

# TRADITIONAL VERSUS MODERN: AN ANALYSIS OF MARKET MANAGEMENT IN YOGYAKARTA MUNICIPALITY



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# Overview

1. Introduction: Why market management is crucial in Yogyakarta municipality.
2. The condition of traditional dan modern market in Yogyakarta municipality
3. Local government regulations and their implementation
4. There should be willingness of local government to enforce its policies in order to develop traditional market to empower local traders

# Introduction

- ⦿ The number of modern market such as supermarket and francise shops increase significantly recently in Yogyakarta.
- ⦿ Many of them do not have legal trade liseneces.
- ⦿ Modern market occuppies 31, 5 percent of buyers by reaching omzet of 2.5 billions each year while only 9.1 million/year for traditional market.
- ⦿ In fact, the omzet of traditional market decrease into 25,5 percent.

# Why modern markets?

- Modern markets offer better services in terms of cleanliness, readiness and friendliness.



# Why modern market?

- ① Modern market open until midnight.
- ① Franchise shops are easilily found in every places in the city.
- ① Modern market offer many discount prices for products and prizes for customers.
- ① Modern markets provide fix prices

# Government policies in Yogyakarta City:

1. Municipal Regulation No. 79/ 2011 on Limitation of Modern Market Operation.
2. Municipal Regulation No.33/ 2006 on Trade Lisenca.
3. Local Government Regulation No. 18/2001 on Modern Market Trade Lisenca
4. Promote traditional markets by giving prizes for buyers
5. Modernize traditional markets by reconstructing the building and implementing modern management system

# Municipal Regulation No. 79/ 2011

- The government of Yogyakarta Municipality regulate the number of modern markets in Yogyakarta City
- The aim of this policy is to limit the number of modern markets in Yogyakarta City. It is only 52 of them in maximum.
- The location of modern market is minimum 400 metres from the traditional markets.

# However,

- ⦿ The total number of modern markets in Yogyakarta City are more than 52.
- ⦿ Many of them (19 modern markets) do not have trade licence. (as mention by Chang Wendryanto, the Head of Commisison A of Local Level Representative Assembly).
- ⦿ The distance between modern market and traditional markets is so close (not more than 400 metres)



# HINDRANCES OF POLICY IMPLEMENTATION

1. Many modern market (franchise) use individual licence
2. Some of them established before the policy exist
3. The lack of local government monitoring
4. The lack of law enforcement especially giving sanction to modern markets

# Conclusion:

- ⦿ Although there are several policies to develop fair trade for traditional markets and modern markets, it seems that modern markets develop more rapidly.
- ⦿ There are many problems related to law enforcement.

# Further actions

- ⦿ Providing financial support and entrepreneur trainings for traders in traditional markets
- ⦿ Employing modern management for traditional markets
- ⦿ Providing better services and quality of products for costumers in the traditional markets: clean and tidy
- ⦿ Increasing communities awareness to buy products in traditional markets
- ⦿ Make policy to obligate modern markets for selling Indonesian products not import products.