



SURVIVAL STRATEGIES OF TRADITIONAL MARKET TRADERS IN THE DIGITAL ERA: A CASE STUDY ON THE TRANSFORMATION TO MODERN MARKET

Devia Syahfitri Br Purba¹, Hafiz Yazid Tanjung², Murniati Arinda Saragih³, Putri Dwi Permatasari⁴

^{1,2,3,4}Universitas Islam Negeri Sumatera Utara, Indonesia

*Corresponding Author: hafizxcr6@gmail.com

Article Info

Article history:

Received :

Accepted :

Published :

Available online

<http://aspublisher.co.id/index.php/perspektif>

E-ISSN: 3063-3494

How to cite:

Purba et al., (2024). "Survival Strategies Of Traditional Market Traders In The Digital Era: A Case Study On The Transformation To Modern Market". *Perspektif: Journal of Social and Library Science*, vol. 2, no. 3, pp. 165-170, 2024. doi: 10.70489/perspektif.



This is an open access article under the [CC BY-SA](https://creativecommons.org/licenses/by-sa/4.0/) license

ABSTRACT

This study seeks to examine the survival strategies adopted by traditional market traders in the digital age, concentrating on the evolution of the Usus Tax Market into a contemporary marketplace. In recent years, the advancement of digital technology has influenced nearly all areas of life, including the trade sector. Traditional markets, which originally relied on direct face-to-face interactions between traders and consumers, are currently encountering new challenges stemming from advancements in information technology and e-commerce platforms. This research employs a qualitative methodology, utilizing a case study approach to examine the Gut Tax Market, which has undergone a transformation into a contemporary market from both physical and digital viewpoints. The research findings indicate that traders at the Usus Tax Market have implemented a range of strategies, including the utilization of social media, online shopping applications, and the advancement of digital payment systems to enhance their competitiveness. In addition, alterations in consumption patterns and market preferences are significant factors that impact traders' survival strategies. This research offers valuable insights into the ways traditional markets can endure and evolve in response to technological advancements while maintaining their unique attributes and sustainable viability.

Keywords: Survival Strategy, Traditional Markets, Digitalization, Market Transformation, Pajak USU

1. INTRODUCTION

In the digital era has brought significant changes in various aspects of life including in the trade sector. Many consumers are now turning to digital platforms for shopping, which causes challenges for traditional market traders, this study focuses on how traditional market traders can adapt and survive amidst these changes. Traditional markets, such as Pajak USU have unique characteristics and unique ways of transacting, different from

modern markets. This study seeks to understand the dynamics between the two types of markets, as well as how traditional market traders can take advantage of the opportunities that exist in modern markets. In facing the challenges of digitalization, traditional market traders need to develop effective strategies to survive. This can include the use of technology, product development, improving customer service, and innovation in marketing. This study aims to identify and analyze these strategies. Focusing on Pajak USU as a case study provides a relevant local context. This study can explore the specific factors that influence traders in that location, as well as how brands respond to changes that occur in their trading environment. Traditional market traders have an important role in the local economy and social sustainability. This study can also provide insight into how their sustainability can contribute to the economic and social stability of the community (Alexandro, 2023).

Pajak USU, as one of the traditional markets in the city of Medan, is currently undergoing a significant transformation towards a modern market. Around 50% of traders at Pajak USU have implemented a digital payment system through QRIS (Quick Response Code Indonesian Standard), as part of an effort to adapt to the increasingly widespread digital-based economic changes. However, most traders who are 50 years of age and over still face difficulties in operating the technology, known as *gaptek* (technological failure). This causes a gap between traders who have adapted to technology and those who have not, thus hampering the ability of traditional market traders to compete in an increasingly digital market (Anas, 2022).

In addition, one of the main challenges faced by traders at Pajak USU is the lack of visitors that has occurred recently. This phenomenon of a market with few visitors leads to decreased income and increased economic difficulties for traders who previously relied on the presence of physical visitors to carry out their buying and selling activities. This situation is becoming increasingly critical considering the competition with digital markets that are more efficient and can be accessed anywhere and anytime.

The transformation of traditional markets into modern markets is not just a physical change, but also a change in social, cultural, and economic aspects. In the context of Economic Sociology, this change has major implications for people's consumption patterns, social relations between traders and consumers, and its impact on purchasing power and economic transaction patterns. The problem of inequality in technology adoption between younger and older traders can exacerbate social and economic disparities in society. On the other hand, the quiet market is an indicator that traditional market business capital must adapt quickly to survive, or they will be displaced by a more flexible and efficient digital market business model. Therefore, it is important to understand and find the right survival strategy for traditional market traders in facing the challenges of this digital-based market.

This study is expected to provide solutions that can be applied by traditional market traders, especially in USU tax, to survive amidst the challenges of digitalization and economic change. Based on initial data obtained from interviews with traders, there are several determining factors that can help solve this problem, including the Implementation of the QRIS Payment System by some traders shows that there is great potential to introduce technology more widely to older traders. With proper training and mentoring, this technology gap can be bridged. Although visitors are decreasing, there is hope that utilizing social media and digital platforms for product promotion can increase

the number of visitors and transactions. Several young traders have started to use technology to introduce their products to a wider market. Traditional market traders generally have strong social ties. Community support can be a key factor in encouraging more effective technology adoption and survival strategies.

2. RESEARCH METHOD

Research This research uses a qualitative research method with a case study approach. This study focuses on one specific location, namely USU Tax, to analyze in depth how traditional market traders adapt to digital change. The case study approach allows researchers to explore the experiences, challenges, and strategies implemented by traders in dealing with technological developments. The qualitative approach was chosen because it provides the flexibility to explore phenomena in detail in a natural context. The focus is on understanding the processes and meanings underlying traders' actions, not just the end result. Thus, this method is suitable for understanding the complexity of traders' adaptation to digital transformation, which involves social, economic, and cultural aspects (kembang, 2024).

This research was conducted with ethical principles in mind, including maintaining the confidentiality of informants' identities and obtaining their consent before collecting data. This approach ensures that the data obtained is valid and relevant to the research objectives.

3. RESULT AND DISCUSSION

Description of Research Location

Pajak USU is one of the traditional markets located in the University of North Sumatra, Medan area. This market has been the center of local trade activities for a long time and has an important role in the economy of the surrounding community. Pajak USU offers a variety of goods, ranging from daily necessities such as food, clothing, to electronic goods. The diversity of these products makes Pajak USU the main choice for the community, both students and local residents (pertiwi, 2024).

Traders at Pajak USU are mostly local traders who have simple economic backgrounds. Many of them have been selling for years and make Pajak USU their main source of income. They rely on loyal customers who are mostly students and university staff, although there are also buyers from outside the campus community.

This market has a typical traditional market atmosphere, where interactions between traders and buyers take place directly. The bargaining process is one of the characteristics that creates a unique experience for buyers. However, challenges arise along with the increasing competition from modern markets and e-commerce that offer convenience and competitive prices.

In addition, Pajak USU's infrastructure still needs improvement. Facilities such as parking, sanitation, and waste management are often complaints from both traders and buyers. However, the appeal of this traditional market remains strong thanks to its social atmosphere that cannot be found in modern markets.



Figure 1.1 Pajak USU

Pajak USU Traders' Survival Strategy

Traders at USU Tax implement various strategies to survive amidst the challenges of modernization. One of the main strategies is to offer unique products that are not easily found in modern markets, such as traditional North Sumatran food and handicraft products. This attracts buyers who are looking for authentic goods with a touch of local culture.

In addition to product innovation, traders have also begun to utilize digital technology to expand their market reach. They use social media such as Instagram, Facebook, and WhatsApp to promote their products. This platform allows traders to reach a wider range of consumers, including those who do not always visit the market in person.

The digital payment system has also begun to be adopted by several traders. The use of QRIS (Quick Response Code Indonesian Standard) provides convenience for buyers, especially the younger generation who are more familiar with digital payment methods. However, the implementation of this technology is still hampered by the lack of digital literacy among traders, especially those who are older.

As part of the survival strategy, traders also pay attention to customer loyalty. They strive to provide friendly and personal service to create a pleasant shopping experience. This strategy has proven effective in retaining loyal customers, even amidst competition with modern stores and e-commerce.

4. CONCLUSION

Based on the results of interviews and observations that have been carried out, it can be concluded that the strategies carried out by traders in the Sukaramai market include the Survival Strategy of Traditional Market Traders in the Digital Era, namely Traders at the USU Tax Market are able to adopt several strategies to survive the challenges of digitalization. These strategies include product innovation, utilization of social media for promotion, and adoption of digital payment systems such as QRIS. However, obstacles such as limited digital literacy among older traders are challenges that need to be overcome.

Implementation of Product and Technology Innovation, namely Traders introduce authentic and quality local products to attract customers. Social media such as Instagram and WhatsApp are used to reach a wider range of buyers, although digital literacy still needs to be improved. The Importance of Social Interaction, namely Close social relationships between traders and buyers remain the main advantage of traditional

markets. Customer trust and loyalty built through direct interaction provide an attraction that is difficult to imitate by e-commerce. Collaboration and Community Support are carried out through cooperation between traders in the form of bazaars and joint promotions to help increase market competitiveness. The community is also an important supporter in bridging the technology gap.

References

- Alexandro, R., Hariatama, F., & Yeriana, Y. (2023). Strategi Pedagang Pasar Kahayan Dalam Meningkatkan Pendapatan Saat Pandemi Di Palangka Raya. *Jurnal Ilmiah Kanderang Tingang*, 14(1), 174-184.
- Anas, A. T., & Ashari, A. (2022). Smart Traditional Market Traders; Peluang Bisnis Kreatif & Inovatif Di Era Digital. *INVESTI: Jurnal Investasi Islam*, 3(1), 347-356.
- Azky, A. (2021). Strategi Bertahan Pedagang Pasar Tradisional di Masa Pandemi Covid-19 (Studi Kasus di Desa Jejeg, Kecamatan Bumijawa, Kabupaten Tegal) (Doctoral dissertation, IAIN Purwokerto).
- Elise, A. C., & Hadiwono, A. (2024). KONSEP DIGITAL HYBRID PADA RANCANGAN UNIT KIOS DI PASAR GROGOL-JAKARTA BARAT. *Jurnal Sains, Teknologi, Urban, Perancangan, Arsitektur (Stupa)*, 6(1), 61-70.
- Febriani, D., Harahap, F. R., & Sinabutar, M. J. (2023). Strategi bertahan pedagang konvensional di tengah perkembangan online shop (studi kasus pedagang konvensional di pasar Belinyu). *Triwikrama: Jurnal Ilmu Sosial*, 1(4), 60-70.
- Hanipah, A. M. (2024). STRATEGI MEMPERTAHANKAN USAHA PEDAGANG DITENGAH PERKEMBANGAN ERA DIGITAL MENURUT MARKETING SYARIAH (Studi Pada Pedagang Pasar Tradisional Modern (PTM) Kota Bengkulu) (Doctoral dissertation, UIN FATMAWATI SUKARNO BENGKULU).
- Hersono, M. T., Sa'diyah, H., Musarofah, S., Ulfa, M. A., & Yusuf, M. F. (2023). Strategi Pemasaran Konvensional Pada Usaha Mikro dan Menengah Nata De Coco di Era Digitalisasi. *Jurnal Ilmiah Ekonomi Dan Manajemen*, 1(3), 380-388.
- Hisyam, C. J., Putri, A. N., Melani, A. R., & Nabila, S. R. (2024). Strategi Kebertahanan Pedagang Kopi Kaki Lima di Wilayah Rawamangun pada Era Digital: Analisis Berdasarkan Teori Pierre Bourdieu. *Journal of Creative Student Research*, 2(3), 52-66.
- Kembang, L. P., & Kalbuadi, A. (2024). Meningkatkan keterampilan pemasaran bagi pedagang pasar tradisional. *Jurnal Pengabdian Masyarakat: Pemberdayaan, Inovasi dan Perubahan*, 4(3).
- Lubis, F. A., & Tambunan, K. (2024). Strategi Bertahan Pedagang Pakaian Di Pasar Tradisional Nagari Ujung Gading Di Tengah Perkembangan E-Commerce Dalam Perspektif Ekonomi Islam. *Al-Mutharahah: Jurnal Penelitian dan Kajian Sosial Keagamaan*, 21(02), 599-674.
- Muchtar, S., & Damayanti, S. (2024). Pelatihan Pengelolaan Keuangan dan Digitalisasi Pemasaran Bagi UMKM di Pasar Tradisional Ceger-Tangerang Selatan. *Dirkantara Indonesia*, 2(2), 133-142.
- Pertiwi, D. I., Nurbaiti, N., & Dharma, B. (2024). Strategi Pedagang Tradisional Pakaian Fashion Muslim dalam Menghadapi Transformasi Digital Bisnis. *Ganaya: Jurnal Ilmu Sosial dan Humaniora*, 7(3), 282-293.

-
- Rizal, M. S. (2023). PERSEPSI PEDAGANG KONVENSIONAL DI PASAR BLAURAN SURABAYA TERHADAP TREN IMPLEMENTASI E-COMMERCE TIKTOK SHOP. *Kultura: Jurnal Ilmu Hukum, Sosial, dan Humaniora*, 1(5), 34-44.
- Siahaan, M. M., & Bila, R. (2024). ANALISIS PENGARUH E-COMMERCE TERHADAP KEBERLANJUTAN PASAR TRADISIONAL DI KOTA TANGERANG. *ADI Pengabdian Kepada Masyarakat*, 5(1), 42-48.
- Susilawati, S., Zain, R., Muhammad, F., Sholihah, I., & Aini, S. H. (2024). Strategi Bertahan Pedagang Kue Basah dalam Upaya Menghadapi Persaingan Online Shop Di Desa Sikur Kabupaten Lombok Timur. *JPEK (Jurnal Pendidikan Ekonomi dan Kewirausahaan)*, 8(1), 374-381.
- Telaumbanua, A., Tumengkol, S., & Lasut, J. J. (2023). Strategi Pedagang Tradisional Di Era Pemasaran Online Di Pasar 45 Kota Manado. *JURNAL ILMIAH SOCIETY*, 3(2).