faces its own challenges, especially in facing the rapid development of the digital-based economic market. E-commerce platforms such as Shopee, Tokopedia, Bukalapak, and similar platforms have changed people's consumption patterns, where online shopping is now considered more practical and efficient. For traders at Pajak Monza Sambu, the transition to a digital market is not easy. Although some traders realize the importance of

the existence of an online market, not all of them have the ability or facilities to sell digitally.

Many traders are still accustomed to face-to-face transactions and do not really understand how to use technology to support their business. This adds to the difficulty for them to stay competitive with the increasingly growing digital market.

Most traders in Pajak Monza Sambu feel that the digital era has not affected their buying and selling activities too much, because this market has its own appeal and trends that are still in demand. Even though they do not sell online, their merchandise still sells well. However, some traders complain about the negative impacts of digitalization, such as decreasing turnover because the price of goods on digital platforms is cheaper, making it difficult for them to compete and causing some traders to go out of business.

Some traders are aware of the development of the digital era, but still stick with traditional sales methods. This is due to limited technological knowledge (*gaptek*) among traders who are also reluctant to switch to digital platforms. In addition, selling directly in the market provides its own advantages, because every day there are always buyers who come to Pajak Monza Sambu.

From the buyer's side, the opinion is that many of them prefer to shop directly at Pajak Monza Sambu because they can choose goods, such as clothes, shoes, accessories, and other needs according to the desired quality and price. The flexible bargaining process is also a separate attraction. Not surprisingly, Pajak Monza Sambu still has its fans ranging from students who like to hunt for thrift clothes to parents who make it their favorite shopping center.

However, traders must be able to follow developments in society by utilizing digital marketing as the right strategy to expand their market reach because the main reasons are ease of accessing the internet, having many benefits, and low costs (Natania & Dwijayanti, 2024).

The Monza Sambu Market faces infrastructure problems, especially poor cleanliness and drainage. Clogged drainage causes puddles and muddy conditions during the rainy season, reducing visitor comfort. In addition, the lack of facilities such as toilets and smooth circulation space makes the market less comfortable. Nevertheless, this market remains crowded every day, especially on big days or weekends, because the prices are affordable and the product quality is adequate. Easy accessibility thanks to the presence of public transportation stations around the market is also an advantage, although traffic jams around the market area are an obstacle for visitors.

In addition, the social interactions that occur in this market are also very interesting to observe. Traders often interact directly with buyers, provide information about the products being sold, and negotiate prices. Negotiation is a process in which two or more parties exchange goods or services and try to agree on the exchange rate (Utami, 2017). There is a close relationship between traders and regular buyers, who often communicate more than just buying and selling transactions, this creates a more personal atmosphere that is difficult to find in online markets.

Traders at Pajak Monza Sambu implement several strategies to survive in the midst of digital market competition. Competitive strategy is a pattern or plan that integrates the main objectives of the company with policies that aim to strengthen the position of products and services in the industry. Through this strategy, companies can strengthen

their influence in order to survive, increase their strength, and optimize their performance in the market. Developing a competitive strategy includes efforts to create effective methods to deal with competitors, carry out the process of achieving company goals, and determine strategic steps to achieve predetermined targets (Hintoro & Fritz Wijaya, 2021).

They rely on direct promotion by highlighting product quality and explaining its advantages to attract buyers. In addition, good relationships with customers are key, by offering special prices for loyal buyers, which strengthens loyalty and closeness. Reliance on market crowds is also a major strategy, especially on big days or weekends, although many traders feel left behind in terms of technology and have difficulty utilizing digital platforms to sell.

Pajak Sambu's market opportunities are influenced by several factors. Consumer demand for affordable imported used clothing is the main attraction, especially for those looking for a frugal alternative. Affordable prices are also a magnet for visitors, with goods sold starting from IDR 5,000 to IDR 50,000, as well as a pleasant bargaining experience. The strategic location in the center of Medan and accessibility to public transportation add to the convenience of visitors. The variety of products, including second-hand clothing and everyday items, as well as the phenomenon of "Monza clothing", provide additional appeal. Overall, this combination of factors makes Pajak Sambu a desirable market, with great opportunities for traders to thrive in a competitive environment.

4. CONCLUSION

Pajak Monza Sambu remains the main choice of the community despite facing challenges from the development of the digital era. The uniqueness of this market lies in the warm social interaction between traders and buyers, the family atmosphere, the culture of bargaining, and the personal and humane shopping experience. These factors are the main attractions that cannot be replaced by digital platforms. Many traders continue to survive by relying on direct promotions and good relationships with customers, which help maintain buyer loyalty and keep market activity busy.

However, amidst these advantages, Pajak Monza Sambu also faces a number of obstacles, such as a lack of product variety, traders' limitations in adopting digital technology, and market infrastructure problems such as poor cleanliness and drainage. The failure of some traders to switch to digital platforms is a major challenge that must be overcome immediately so that this market remains competitive in the future.

To ensure its sustainability, innovative steps are needed such as technology training for traders, infrastructure improvements, and the development of digital-based business models that can complement traditional sales methods. By adopting this strategy, Pajak Monza Sambu can maintain its existence as a trading center that relies on social interaction while competing in the modern economic ecosystem.

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