

THE TRADITIONAL MARKET DEVELOPMENT STRATEGY IN NORTH SUMATRA WITH AN ISLAMIC ECONOMIC PERSPECTIVE



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Abstract

There are various types of traditional market revitalization taking place in Indonesia, and not all traditional markets are successful after being revived. One of the reasons why not all old markets are successful after revitalization in Indonesia is because there are no guidelines or standards for revitalization. This research aims to see how traditional market development strategies exist in North Sumatra. The method used is SWOT with data collection techniques in the form of in-depth interviews and focus group discussions. Participants in this research were related government agencies, related agencies, academics, and consumers of traditional market traders. The weaknesses of traditional markets in North Sumatra are the inappropriate market location, inadequate facilities and sanitation, lack of use of digital markets and online transactions. The obstacles are the lack of orderly culture in society in carrying out trade transactions in traditional markets, the existence of extortion, and the existence of modern markets. For strength, namely being able to provide awareness of orderly shopping, being able to create clean and safe traditional markets, and maintaining local wisdom. The opportunities available include support from the local government and related agencies, technological developments, and digital market developments. This research recommends that there is a need for appropriate regulations and sustainable programs for the development and existence of this traditional market.

Keywords: Development Strategy, North Sumatra, SWOT, Traditional Market

INTRODUCTION

North Sumatra is one of the provinces in Indonesia which also has a large number of traditional markets. Of course, with many traditional markets, people will be able to interact with buying and selling more intensely, so they can compete with supermarkets and malls in the surrounding areas. Based on the data above, the number of traditional markets in North Sumatra is around 858 traditional markets. This shows that many trading activities are carried out in traditional markets. However, many traditional markets on the island of Sumatra still have facilities that do not meet national standards. This is based on the BPS survey results report (2019), according to traders' perceptions, 94.29 percent of markets in Sumatra are included in quadrant 1, which indicates that the majority of markets have inadequate and unclean facilities or markets do not yet have public facilities according to national standards. In fact, only 1.90 percent or 2 traditional markets exist. The following are the results of the 2019, BPS survey which describes the situation and conditions of traditional markets in North Sumatra according to traders' perceptions.

Table 1
Profile of North Sumatra Traditional Markets Based on Traders' Perception

No	Profile	Description	Score
1	Percentage of traditional market presence around traditional markets, 2019	≤ 1 km	57,14
		$1 \text{ km} < x \leq 5$ km	38,1
		> 5 km	4,76
2	Percentage of shopping center presence around traditional markets, 2019	≤ 1 km	38,09
		$1 \text{ km} < x \leq 5$ km	38,1
		> 5 km	23,81
3	The existence of the Minimarket	≤ 1 km	85,71
		$1 \text{ km} < x \leq 5$ km	14,29
		> 5 km	0
4	Transportation Access	Easy	92,42
		Difficult	7,58

5	Facility Qualification According to Trader Perception	Score	Average	1,44
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Source: BPS data processed, 2022

Building conditions and market cleanliness are still serious problems faced by traditional markets. Apart from that, the large number of street vendors selling around the market adds to the density of the market layout. On the other hand, traders are subject to levies and rental fees, so traders should get complete market facilities. Complete facilities mean the availability of all facilities in accordance with established standards, adequate (facilities can function well) and clean (facilities can be used comfortably because they are not dirty or smelly); Besides the condition of these facilities, it can attract consumer visits to traditional markets. This is certainly one of the factors causing consumers to prefer shopping in supermarkets and shopping centers. So, concerns arise about the existence of these traditional markets.

Traditional markets need to be revitalized so that their existence continues. This can be done by paying attention to the shape of the building, its spatial layout, the number of existing vendors, infrastructure, market location and accessibility (Qoriah, 2014). In this case, the government has attempted to revitalize traditional markets in an effort to maintain their sustainability amidst the development of supermarkets and retail malls. Regulation of the Minister of Trade of the Republic of Indonesia No. 70 of revitalizes markets by improving the physical structure and market management practices to increase competition, improve the welfare of traders, and facilitate efficient logistics and distribution of materials needed by the community 2013 (Peraturan Menteri Perdagangan RI No. 70/MDAG/PER/12/2013, 2013).

As in the research of Sentanu, et. al. (2021) reported the need for a traditional market revitalization program based on market needs and conditions, socialization and human resources. Bakhri (2017) also reported that there is a need to revitalize traditional markets in order to increase the competitiveness of traditional markets in accordance with the priority steps that must be taken. This is also supported by research by Pahlevi, et. al (2023) who

reported that the revitalization of traditional markets is an important policy designed to reduce unhealthy competition between traditional markets and modern businesses.

However, there are still various types of traditional market revitalization taking place in Indonesia, and not all traditional markets are successful after being revived. One of the reasons why not all old markets are successful after revitalization in Indonesia is because there are no guidelines or standards for revitalization. A number of initiatives to develop traditional markets have begun to be carried out in North Sumatra. As PUPR Minister Basuki Hadimuljono has said, currently the government is paying close attention to traders with traditional market development programs so that economic recovery after the Covid-19 pandemic can run more quickly (liputan6.com, 2022).

Fahmi, Arifianti, and Hakim (2023) in their research on traditional markets as a process of interaction between communities to create prosperity. However, the development of modern retail has entered the suburbs since the release of the trade deregulation policy in 2008. If there are no systematic efforts to understand the characteristics and existence of traditional markets and traders, the livelihoods of around 12.6 million traditional market traders will be threatened. One way for traders to overcome the risk impact of trade deregulation policies and post-pandemic conditions is to create an inventory strategy to improve their business operational performance.

This is interesting to see because there are many traditional markets in North Sumatra that still need to be developed even from an Islamic economic perspective in order to provide prosperity for society in general and the Muslim community. What are the actual obstacles and weaknesses experienced by traditional markets in North Sumatra and what strengths and opportunities do traditional markets in North Sumatra actually have? So, researchers are interested in researching traditional market development strategies in North Sumatra with an Islamic Economic perspective.

REVIEW OF LITERATURE

Development Strategy Concept

Strategy is the actions used to achieve goals based on an examination of internal and external elements. The organizational strategy of a company or company is a means of generating significant profits; In contrast, the strategy of a non-profit organization or company is a means of ensuring the satisfaction of its members. Science includes organizational development. The future development and progress of various types of organizations will depend on how quickly they can adapt to environmental changes (Winardi, 2015).

Strategy is the direction or path that an organization will take in order to carry out its mission towards achieving its vision. According to the Big Indonesian Dictionary (KBBI), strategy is the science and art of using all resources to implement certain policies in war or peace. Explicitly, strategy is an action plan that describes the allocation of resources and other activities to respond to the environment and help the organization achieve its goals (Muljono, 2012).

Meanwhile, Armstrong's formulation of strategy is about setting goals (strategic objectives) and allocating/adjusting resources to opportunities (resource-based strategy) so that effective suitability and strategy implementation can be achieved depending on the organization's strategic capabilities which will include the ability, not only to formulate objectives. strategy but also to develop and implement strategic plans through the strategic management process (Kotler & Armstrong, 2016). In essence, strategy is a choice to carry out different activities or to carry out activities in a different way from competitors.

Traditional Market

Markets can be described as locations where buyers and sellers interact, where products or services are prepared for sale, and where property rights are then transferred (Stanton, 1984). In the Minister of Trade Regulation No. 53/M-DAG/PER/12/2008, it is explained that traditional markets are markets built and managed by the government, regional government, private sector, state-owned companies and regional-owned companies, including collaboration with the private sector, sectors and business premises in the form of

shops, kiosks, kiosks and tents owned/managed by small, medium, non-governmental or cooperative traders with small scale businesses, small capital and with the process of buying and selling merchandise through bargaining.

The existence of a market has a very important function. For consumers, the existence of a market will make it easier to obtain goods and services for daily needs. As for producers, the market is a place to facilitate the process of distributing produced goods. Apart from that, other market functions are as a place for distribution, setting prices, forming creativity, and controlling a country's economy (Widiandra & Sasana, 2013).

Infrastructure problems that are still a serious problem in traditional markets are the condition of buildings, poor cleanliness and waste disposal, lack of parking space, and poor air circulation. Not to mention the increasing number of street vendors (PKL) which automatically harms traders selling in the market environment who have to pay full rent and levies. Street vendors sell merchandise that is almost the same as all the products sold in the market.

Thus, most buyers do not need to enter the market to shop because they can buy from street vendors outside the market. Apart from that, what is also the cause of the lack of development of traditional markets is the lack of carrying capacity of the characteristics of traditional traders, namely poor planning strategies, limited access to capital due to insufficient collateral, the absence of a community economy (economies of scale), lack of there are collaborations with large suppliers, poor procurement management, and an inability to adapt to consumer desires.

The existence of traditional markets in urban areas from time to time is increasingly threatened by the increasing number of modern market developments. The construction of minimarkets and modern markets that have provided comfort facilities in the community can have a negative impact on the community's economy, especially people who have low economic conditions who do not earn much income from sales of their trade. This is proof of how the modern market development process is able to provide more adequate comfort and facilities which tend to be detrimental to many parties (Candrawati, 2015).

Development and Existence of Traditional Markets

Organizational development is part of science. In the future, various types of organizations will only develop and progress if they respond quickly to the current of changes that occur. The demand to realize change can arise from two sources, namely from within the organization, it must always be sensitive to the aspirations, desires, demands and needs of various groups known as interested parties (Aziz, 2012).

Development in organizational management theory is defined as organizational development which includes a series of actions by the top management of an organization, with the participation of organizational members, in order to carry out a process of change and development in the organization concerned, up to the current conditions, through a process that takes place over time, various kinds of changes can be implemented, until ultimately a more satisfactory condition is achieved and more in line with environmental demands.

Other development strategies that can be carried out include research by Sungkyun (2018) which reports that in Korea, although traditional markets have played an important role in local distribution, this role has decreased due to the existence of large shopping centers, discount shops, both of which provide parking spaces, comfort and various services in the new city center, thereby creating a local economy. However, recently, there are several traditional markets that are trying to overcome this with local marketing strategies by improving traditional brands, markets, product quality and distribution efficiency.

Traditional market resilience, namely the ability of traders to continue their business, while the indicators used are business continuity, namely the continuity of the business being run, profits, and the ability to pay debts. The existence of traditional markets consists of several studies which are further explained into several variables, the first of which is seen from the characteristics of traditional markets, where the characteristics of traditional markets are seen again from several studies, namely market infrastructure, consumer characteristics, commodities and market activities. The existence variable of the market has a very vital position. The market becomes an intermediary between producers, distributors (agents) and

consumers. Only with the functioning of market mechanisms can the dynamics of economic activity in a society produce prosperity for the individuals within it.

There are several techniques that the government needs to pay attention to in maintaining the existence of traditional markets, including building facilities and remodeling market buildings, expanding market management capabilities, completing market assistance programs, structuring and coaching markets as stated in presidential regulation No. 112/2007 and optimizing land use market. Business competition between modern markets and traditional markets is full of dynamics.

Sentanu, et. al (2021) reports that the revitalization of traditional markets is an effort made by the government to encourage economic development, regional original income. Providing a strategy for adjusting human resources involved in the traditional market revitalization program. Pahlevi, et,al (2023) also reported that the revitalization of traditional markets is an important policy designed to reduce unhealthy competition between traditional markets and modern businesses. So that traditional markets can be revived in accordance with the UN's Sustainable Development Goals (SDGs) program and by implementing corporate governance principles.

Apart from revitalization, there are other development strategies that can be carried out, such as research by Sungkyun (2018) which reports that although traditional markets have played an important role in local distribution, this role has declined due to the existence of large shopping centers, discount shops, both of which provide Convenient parking and various services in the new city center create a local economy. However, recently, there are several traditional markets that are trying to overcome this with local marketing strategies by improving traditional brands, markets, product quality and distribution efficiency.

In their study from 2023, Netti and Erianjoni (2023) look at how the Indonesian city of Pariaman organizes its traditional markets. The findings of this study demonstrate that: (1) infrastructure such as playgrounds can be an attraction, (2) good organizational governance, (3) Able to create tourism-based innovation, (4) Provides flexibility to rent shops for yellow visitors. card holders to get full benefits from sales proceeds, (5) conducting outreach to all yellow card holders, (6) repairing leaky buildings, (7) conducting training to improve

employee performance, (8) making regulations regarding shop rental fees, (9) increasing supervision so that visitors are more comfortable, (10) Improving facilities and infrastructure in traditional markets in dealing with home industries (11) Involving security officers in carrying out their functions in controlling morning market traders and street vendors around the Pariaman traditional market, (12) take action against individuals who determine kiosk rental prices outside the arena (13) increase supervision. This means that the Pariaman government needs to take better steps and strategies.

The research by Syaipudin and Awwalin (2023) illustrates the issue with conventional markets' negative public perception. The government gives historic markets extra attention by revitalizing them as a way of developing the market into a more structured and enticing venue or area for the community. The findings of this study are: 1) The renovation program's effects on the business climate of the traders have been positive for the neighborhood; this revitalization will dispel the image of traditional markets as stinky, dilapidated, and filthy. 2) Problems and solutions for the trader's program to reduce sales turnover, including problems with HR management that still can't compete in the contemporary market. Keep up with the times by offering outstanding service and cleanliness is the only way for merchants to succeed in this day and age. 3) Supporting and inhibiting factors for the sales turnover revitalization program for traders, including challenges related to increasingly intense competition between traders and declining turnover as a result of loss of subscriptions; supporting factors include the need for government cooperation to provide restrictions on block traders so that they are orderly and make it easier for consumers to choose goods in order to avoid competition that can be harmful to each of the traders.

The study by Wang, Woodside, and Yu (2021) examined the possibility of social networking site (SNS) marketing initiatives boosting traditional market sales. In order to determine if SNS marketing initiatives enhance overall customer outcomes, they apply customer equity drivers (value equity, brand equity, and relationship equity) to the situation. On customer loyalty intents and future traditional market performance, the impact of customer equity determinants is investigated. According to the study's findings, SNS marketing initiatives aid in boosting client equity, which in turn boosts future purchases and customer loyalty intentions.

Using an Islamic economic perspective, this study by Djayusman, Nugraha, and Umam (2018) examines conventional market development tactics used by local governments. The study's findings are as follows: First, changes in the number of traders need the development of new infrastructure. Second, Songgolangit's company growth plan may be implemented in two ways: through material and non-material components. A key consideration is raising financing for your firm. Developing business literacy and entrepreneurship are non-material characteristics. Third, the role of regional governments in administering traditional markets and limiting their location, distance, and operating hours is crucial for regional rules (PERDA) that oversee street vendors (PKL), traditional markets, and contemporary markets. The fourth approach is the traditional one, which involves infrastructure upgrading and technical advancements in marketing.

Wahyudi (2019) explains that traditional markets are a form of people's economy and are also one of the pillars of the national economy in Indonesia. The condition of most traditional markets is dirty and uncomfortable for shopping, but they are still busy with buyers. The research results show that the development of traditional markets is carried out by market managers through revitalization of traditional markets which aims to increase market competitiveness and reactivate traditional market activities so that they can compete with modern markets. Analysis of market development strategies in increasing trader satisfaction in the Arriyadh market includes four aspects including social aspects, non-physical aspects, economic aspects and physical aspects. From the analysis of these four aspects, traders feel dissatisfied, because the system for follow-up on complaints and suggestions is slow, facilities and infrastructure are not yet optimal and traders' welfare in terms of income is not optimal (decreasing).

In order to determine the internal and external circumstances of the Guntur Ciawitali Garut Market and to determine the strategy for improving the Guntur Ciawitali Garut Market, Muharam, Susilawati, and Sarofah (2023) conducted their research at one of the Main Markets, a kind of traditional market in Garut. The study's findings indicate that both external and internal factors affect the Guntur Ciawitali Garut Market. In particular, external factors include the market's strategic location, its ability to attract customers from all demographics,

the persistence of a culture of haggling, efforts to develop the market, the diversity of its offerings, and its low prices.

According to Larasati and Rohman (2023), traditional markets are disadvantaged as a result of rivalry between contemporary and traditional marketplaces. A traditional market revitalization program was developed by the central government as a result, with the intention of improving traditional markets and closing the gap between them and contemporary marketplaces. The Malang City Government developed innovations such the Sekolah Pasar Rakyat Pedagang Cerdas (Sepasar Pedas), Penerapan inovasi e-retribusi, Pencanaan Pilot Pasar Digital, and Gerakan ASN Sobo Pasar. Movement in addition to totally renovating the actual market building. Budget restrictions, unclear communication with investors, rejection by market participants, and issues with market administration were the challenges experienced.

According to Hamid (2022), traditional markets are under danger as a result of the extensive growth of contemporary marketplaces. In order to provide comfort and retain customers, the right strategy for managing traditional markets is to increase the satisfaction of traders at Lembung Market by maintaining and improving services and the cleanliness of the market environment. Managers and traders should also work together to increase the number of products that can be sold, giving customers more options. Islam sets rules to ensure that market rivalry is conducted equitably. Hamid (2022) in his research on the widespread development of modern markets is a threat to traditional markets. The right strategy in managing traditional markets is to increase the satisfaction of traders at Lembung Market by maintaining and improving services and the cleanliness of the market environment in order to provide comfort and retain customers, collaborating between managers and traders so that there is cooperation between traders and managers to increase the number of products to be sold. so that more choices of products will be sold to consumers. Islam regulates that competition in the market is carried out fairly. Every form that can cause injustice is prohibited, such as *talaqqi rukban* is prohibited, reducing the scale is prohibited because goods are sold at the same price for a smaller quantity, hiding defective goods is prohibited because the seller gets a good price for bad quality.

Dalimunthe (2019) in his research wanted to describe the potential and the appropriate development strategy for the traditional market in Medan, Pajak Ikan. The research results show that the Pajak Ikan, in Medan has the potential to be developed into a shopping center in the city of Medan. Medan. Then for the most appropriate alternative development strategy based on the results of the analysis, namely to take advantage of existing external opportunities by carrying out various events on a large scale.

Nugraha, Lesmana, and Djayusman (2019) in their research wanted to analyze the development of the Songgolangit Ponorogo traditional market from an Islamic economic perspective. The results of this research indicate that the management of the Songgolangit market is good. Development of the Songgolangit Ponorogo traditional market through the stages of planning, organizing, field action, monitoring and evaluation. Market development from an Islamic perspective includes price control, fraud control, general supervision, quality and halal control of goods, hoarding control, and control of prohibited transactions. Regional governments play an important role in supervision and need to collaborate with the MUI in establishing "*rijalu-n-nisbah*" in traditional markets.

Market Concepts in Islamic Economics

Islam controls human behavior to ensure that basic requirements are met. Honest and fair market transaction activities and various other market transactions are among them. All *muamalah* actions, such as buying and selling in the market and in *muamalah*, are permitted as long as there is no justification for doing otherwise (Cahyono, 2020). According to the Islamic market concept, the cost of goods is determined using the principle of supply and demand (*ard wa ta'ab*) while monitoring external factors. Demand and supply must be matched voluntarily and fairly, meaning that neither party feels pressured to deal at that price. The Islamic perspective on markets is also based on the prohibition of all forms of injustice, that is, all business operations that conflict with or deviate from religious teachings.

With approximately 1.8 billion Muslims in the world today (Pew Report, 2015), the Muslim consumer segment undoubtedly represents a tremendous opportunity for businesses and marketers worldwide. In fact, western companies are increasingly interested in the Muslim market, and the few companies that have begun to build their brands throughout the

Islamic world are working hard to achieve global dominance by expanding into the largest segment of the world's population. Reliable information about sharia market structure has recently begun to emerge because Muslim consumers are spread across more than 65 countries. This Pew report (2015) offers good insight into Muslim consumers in different countries to show that the Muslim market segment varies by region (Kearney, 2007). Despite deviations in their behavior, Minkus-McKenna (2007) shows that 70 percent of all Muslims worldwide choose products based on Islamic law. Generally, Muslims look for Halal products, which are made by following Islamic principles. If products do not conform to Islamic principles, they are considered non-Halal, and Muslims are not permitted to purchase or use them. The terms halal and non-halal apply to all aspects of a Muslim's life, including food and non-food, lifestyle goods and services. Companies producing non-Halal products and services have difficulty marketing to Muslim countries. Therefore, the most reliable way to guarantee that a business and its products are accepted by Muslim customers is to ensure compliance with Islamic values. The rapid growth of the Muslim market is due to the high birth rate of Muslims compared to the birth rate of western countries, which is well below the natural replacement level. Based on this growing trend, the United Nations Population Fund estimates that Muslims will account for 30 percent of the world's population by 2050. Alserhan (2010) suggests that the global Islamic market is projected to grow by 15 percent per year, making it the fastest growing market in the world. market segments worldwide. Most of this market increase will occur in developed countries, especially in Europe, where massive immigration and high birth rates will likely change their market structure.

RESEARCH METHOD

This research uses a qualitative descriptive approach method. using SWOT analysis. There was also research conducted in Medan City, Deli Serdang and South Tapanuli Regency. This location was chosen because of the traditional market revitalization program being implemented and this location has a number of traditional markets managed by the regional government and central government. The subjects of this research are the Medan Trade Orderly Monitoring Center of Ministry of Trade of the Republic of Indonesia, South Tapanuli Regency Trade and Industry Service, Deli Serdang Regency Government, Medan City Government, traders and Islamic Economics experts to obtain data about the condition

of traditional markets and their development strategies using research object, traditional markets of North Sumatra. This research data is primary data in the form of in-depth interviews and focus group discussions. Meanwhile, secondary data consists of data on the number of markets, traders and other supporting data obtained from BPS and other supporting data with the research framework as follows.

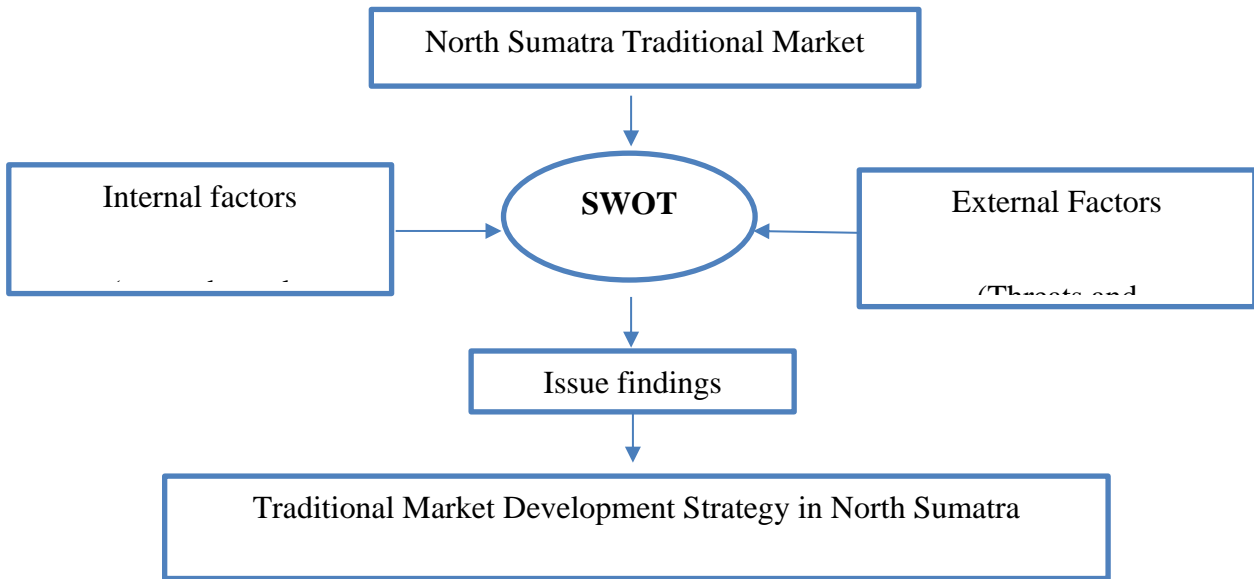


Figure 1.

Research Framework

The analysis techniques used start from data collection, reduction and drawing conclusions. Then the results will be analysed using SWOT because it is the most appropriate tool to use in making the next decision, namely choosing the most appropriate strategy. Ward (2005) calls the available SWOT tool a helicopter view, which can be seen as follows.

Table 2.

Four Dimensions of The SWOT Model

Internal Factor	
Strengths	Weaknesses
External Factor	
Opportunities	Threats

RESULTS AND DISCUSSION

North Sumatra Traditional Market

Based on data from the Central Statistics Bureau of Market Directory (2020), it can be seen that North Sumatra has 858 traditional markets or currently called people's markets. In the picture it can be seen that Medan City has the largest number of people's markets, namely 97 traditional markets. 88.35% of traditional markets in North Sumatra are managed by the central government, regional government, private sector, and 11.65% do not have managers. The city of Medan has the most traditional markets, namely 97 markets or around 11.73% of the total traditional markets in North Sumatra. Meanwhile, the district/city with the fewest number of traditional markets is Pematang Siantar City with around 2 markets or around 0.23% of all traditional markets in North Sumatra.

Table 3.

Traditional Markets of North Sumatra Based on Primary Commodities

No	Primary Commodities	Number of Markets
1	Food material	791
2	Sea and fishery products	5
3	Livestock/pets	4
4	School equipment and office stationery (ATK)	3
5	Textiles/goods from textiles	47
6	Prepared food, drinks, cigarettes and tobacco	1
7	Other	7
Number of Traditional Markets		858

Source: Central Bureau of Statistics Market Directory, 2020

It turns out that the types of buildings used in traditional markets in North Sumatra still use non-permanent buildings, although there are of course more permanent buildings. The following is data on the number of traditional markets in North Sumatra based on the type of building.

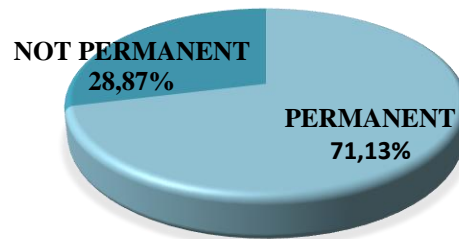


Figure 2.

Traditional Markets of North Sumatra Based on Building Type

Source: Data Processed from The Central Bureau of Statistics Market Directory, 2020.

Medan City Traditional Market

Medan is a lowland with 21 sub-districts which is the meeting place of two important rivers, namely the Babura River and the Deli River. The area is at an altitude of 2.5 – 37.5 m above sea level. Astronomically, Medan is located between 03o27' – 3o47' North Latitude and 98o35' – 98o44' East Longitude. Based on its geographical position, Medan City borders Deli Serdang Regency to the North, South, West and East.

Currently, the physical development of the city is also quite rapid in the city of Medan. This physical development causes a shift in space use and changes in conditions that occur. Medan City has a strategic area for urban development, bearing in mind the role of Medan City as the main development centre in the mainland area as well as being the main growth centre in North Sumatra Province.

Historically, the development of the city of Medan has been positioned as a trade centre (export-import) since the beginning. The development of Medan as the deli capital has also made Medan City develop into a government centre. Until now, apart from being a city area, it is also the capital of North Sumatra Province. Medan city has the most traditional markets in North Sumatra, namely 97 markets. This can be seen because Medan City is the 3rd largest city in Indonesia and the largest city in North Sumatra. In 2020, the population of Medan City will reach 2,435,252 people (BPS Kota Medan, 2022).

Deli Serdang Regency Traditional Market

The number of traditional markets in Deli Serdang Regency is based on the Central Statistics Agency's Market Directory, namely 27 traditional markets with the primary commodities sold being foodstuffs. With a population of 1,931,441, it is hoped that this market will be able to meet the needs of the people of Deli Serdang Regency. Based on data from the Market Directory of the Central Statistics Agency (2020), the number of traditional markets in Deli Serdang Regency is 27 markets. This market is managed by the central government, regional government and private sector. The main commodities in this traditional market are foodstuffs, with the average number of traders being less than 100 traders. As for buildings, this traditional market in Deli Serdang Regency has a permanent building.

Traditional markets have various operating times as seen in the following picture.

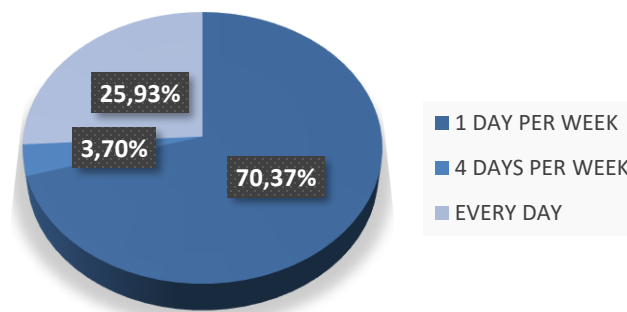


Figure 3.

Operational Times for the Deli Serdang Regency Traditional Market

Source: Data Processed from The Central Bureau of Statistics Market Directory, 2020.

It can be seen that, the operational time of traditional markets in Deli Serdang Regency is more than 1 day per week as much as 70.37%, for those that are open every day there are around 25.93% and those that are open 4 days per week are 3.70 %.

South Tapanuli Regency Traditional Market

The number of traditional markets in Deli Serdang Regency is based on the Central Statistics Agency's Market Directory (2020), namely 24 traditional markets with the main commodities sold being foodstuffs. The construction/rehabilitation of traditional markets or now better known as People's Markets in South Tapanuli Regency has been carried out in all sub-districts in South Tapanuli Regency from 2010 until now. There are 24 traditional markets.

Based on data from the Central Bureau of Statistics Market Directory (2020), it can be seen that the main commodity in the traditional market in South Tapanuli Regency is food. The operational hours for traditional markets in this district are more dominantly open 1 day per week while only 2 days per week are available in two markets. The traditional markets of South Tapanuli Regency are managed by the central government, regional government and the private sector. Meanwhile, almost all of these traditional market buildings are permanent. Meanwhile, non-permanent market buildings are in the Panabari market. The estimated number of traders can be seen in the following image.

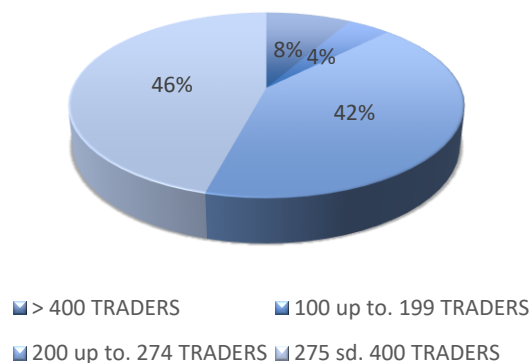


Figure 4.

Estimated Number of Traders in the Traditional Market of South Tapanuli Regency

Source: Data Processed from The Central Bureau of Statistics of Market Directory, 2020.

SWOT Analysis

This research begins to carry out systematic identification which is used to formulate company strategies. This analysis approach is based on strengths, opportunities, weaknesses and threats. In short, SWOT analysis can be applied by analysing and sorting things that

influence the four factors. Thus, the results of the analysis can form strategic planning based on the results of in-depth interview analysis so that the strengths, weaknesses, opportunities and threats in the traditional market development strategy in North Sumatra can be identified. From the results of interviews with several related informants, a Cartesian diagram was prepared with factors divided into two, namely Internal and External. Internal strategies are identified into strengths and weaknesses. meanwhile, external strategies are identified as opportunities and threats. So, identification of strategic factors is carried out as follows.

Table 4.
Matrix of Internal and External Strategic Factors

Internal Strategic Factors	
Strengths	Weaknesses
1) Able to provide awareness to the public about orderly shopping	1) Market location is not right
2) Able to create clean and safe traditional markets	2) Facilities and sanitation are lacking
3) Able to maintain local regional wisdom	3) Lack of market utilization and online transactions
External Factors	
Treaths	Opportunities
1) There is a lack of orderly culture in carrying out trade transactions in traditional markets	1) Support from the district government, local government and government agencies
2) The Existence of the Modern Market	2) Technological developments in transactions in traditional markets and developments in digital markets

Development Strategy for Traditional Markets in North Sumatra from an Islamic Economic Perspective

The market development strategy cannot be separated from the role of the government which holds the bureaucratic function of being part of or taking the lead, especially in a service process to citizens or society. The existence of competition between modern markets and traditional markets causes people to prefer shopping in modern markets and makes people reluctant to carry out transactions in traditional markets on the grounds of slums, insufficient sanitation, lack of comfort and other problems found in traditional markets. Based on this problem, the government must develop traditional markets so that

they can compete and the public increases their interest in carrying out trade transactions in traditional markets.

a. Providing Clean and Comfortable Facilities in Traditional Markets That Have Been Revitalized

The traditional market revitalization program is a policy carried out by the central government and in collaboration with regional governments to revive the existence of traditional markets. Improvements in terms of infrastructure, the government has provided several facilities to facilitate administration and buying and selling transactions. Every facility provided by the Government is a rental right that must be maintained. Traders also have the right and obligation to use these facilities. This is supported by research by Netti and Erianjoni (2023) which recommends that there is a need for adequate facilities and infrastructure.

b. There is Routine Supervision by The City, District and Related Parties

The development and supervision of Traditional Markets is carried out by the government and related parties. This supervision can take the form of creating a market management system, training human resources, consultation, facilitating cooperation, building and improving Traditional Market facilities and infrastructure. This is also supported by research by Nugraha, Lesmana, and Djayusman (2019) where the strategy for developing traditional markets, especially from an Islamic perspective, goes through the stages of planning, organizing, field action, monitoring and evaluation including price monitoring, fraud control, general supervision, quality control and halal goods, controlling hoarding, and controlling prohibited transactions. Regional governments play an important role in supervision and need to collaborate with the MUI in establishing "*rijalu-n-nisbah*" in traditional markets.

c. Development of Traditional Markets Based on The Local Wisdom of Each Region

Developing traditional markets wisely without abandoning local wisdom will actually have a more strategic position in strengthening the economy because it can create business opportunities and jobs by involving more of the livelihoods of the surrounding community. Developing traditional markets according to stakeholder needs in order to create a competitive advantage, which in turn can improve community welfare or

alleviate poverty. This can create specific uniqueness that can be attractive, not only for regular buyers but also tourists, including traders between islands and even between countries based on local wisdom in an effort to win the competition in a hyper competitive global era. This is supported by research by Sungkyun (2018) which reports that there is a need for a local marketing strategy by improving traditional brands, markets, product quality and distribution efficiency. This is also supported by research by Netti and Erianjoni (2023) which recommends that there is a need for tourism-based innovation.

d. Training and Coaching for Traditional Market Traders

This training and coaching are a way to develop trader empowerment to be able to achieve the desired goals. In capacity development there are two indicators, such as increasing the competence of traders through training and assistance regarding capital for traders. This is supported by research by Sentanu, et. Al (2021) who reported that there must be a strategy for adjusting human resources involved in traditional market revitalization programs. Or such as increasing the competence of traders in utilizing digital marketing. This is supported by research by Djayusman and Nugraha (2018) which recommends a strategy for developing traditional markets through infrastructure modernization and marketing utilizing technological advances.

The revitalization of traditional markets on traders' income from an Islamic economic perspective means that the buildings are better and cleaner. The results found by the author in the review of Islamic Economics are related to revitalization and income levels that meet the principles of Islamic economics in the form of monotheism, justice, balance and the caliphate who cannot be separated from the Al-Qur'an and Hadith. The market mechanism in the Islamic economic concept determines prices by market forces, namely the force of demand and the force of supply in a state of mutual willingness.

According to Nugraha, Lesmana, and Djayusman (2019) that the development of traditional markets in North Sumatra can be carried out from an Islamic perspective 1) through price control, 2) control of fraud, 3) general supervision, 4) control of quality and halal goods, 5) control of hoarding, and 6) controlling prohibited transactions. The many problems faced by traditional markets, both internal and external, require the government to

play a role in supervising and controlling traditional markets so that they can develop. So, there is a need for an institution that controls the market and moral customs called hisbah. In this case, the role of hisbah is related to the government's role in developing traditional markets. Supervision of the entire market and ensuring halal goods is very important for the existence of this traditional market. This supervision must guarantee all forms of requirements so that competition in the market can run in a healthy and Islamic manner. One of them is the physical needs of the market.

CONCLUSION

Weaknesses experienced by traditional markets in North Sumatra, namely inappropriate market location, inadequate facilities and sanitation, lack of market utilization and online transactions. The threats are the lack of orderly culture in the community in carrying out trade transactions in traditional markets, the existence of extortion or collection of illegal fees by irresponsible parties in traditional markets, and the existence of modern markets. The strengths of the traditional market development strategy in North Sumatra are being able to provide awareness to the public about orderly shopping, being able to create clean and safe traditional markets, and being able to maintain local regional wisdom.

Meanwhile, the opportunities available include support from the district government, local government and related agencies, technological developments in transactions in traditional markets, and the development of digital markets. Development strategies for traditional markets in North Sumatra from the perspective of Islamic Economics, namely providing clean and comfortable facilities in the market. traditional markets that have been revitalized, regular supervision by city, district and related parties, construction of traditional markets based on the local wisdom of each region and training and coaching for traditional market traders. This research recommends that there is a need for appropriate regulations and sustainable programs for the development and existence of this traditional market.

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