

Policy Innovation Revitalization of Traditional Markets in Purbalingga (Case Study of the Revitalization of Pasar Bancar Badog Center Bancar Subdistrict)

Anggara Setya Saputra^{1*}, Paulus Israwan Setyoko², and Denok Kurniasih³

¹Doctoral Program of Public Administration, Faculty of Social and Political Science, Universitas Jenderal Soedirman

^{2,3}Public Administration Department, Faculty of Social and Political Science, Universitas Jenderal Soedirman

* Corresponding Author: setya.saputra@mhs.unsoed.ac.id

Abstract

A market is a place where sellers and buyers meet to negotiate daily necessities. Indonesia faces various complex economic problems, prompting the government to continuously innovate in policy. One such policy innovation is the revitalization of traditional markets. This program aims to improve the quality of traditional markets so they can compete with modern markets, including infrastructure and facilities upgrades. This study aims to analyze the policy innovation of traditional market revitalization at Pasar Badog Bancar, Purbalingga. Using a qualitative method, data were collected through observation, interviews, and documentation. The research was conducted at Pasar Badog, Purbalingga. The results show that the revitalization of the people's market has increased comfort and operational efficiency. Improved infrastructure and better management have boosted traders' turnover by up to 30% within a year.

Keywords: Policy Innovation, Revitalization, Traditional Market

1. Introduction

Talking about trade is inseparable from the name of the market. The market is a meeting place for sellers and buyers where bargaining occurs for the price of goods sold, usually in the form of daily necessities such as agricultural or sea. Indonesia, as a developing country, faces various complex problems, especially in the economic macro nor micro economic fields. The dynamics of rapid economic growth every year challenge the government to continue to innovate in policy. Government agencies that manage markets are expected be active in market promotion, management quality improvement, market promotion support, and market infrastructure development. One of the development initiatives undertaken by the central government, together with local governments, is the revitalization of traditional markets.

This revitalization aims to improve and revive important aspects of the market so that it can function optimally and provide maximum benefits [1]. The people's market revitalization program is the implementation of Law No. 7/2014 on Trade, specifically Article 13 paragraphs (1), (2), and (3). This law requires the Government and Regional Governments to carry out development, empowerment, and improve the quality of traditional market management. These actions include market revitalization, implementation of professional management, effective and efficient management, provision of goods with the best quality and prices that can compete with competitors, and provision of financing facilities for traders in traditional markets. There are several benefits expected from market revitalization, including 1) trying to keep traditional markets up to date and able to compete with modern markets 2) By increasing the quality of traditional markets, it will become the driving force of the national economy 3) the creation of clean, comfortable markets, adequate facilities and infrastructure and have optimal management quality. Along with the times where technology is developing rapidly, it has led to changes in market models that have grown among the community, especially markets owned by supermarkets.

The existence of modern markets that offer various advantages and convenience for visitors has resulted in two different impacts. On the positive side, it encourages the national economy, but on the other hand, it further eliminates the existence of traditional markets. This fact has become one of the priorities of the government, especially the Purbalingga Regency Government in establishing regulations to save community businesses, especially the lower middle class in traditional markets. To improve the competitiveness of traditional markets in Purbalingga, there is a traditional market revitalization program in Purbalingga Regency. One of the markets that underwent revitalization is the Bancar Badog Center Market in Bancar District. It should be noted that the Bancar Badog Center Market previously did not have permanent facilities and was located on the road without a parking area, often causing congestion. Now, the market has been moved 400 meters to the east to a more suitable location (Jateng.bpk.go.id). Pasar Bancar Badog Center Bancar was built in 2 stages. Phase I was built in 2022 with a budget of Rp. 2.1 billion and Phase II in 2023 with a budget of Rp. 2.3 billion. The total budget for the construction of this market reached Rp. 4.4 billion, which came from the Assistance Task fund of the Indonesian Ministry of Trade (APBN).

Revitalization refers to the Regulation of the Minister of Trade no. 21 of 2021 concerning the Development and Management of Trade Facilities. This Minister of Trade Regulation aims to regulate the development and management of trade facilities in order to create an orderly, efficient and sustainable trading environment. However, the various regulations and policies set by the Purbalingga Regency Government have not run optimally according to the set targets. The revitalization process of the Bancar Badog Center market experienced obstacles related to the capacity for traders. Where the number of traders (culinary) is 246 people plus 59 people who are on the waiting list, 33 Bancar market los traders, 31 kiosk traders, making a total of 369 people. While the capacity is only for 250 traders intended for Bancar Badog Center market traders who are 246 people recorded (purbalinggakab.go.id). So that if all traders are included, they only get a shelter size of 1x1 meter per person. The revitalization process was completed on November 20, 2023 then the new market could begin to be occupied by traders from December 8-10, 2023.

Traditional markets play a crucial role in improving economic growth in Indonesia. Its existence is very supportive, both for the local and central government, as well as the people who rely on trade for their welfare, such as traders, buyers, pelvic workers, and others [2]. Then, according to Geertz's view, traditional markets are places intended for original trading activities that have been going on for a long time. This market has characteristics like a bazaar with a small economic scale, so it directly involves many traders who compete with each other in that place. In addition, traditional markets attract a variety of visitors from different regions and provide opportunities for the informal sector to participate.

Policy innovation is the process of creating and implementing new policies to make public governance more effective and efficient. It means introducing new methods or rules that can improve the way governments or organizations manage public affairs [3]. It can be a change in the way procedures are carried out, a reorganization of organizational structures, or the development of new approaches to solving existing public problems. The goal of policy innovation is to improve the quality of public management to make it more efficient, responsive, and effective in meeting the needs of society. Efficiency is achieved by reducing waste of resources, both time, energy, and costs, so that better results can be obtained with the use of fewer resources. Responsive policies are designed to be quick and precise in responding to the needs and problems faced by the community, allowing for rapid adaptation to changing situations and urgent needs. Policy effectiveness means that the policy successfully achieves the desired goals and has a real positive impact on society. Thus, policy innovation seeks to create better public governance, where resources are used wisely, public services become more responsive, and policy outcomes provide significant benefits to people's daily lives.

Traditional market revitalization is a comprehensive and multi-faceted process to improve the function and attractiveness of these markets [1] [4] [5]. Physical improvement is the first step which

includes renovating infrastructure such as buildings, roads, and public facilities to make them more modern and safe. Hygiene improvements are made by providing adequate trash bins, efficient waste disposal systems, and hygiene campaigns involving traders as well as visitors. Market security is improved through the addition of facilities such as CCTV, adequate lighting, and the presence of security officers. Visitor convenience is also prioritized by providing parking areas, clean toilets, and green open spaces. In addition, the application of digital technology such as cashless payment systems, applications for market information, and trader data management helps to improve management systems and services. All these efforts aim to make traditional markets more competitive and attractive to modern society, which in turn can improve the local economy and the welfare of traders [5] [6].

2. Method

The method used in this research is descriptive qualitative research. Qualitative research is a research method that aims to understand social phenomena and human behavior through in-depth and detailed data collection [7]. By using a qualitative approach, we can describe, evaluate, and explain the process of implementing traditional market revitalization policies in Purbalingga, especially the Bancar Badog Center Market. In descriptive qualitative research, researchers will explore as a whole related to the facts that are felt directly by the object of research. The focus of this research is to describe the innovation process of traditional market revitalization policies in Purbalingga.

3. Results and Discussion

The term traditional market has now been replaced with people's market to remove the negative stigma often associated with traditional markets. The word “traditional” often carries negative connotations such as shabby markets, fraudulent traders, and various other bad perceptions, which affect the views of traders and consumers. To overcome this stigma, the central and local governments are working together on a public market revitalization program. This program requires a comprehensive and collaborative approach, involving the central government, local governments, Regional Apparatus Organizations (OPDs) that manage public markets, the private sector, market managers, and traders. In Purbalingga, the revitalization program carried out by the Office of Cooperatives, Industry and Trade (Diskopindag) needs to be supported by all parties. The goal is to restore the competitiveness of people's markets that are starting to be displaced by modern markets in various aspects such as capital, facilities, and services.

Pasar Bancar Badog Center, which is one of the traditional markets in the eastern region of Purbalingga, is located in Bancar Village, Purbalingga Subdistrict, not far from the Purbalingga District Court Office. In 2022, this market began to be revitalized until 2023 in response to complaints from traders regarding the condition of the market, such as leaking and damaged roofs that resulted in the market becoming muddy and shabby during the rainy season and buildings that were still semi-permanent. In response to these complaints, the government through the Purbalingga Regency Industry and Trade Office decided to revitalize the market. Of the twenty-one (21) traditional markets managed, Badog Bancar Market is one of them, according to the traditional market data in the 2021 Dinperindag Purbalingga Government Agency Performance Report (LKJIP) document. The physical revitalization of the market began in 2022-2023, resulting in one building with one floor accommodating around 407 traders (bpk.jateng.go.id).

Picture 1. Badog Bancar Market seen from above after being physically revitalized



Picture 2. Badog Bancar Market inside after being physically revitalized



Badog Bancar Market has undergone a significant transformation that has made it look much better. Once looking shabby, the physical condition of the market seen from the front is now more attractive and organized. This change creates the impression that the market looks more spacious and comfortable. In addition, the parking area has also been expanded with the help of the Department of Transportation (DISHUB), which helped layout the parking lot to make it more efficient. All of these improvements increase convenience for visitors and traders, and improve the overall image of the market. In addition to physical improvements, the revitalization of Badog Bancar Market also involves a profound update in market management. This includes innovations in various policies related to market management, such as the provision of free stalls to traders, the establishment of a rule that each trader can only use one stall, procedures for applying for stall placement, and extra monitoring of trader activities. All of these steps are carried out in accordance with the applicable Regional Regulation of Purbalingga Regency, aiming to improve the efficiency and effectiveness of market management. The purpose of revitalization, both in the physical and managerial aspects of Badog Bancar Market, according to the explanation of T, as an informant, delivered in a direct interview, is as follows:

“Because the market is better and more representative, hopefully this will provide comfort for traders and buyers so that transactions in Badog Bancar Market will increase”

From the results of these interviews, the main focus of the physical revitalization of the market is comfort and from an economic point of view, it will increase sales at the Badog Bancar market. This is in line with the explanation from J, as an informant conveyed in a direct interview as follows:

“After moving, some traders experienced an increase in turnover. For example, chicken noodle vendors who previously spent 2 kg per day can now sell up to 10 kg per day, and watermelon vendors who previously sold 5 gluntung per day can now sell up to 10 gluntung,” he explained. In implementing the traditional market revitalization program, it is very important to have a comprehensive support system and alignments [8] [9]. Empowering traders to compete with modern markets is a tangible manifestation of this alignment [10]. The central and local governments have taken various steps to support this revitalization. Example, the Ministry of Health introduced a healthy market program that includes: a)

management of waste in the market, b) availability of clean water facilities, and c) application of the 3R principle (reuse, reduce, recycle). Meanwhile, the Ministry of Trade focuses on market revitalization with three main aspects: a) management reform, b) economic improvement, and c) cultural preservation. In addition to the market revitalization program launched by the Ministry of Trade, there is also the SNI 815:2021 standard market program with several main objectives. This program aims to: a) provide facilities and infrastructure so that traders feel more confident competing with modern markets, b) ensure that people's markets have advantages that are at least equivalent to modern markets, c) provide protection to buyers in people's markets, d) empower local wisdom, and e) carry out market operations and monitor the price of goods. The program is also the target of policy innovation from the market revitalization program which is planned to be implemented in 2025. This is in line with the results of the interview with J as an informant who stated that: "Several steps are being taken to improve the competitiveness of Badog Bancar Market. Firstly, market structuring is planned with the target that by 2025 the market will receive the Indonesian National Standard (SNI) Market title. In the same year, the market is also targeted to become an Orderly Market and adopt digitalization."

From the results of interviews conducted with informants, information was obtained that a lot of good programs will be implemented in Badog Bancar Market To improve the competitiveness of Badog Bancar Market, several strategic programs have been planned. First, the market will undergo a comprehensive reorganization with the main objective of achieving the Indonesian National Standard (SNI) Market predicate by 2025. The SNI predicate indicates that the market meets established quality standards, both in terms of facilities, services, and management. In addition, by 2025, Badog Bancar Market is also targeted to become an Orderly Measurement Market. This means that the market will apply accurate and consistent measurement standards to ensure that all transactions and products meet set specifications, as well as protect the interests of consumers.

Market digitization is also a key focus, with the aim of integrating digital technology in market operations. This could include the implementation of electronic payment systems, digital-based inventory management, and online platforms to improve market accessibility and efficiency [3] [11]. Overall, these programs are designed to improve market quality, provide better protection for consumers, and simplify trader operations, so that Pasar Badog Bancar can compete effectively with modern markets. In addition, when viewed from a management perspective, the government has a responsibility to ensure the comfort of traders in traditional markets, which is part of the effort to maintain the continuity of these markets. The revitalization of traditional markets is evidence of the government's commitment to improving accessibility and convenience for both traders and visitors. The changes that occurred in the Badog Bancar Traditional Market after revitalization were very striking compared to the conditions before revitalization. All parties involved, including traders, visitors, and market managers, feel the positive impact of these changes. In addition to physical improvements such as infrastructure, managerial aspects are also very important. These include the organization and grouping of types of traders as well as the determination of traders' rights and obligations, all of which contribute to the smooth running and success of the market.

The government is committed to supporting traditional market traders by providing them with specialized venues that allow them to effectively promote their products. This includes the improvement of market facilities and amenities to ensure that traders have a comfortable and adequate environment to run their businesses. The renovation of traditional markets aims to improve the physical condition of the market so that traders feel more comfortable and can sell better. Badog Bancar Market has been optimized to provide maximum convenience for shoppers. One of the important facilities provided is a handwashing station, which is part of the health measures in the new normal. There is also the added service of merchants helping to carry heavy groceries up to the parking area, showing special attention to customer needs.

In addition, the market has facilities similar to modern markets, such as special rooms for mothers and children, and clean and well-maintained toilets. The effort to keep the market aisles clean demonstrates a commitment to the comfort and health of all visitors. All this makes the shopping experience at Pasar Badog Bancar comfortable and enjoyable, on par with the experience in a modern market. However, there are obligations that traders must fulfill as part of this agreement. After the government fulfills the needs and improves the market facilities, traders are expected to comply with the applicable rules, including paying market retribution in accordance with the predetermined amount. This obligation is important to ensure that market operations run well and sustainably, and to support effective market management. Government-owned facilities, including traditional markets, require the payment of retribution for their use. This means that traders using traditional market facilities must pay retribution fees in accordance with applicable regulations. Retribution is a form of payment imposed on individuals or groups that utilize government-owned facilities. These payments serve as compensation for the use of the facilities provided, and are often imposed on public facilities provided by the government, both central and local levels. The amount of the retribution fee is usually based on the type and quality of the facility provided, ensuring that the fee paid is in line with the benefits received by the user. As explained in the table below:

Tabel 1. Daily Market Retribution Tarif in Purbalingga Regency

NO	OBJECT NAME	DAILY RETRIBUTION RATE					
		BUSSINES PREMISES SERVICES			OPERATIONAL SERVICE		
		CLASS I Rp./M2	CLASS II Rp./M2	CLASS III Rp./M2	CLASS I Rp./M2	CLASS II Rp./M2	CLASS III Rp./M2
1	OUTDOOR KIOSK	150	130	125	300	275	225
2	INNER KIOSK	150	130	125	300	275	225
3	HAIR REMOVAL KIOSK	150	130	125	275	250	200
4	SEMI-PERMANENT KIOSK	130	125	120	275	225	200
5	NON-PERMANENT KIOSK	130	125	120	275	225	200
6	KIOSK IN A LOS	130	125	120	275	225	200
7	PLOT LOS	125	120	100	250	200	175
8	AWNING COURTYARD	125	120	100	250	200	175
9	COURTYARD	125	120	100	225	200	175
10	LARGE ANIMAL	120	100	75	200	175	150
11	SMALL ANIMAL	Rp. 4000,-/Tails					
12	POULTRY	Rp. 2000,-/Tails					
13	TAILS	Rp. 200,-/Tails					

(Source: Regional Regulation of Purbalingga Regency Number 08 Year 2012 on Retribution for Market Services of Purbalingga Regency)

From the information presented in the table, it can be seen that the retribution fee imposed on market traders is not uniform, but rather depends on two main factors: the type of trading stall and the size of the stall used. This means that a trader occupying a certain type of stall and with a certain area will be charged a retribution rate in accordance with these provisions. This policy allows for a fairer and more proportional tariff adjustment, based on the space utilization and type of trading activities conducted in the market. The existence of clear and transparent retribution rates as a form of policy innovation has led to an increase in revenue from retribution rates. In 2023, Purbalingga Regency managed to collect revenue from 'Market Service Retribution' amounting to Rp 3.357.691.000. This amount exceeded the set target of Rp. 3.348.500,000, by 102%. (setda.purbalinggakab.go.id) This achievement shows the effectiveness of market levy management in Purbalingga Regency, exceeding expectations and indicating that the revenue generated is higher than planned. economic conditions in the market, increased compliance of traders in paying retribution, or a combination of other factors that support the achievement of revenue targets.

4. Conclusion

The revitalization of traditional markets, now referred to as people's markets, is a significant step towards removing the negative stigma that has been attached. This process of change is carried out through a revitalization program that involves cooperation between the central and local governments, the private sector, and traders. Pasar Bancar Badog Center in Purbalingga is a successful example of this initiative, which includes both physical and managerial improvements to the market. With improved infrastructure and better management, the market has managed to increase convenience and efficiency for traders and shoppers. As a result, many traders have experienced a significant increase in turnover, and traditional markets are able to compete with modern markets. The government's strong commitment in supporting this revitalization, through programs such as healthy markets and SNI-standard markets, confirms the importance of maintaining people's markets as an integral part of the local economy.

5. Conflict of Interest

The authors need to declare that there is no conflict of interest related to the writing or publication of this article.

6. References

- [1] Hasan, M. Dkk. (2023). Dampak Kebijakan Revitalisasi Pasar Tradisional Pedagang (Studi Deskriptif Pada Pasar Kapongan Kabupaten Situbondo). Jurnal Ilmiah. Vol 19 No. 1.
- [2] Wong, T., & Lim, S. (2022). Market Revitalization in Bangkok: The Case of Chatuchak Market. Journal of Urban Planning and Development
- [3] Smith, J., & Brown, L. (2023). Digital Policy Innovations: Trends and Challenges. Journal of Public Policy.
- [4] Neli, N. Dkk. (2022). Evaluasi Kebijakan Revitalisasi Pasar Tradisional Dalam Mewujudkan Pengembangan Ekonomi Lokal di Pasar Petir Kabupaten Serang. Jurnal Kebijakan Pembangunan Daerah. Vol.6 No.1
- [5] Pratiwi, R., & Nugroho, D. (2023). Inovasi dan Revitalisasi Pasar Santa Jakarta. Jurnal Manajemen dan Pemasaran.
- [6] Harjanto, T., & Wicaksono, A. (2022). Revitalisasi Pasar Genteng: Studi Kasus di Surabaya. Jurnal Ekonomi dan Pembangunan.
- [7] Bryman, A. (2022). Social Research Methods. Oxford University Press.
- [8] Rohmadani, Shafira. (2022). Implementasi Kebijakan Revitalisasi Pasar Tradisional Nambangan Di Kota Surabaya. Vol. 9 No. 5
- [9] Rohman, A. (2023). Revitalisasi Pasar Rakyat Sebagai Upaya Menjaga Eksistensi Pasar Tradisional. Anterior Jurnal. Vol. 22 No.2
- [10] Susanto, A. (2022). Revitalisasi Pasar Tradisional dan Peningkatan Daya Saing Pasar Rakyat. Jakarta: Penerbit Ilmu Ekonomi.
- [11] Nguyen, T. (2023). Sustainability and Climate Change Policies: A Global Perspective. Environmental Policy Review.