

# The Role of Information Communication Technology at Traditional Market in Improving Income Requirement Area

**Supriyati**

Jalan Dipatiukur 112-114 Bandung, Departement Computerize Accounting, Universitas Komputer Indonesia, Indonesia.

supriyati@email.unikom.ac.id

**Abstract.** In the country of Indonesia, the traditional market still look that information and communication technology is something very expensive because it will bring in high cost components. The purpose of this study is to know the potential of traditional markets and know the role of information communication technology in traditional markets that can competence with the way can Improving Income Area. The method used in this study using qualitative, methods with object of research The Role of Information Communication Technology At traditional market. In data collection was used interview techniques by primary data, while secondary data comes from literature journal, books and government regulations. Discussion about the role of Information and Communication Technology in traditional markets can be using in to design concept create a "Trend Market of selling method via order, and delivery order too. Result from research get show by some potentials in traditional markets by utilizing the role of Information and Communication Technology in traditional markets via social media and website, and start up digital get growth to characteristic specific in area until can improving income in area.

## 1. Introduction

Roberts explains that the ability of Information and Communication Technology (ICT) to improve knowledge transferability [1]. Bradyet et all describe how the role of information and communication technology (ICT) in marketing practices has evolved over the last decade and has developed a research agenda to address future challenges [2]. Kambewa et all explain that Although fair revenue distributions in marketing channels and systems receive increased attention in corporate social responsibility policies, the marketing literature offers little insight that might be useful for starting projects that increase the revenue of major producers in key marketing channels [3.] Gaikwad et al explain that the backbone of e-commerce marketing strategy is a recommendation system that is collaborative filtering techniques such as memory-based approach based on the similarity of users rated as attributes [4]. e-commerce world or often called online stores continue to show significant improvement. In this e-business many more parts. Since e-commerce itself is very broad, not just about commerce, industry or otherwise, there are other things that need to be mentioned. Such as customer service, affiliation between business partners and even about job vacancy into e-business. Because e-business itself has a meaningful business activity that is fully automated and fast, of course with the help of a computer system. Therefore, in making a business plan, it is better to prepare in written form to be conceptualized well and correctly so that no concept of our business plan is forgotten and messy. Because building a business or business is not as easy as imagined. Understanding key determinants for a successful virtual store will provide



important theoretical and practical implications for developing an E-commerce strategy [5]. Many types of businesses are starting to touch this business, because with this shopping system, consumers can shop directly without having to meet with the merchant or go to the store so as to save time [6]. Business and ease become the biggest reason for the development of e-commerce in Indonesia. According to the latest data from the Association of Indonesian Market Traders (IPPI) at the Public Hearing Meeting with Commission VI of the House of Representatives, Jakarta, Tuesday (5/2/2013) the modern market has increased by 31.4%, while for the people or traditional market is quite apprehensive, because experienced a decrease of 81% whereas traditional markets can help in the effort to create jobs for the citizens of Bandung and can increase the local revenue (PAD) in accordance with the Vision and Mission West Java Provincial Government Year 2013-2018: West Java Forward and Prosperous For All, and Mission : Building a Qualified and Competitive Community especially in facing the Asian Economic Community (MEA). As we know, sales must be calculated carefully to predict economy of the business. [7-10] For this case the authors take samples of PD Pasar Berkartabat Kota Bandung. Traditional Markets are of concern nowadays because buyers who come to the market and buy goods are declining due to the fact that market buildings are treadlessly manicured, impressed slums and dirty , do not look any promotional activities of the market itself becomes one of the less than maximum factor on sales. Transaction activities are too busy in the surrounding area as well as attempts to capitalize on the role of information and communication technology is not optimal, because the market manager itself is still focusing on the maintenance of market buildings compared with increasing the number of customers by utilizing the role of information technology.

The purpose of this study is to know the potential of traditional markets and know the role of information communication technology in traditional markets that can competent with the way can Improving Income Area.

## **2. Method**

The method used in this study using qualitative methods that is by describing the state of the subject from market traditional at area In Country of Indonesia. The object of research was the important role Information technology and communication at market traditional. In data collection was used interview techniques as primary data was used main document from traditional market, while secondary data comes from literature journal, books and government regulations.

## **3. Results and discussion**

### *3.1. Opportunity traditional markets*

Dignified Market Regional Company Bandung City was established on December 4, 2007. This Regional Company is engaged in the Field Market Management Services Bandung. The company was established based on Local Regulation No. Bandung. 15 of 2007 and then amended by Local Regulation. Bandung Year 2012. Until 2013, The Company has 40 markets managed by Swakelola, BOT, and Merchants. MOTO PD Dignified Market (SAE): GOOD, ACCOUNTABLE AND EFFICIENT. Notice of PD Pasar Bermartabat: 1. We are ready to organize a good market management, 2. We are ready to provide good service to traders and market visitors for the convenience and security of selling and shopping, 3. We are ready to handle any complaints, criticisms and suggestions, 4. We are ready to solve the problem immediately, 5. We are ready to accept sanctions in accordance with the rules of our Company, if our service is not according to the rules.

The vision of a dignified market into an independent and world-class market management company. Mission the dignified market becomes:

- Improving the quality of service to the community of traders and consumers.
- Increase the revenue potential of the company through the development of other units that support so that can contribution for PAD Bandung.
- Improving the quality and mentorship of personnel / employees of the company so that it can be a reliable and competent human resources performing well.

- Enhance partnership relationships, both with merchants, market management partners, and partnerships with other relevant private companies.

This market has various management methods that are:

- The market is self-managed by the PD Dignified Market and is managed by the market unit.
- The market is managed by a third party (co-operated).
- Market is managed by Developer.

### 3.2. *Type of type service market facilities*

- Application for Letter of Use of Place of Sale (SPTB) and Letter of Lease of Business Place (SSTU)
- Extension of Selling Place (SPTB) and Lease of Place of Business (SSTU)
- Behind Letter of Use Place of Sale (SPTB) and Letter of Rental of Business Place (SSTU)
- Daily Facility Services
- Cleaning Services
- Keretiban Service
- Electricity and / or Water Service Facilities
- Toilet Service
- Parking Service Facilities
- Service Facilities of loading and unloading facilities
- Advertising Service Facility

Mayor of Bandung Regulation no. 112 Year 2008 about Market Management in Corporate Environment Daerah Dignified Market of Bandung City. **The role information communications technology in traditional markets.** According to Haryadi Sukamdani, Vice Chairman of Monetary, Fiscal, and Policy Public Kadin Indonesia, the location of modern markets that violate the rules cause thousands of UMKM perpetrators in traditional markets and other places were forced to shut down because they failed to compete with the modern market. [11-12] He added, across countries in the world, including Europe and the United States, hypermarkets are not allowed in the middle of the city. But in Indonesia, hypermarkets or supermarkets are actually many in the middle of the city. (Liptan6.com, March 23, 2011). Presidential Regulation No. 112 Year 2007 on *Market Arrangement and Development Traditional, Shopping Centers and Modern Stores*, providing traditional market boundaries and modern stores in *article 1as* follows [11]. **Traditional Market** is a market built and managed by the Government, the Government Regional, Private, State-Owned Enterprises and Regional-Owned Enterprises including cooperation with the private sector with business premises in the form of shops, kiosks, stalls and tents owned / managed by small, medium, non-governmental or cooperative traders with small-scale business, small capital and with the process of buying and selling merchandise through bargaining. Form of company / agency that the author thoroughly PD (Regional Company) According to *Law No.5 Year 1962 article 2* : Regional Company is all companies established under this law which all or part of the capital is separated area wealth, except if determined otherwise by or by law. Based on the above definition, the authors conclude that the local company is a company owned BUMD (Regional Owned Enterprises), part of the capital derived from regional wealth. According to the source [ekonomi.kompasiana.com](http://ekonomi.kompasiana.com) there are some important differences that need and we can see the modern market with traditional markets. First in terms of cleanliness. Supermarket or the modern market is a market that has good management. Managed with systems that have been created in such a way and employees who work with the section that has been determined. One of them is the janitor. The second difference is the price, in the modern market, the consumer does not need to be faced with the price of each product he wants to buy because the price has been included in every product they offer. This is an important shift from the sales strategy undertaken by the modern market. When viewed from the side of the traditional market, there are some important things that become the main strength and attraction. The first is price, which attracts traditional markets "slightly cheaper" than the modern market, so the majority of traditional market consumers to date are middle to lower class. Communities of this class that still survive to shop in traditional markets, although

the current tendency for middle-class society to switch to shopping in *supermarkets* or modern markets. Both are commodities. Until recently, commodities traded in traditional markets had so many types that a product needed by buyers of the majority lower middle class was available in various types and *variances* directly consisting of stalls or kiosks.

**Modern store** is a shop with self-service system, selling various types goods in retail in the form of Minimarket, Supermarket, Department Store, Hypermarket or wholesaler in the form of Perkulakan. These Modern Store Restrictions is affirmed in *article 3* , in respect of the floor area of sales as follows: a) Minimarket, less than 400 m<sup>2</sup> (four hundred meters per square); b) Supermarket, 400 m<sup>2</sup> (four hundred meter per facet) up to 5,000 m<sup>2</sup> (five thousand square meters); c) Hypermarket, above 5,000 m<sup>2</sup> (five thousand square meters); d) Department Store, above 400 m<sup>2</sup> (four hundred meters per facet); e) Start-up, above 5,000 m<sup>2</sup> (five thousand square meters). The limitations of traditional markets above appear less representative of traditional retail sense intact. Because, in contrast to the restrictions of modern stores are detailed starting from the form the smallest (minimarket) to the largest (hypermarket), the limitations of traditional markets only explains the existence of a large (or extensive) place to localize stores, kiosks, and plots, as businesses owned by traders and communities where they buy daily necessities. The so-called creative and Innovative market is a market that reflects the needs of the Creative Industry. According to Indonesia's 2025 Creative Industries Development book, the definition of the creative industry often refers to the UK *Department for Culture, Media and Sport (DCMS) Task Force* 1998, the agency that manages the creative industries in the UK. The Ministry of Industry then used a similar definition. The creative industry in Indonesia is then defined as an industry derived from the utilization of creativity, skills, and individual talents to create welfare and employment through the creation and utilization of the creative and creative power of individuals.

#### 4. Conclusion

The role of information and communication technology for traditional markets in the midst of the rapid modern market. It turns out that the typical characteristics of traditional markets can still be maintained through the potential of traditional markets such as by selling a typical merchandise and staple food can not be replaced by the modern market and presents the needs of vegetables and fruits that have the quality is still fresh and good. And by improving the assets such as stalls with a modern concept and clean. But it would be better if the results of the above discussion if the government began to make regulations for the interests of both these markets both in traditional markets and applicable to the modern market.

#### Acknowledgements

In this valuable chance, the researcher intended to tell his gratitude and appreciation to Universitas Komputer Indonesia, In Indonesia Country And Market Traditional In Bandung City.

#### References

- [1] Roberts J 2000 "From know-how to show-how? Questioning the role of information and communication technologies in knowledge transfer," *Technology Analysis & Strategic Management* **12** (4) 429-443.
- [2] Brady M, Fellenz M R and Brookes R 2008 "Researching the role of information and communications technology (ICT) in contemporary marketing practices," *Journal of Business & Industrial Marketing* **23** (2) 108-114.
- [3] Kambewa E, Ingenbleek P and van Tilburg A 2008 "Improving income positions of primary producers in international marketing channels: The Lake Victoria—EU Nile Perch Case," *Journal of Macromarketing* **28** (1) 53-67.
- [4] Gaikwad R S, Udmale S S and Sambhe V K 2018 "E-commerce Recommendation System Using Improved Probabilistic Model," *In Information and Communication Technology for Sustainable Development* **8** (6) 277-284. Springer, Singapore.

- [5] Chen L D and Tan J 2004 “Technology Adaptation in E-commerce:: Key Determinants of Virtual Stores Acceptance,” *European Management Journal* **22** (1) 74-86.
- [6] Abdul Kadir and Terra C H Triwahyuni 2003 *Introduction of Information Technology* (Yogyakarta, ANDI OFFSET **6** 78-99).
- [7] Nandiyanto A B D, Maulana A C, Ragadhita R and Abdullah A G 2018 “Economic Evaluation of the Production Ethanol from Cassava Roots,” *In IOP Conference Series: Materials Science and Engineering* **288** (1) 012023.
- [8] Nandiyanto A B D, Ismiati R, Indrianti J and Abdullah A G 2018 “Economic Perspective in the Production of Preserved Soybean (Tauco) with Various Raw Material Quantities,” *In IOP Conference Series: Materials Science and Engineering* **288** (1) 012025.
- [9] Nandiyanto A B D, Indrianti J, Ismiati R and Abdullah A G 2018 “Economic Analysis of the Conventional Production of Traditional Brem Food,” *In IOP Conference Series: Materials Science and Engineering* **288** (1) 012026.
- [10] Nandiyanto A B D 2017 “Engineering and Economic Analysis of the Synthesis of Fluoride Tin Oxide Film Production,” *International Journal of Energetica* **2** (2) 15-17.
- [11] Regulation of the President of the Republic of Indonesia Number 112 Year 2007 Regarding Arrangement and Traditional Market Development, Shopping Center and Modern Store .
- [12] Mayor of Bandung Regulation no. 112 Year 2008 About Market Management In The Corporate Environment of Dignified Market Area of Bandung City