

Income of Micro, Small, and Medium Enterprises with the Presence of A Mini Market In Palopo City, Indonesia

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Page: 257-266

ABSTRACT

This study Discusses the Income of Micro, Small, and Medium Enterprises before and after the presence of the Mini Market, this research aims to describe the income of micro, small and medium enterprises, the method used is a descriptive qualitative research method and the data sources used are primary data through field studies (field research) and secondary data through library research with data collection techniques through observation, interviews, and documentation, as for data analysis techniques through three stages, namely data reduction, data presentation, and conclusion drawing.

Based on the results of research conducted that the income of UMKM after the presence of mini markets has decreased, it can be seen from 9 business actors, 7 of which experienced a decrease in income with an average decrease of 53.75% while 2 business actors experienced an increase in income with an average of 43.75%. for this reason, the solution provided by the government is that UMKM must improve the service and availability of merchandise, with efforts to provide business capital and increase the capacity of human resources for UMKM actors by holding training and education programs from the Palopo City government.

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Abstrak: Penelitian ini membahas Pendapatan Usaha Mikro, Kecil, dan Menengah sebelum dan sesudah kehadiran Mini Market, penelitian ini bertujuan untuk mendeskripsikan pendapatan usaha mikro, kecil dan menengah, metode yang digunakan adalah metode penelitian deskriptif kualitatif dan data sumber yang digunakan adalah data primer melalui studi lapangan dan data sekunder melalui studi pustaka dengan teknik pengumpulan data melalui observasi, wawancara, dan dokumentasi, adapun teknik analisis data melalui tiga tahap yaitu reduksi data, penyajian data, dan penarikan kesimpulan.

Berdasarkan hasil penelitian yang dilakukan bahwa pendapatan UMKM setelah adanya mini market mengalami penurunan, hal ini terlihat dari 9 pelaku usaha, 7 diantaranya mengalami penurunan

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pendapatan dengan rata-rata penurunan sebesar 53,75% sedangkan 2 pelaku usaha mengalami penurunan pendapatan. peningkatan pendapatan dengan rata-rata 43,75%. untuk itu solusi yang diberikan oleh pemerintah adalah UMKM harus meningkatkan pelayanan dan ketersediaan barang dagangan, dengan upaya pemberian modal usaha dan peningkatan kapasitas SDM pelaku UMKM dengan mengadakan program pelatihan dan pendidikan dari pemerintah Kota Palopo.

Kata kunci: mini market, pendapatan, UMKM, Palopo

INTRODUCTION

Mini markets in Indonesia continue to expand their wings to develop their business, this can be seen from the Nielsen Retail Audit, where Alfamart expanded by adding 223 units of outlets from 13,490 units in January 2018 to 13,726 units of outlets in March 2019, while alfamidi added 10 units of outlets from 1,431

units in January 2018 to 1,441 units in March 2019, Indomaret also made a massive expansion by adding 1,232 units of outlets from January 2018 to March 2019. The development of the number of alfamart, alfamidi, and indomart minimarket outlets has been detailed in the following table:

Table 1. Development of minimarkets in Indonesia

Type	Year			
	Jan 2018	Mar 2018	Jan 2019	Mar 2019
minimarkets				
Alfamart	13,490	13,503	13,684	13,726
Alfamidi	1,431	1,464	1,431	1,441
Indomaret	15,226	15,394	16,278	16,458

Source: Nielsen Rerail Audit

Minimarkets such as alfamart, alfamidi, and indomaret have the strength to compete with other modern stores, this can be seen from the many increases in the number of outlets every year compared to several other modern stores, with the

concept of getting closer to consumers, Minimarkets alfamart, alfamidi, and indomaret can win the minimarket market. No exception in Palopo City mini market continues to increase the number of outlets, the following is the mini market data that has been detailed:

Table 2. Data on mini markets in Palopo City in 2020

Name	Subdistrict							a total cost
	Bara	Wara	Wara Selatan	Wara Barat	Wara Timur	Wara Utara	Mungkajang	
Indomaret	2	4	3	1	4	2	4	20
Alfamidi	2	1	0	0	1	0	0	4
Alfamart	2	3	1	1	5	0	0	12
Jumlah	6	8	4	2	10	2	4	36

The flourishing of mini markets in various regions is a

manifestation of the Indonesian economy that continues to progress, and of course, has a good impact on

overcoming the problem of unemployment by holding jobs. But it turns out that on the one hand, the economic passion has caused unrest among micro-business owners who are adjacent to minimarkets.

To overcome the inequality that occurs between minimarkets and micro-enterprises, the government made a rule in Presidential Regulation No. 112 of 2007, stating that every modern market establishment should pay attention to the socioeconomic conditions of the community, and the existence of traditional markets in the surrounding area, as well as the distance between UMKM and minimarkets. in presidential regulation, it is regulated in terms of business licenses, business locations, amdal, and influence for retail traders.¹

The existence of this mini market is inseparable from the analysis of the socioeconomic conditions of the community so that rules are made that can be a guide for mini markets if you want to establish a business so that UMKM and mini markets can synergize.²

The arrangement of mini markets in Palopo City is carried out by the government by giving permits to only 5 sub-districts in Palopo City including Bara District, Wara

District, North Wara District, East Wara District, and South Wara District. Some of the authorities to organize and permit the establishment of minimarkets in Palopo City to include:

Palopo City One-Stop Integrated Investment and Licensing Service, Palopo City Cooperative Office, Palopo City Spatial Planning Office, Environment Agency, Transportation Department, Fire Department, and civil service police units.³

Traditional markets have a role not only as a place to carry out trade and transactions but are relics or cultural heritage that have existed for a long time. The development of mini markets in various regions cannot be denied because, on the one hand, local governments have demands to continue to increase economic growth in the regions, one way to increase economic growth is to develop an investment climate in the region obtained from modern market industries such as minimarkets.

The rapid growth of mini markets should be in line with the progress of UMKM so that these two retailers become a booster of Indonesia's economic growth.

The presence of mini markets raises different opinions from various parties, some people have a positive opinion on the presence of mini markets because their existence

¹ Cahaya Novita, "Dampak Kehadiran Minimarket Terhadap Pedagang Eceran dan Grosir di Desa Hessa Air Genting Kecamatan Air Batu Kabupaten Asahan", *Repository Uinsu*, (24 Januari 2019), 15

² Aslam, A. K. "Pengaruh Pertumbuhan Mini Market Terhadap Minat dan Kebiasaan Belanja Masyarakat di Kelurahan Tamamaung Kota (Makassar, UIN AM:2020), 45

³ Abd. Kadir Arno, dan Nur Ariani Aqidah, "Zonasi Mini Market di Kota Palopo Suatu Upaya Perlindungan Pasar Tradisional dan Warung Kecil", *Jurnal Of Islamic Economic Law* 3, no.2, (September 2018), 209

can help the middle class and above to shop safely, comfortably, and freely.

However, some think negatively, that the existence of this minimarket can harm retail traders or UMKM owners who are side by side or adjacent to minimarkets.⁴

The existence of mini markets does not escape the negative impacts and positive impacts, because on the one hand many people feel helped but on the other hand, some feel disadvantaged.

Mini markets often do promotions with various discounts which of course will attract consumers to shop at mini markets, especially with a better quality of service when compared to small businesses or traditional stalls. However, behind the negative impact, there is also a positive impact caused by the presence of mini markets, namely reducing the unemployment rate by providing jobs.

Retail traders experienced a change in income, after the presence of mini markets, traders felt uneasy because from year to year sales turnover decreased to reach 25%-50%. However, it is different before the establishment of mini markets when wholesale and retail business income was still stable.

⁴ Wiwit Suryani, "Eksistensi Keberadaan Pasar Modern (Mini Market) Terhadap Kinerja Pedagang Sembako Di Pasar Tradisional (Studi Kasus Kecamatan Seputih Surabaya, Kabupaten Lampung Tengah)", *Skripsi Universitas Lampung*, (2018), 4

The existence of minimarkets has harmed the existence of traditional markets or small businesses, as can be seen from the decrease in sales turnover from year to year, this condition occurs because every year there is an increase in the number of minimarkets that are very close to and even side by side with traditional stalls.

The decrease in sales turnover felt by traders or UMKM owners should be a motivation to continue to innovate and improve business facilities so that they can compete with other businesses

From the phenomenon that occurs above, the author further wants to examine the income of UMKM owners in East Wara District before and after the presence of mini markets so that against the background of these problems, the author is interested in raising research entitled "Income of Micro, Small and Medium Enterprises with the Presence of Mini Markets in East Wara District, Palopo City.

METHODS

This research is a type of qualitative research with a descriptive approach. Descriptive research is research that aims to describe factually, systematically, and meticulously the state of an object or group of people. Descriptive research presents data, analyzes, and interprets.⁵

This study is intended to explain related to the income of

⁵Syahrudin, *Metodologi Penelitian*. (Makassar: CV. Permata Ilmu, 2005), 67

UMKM before and after the presence of mini markets in East Wara District, Palopo City. Wara Timur is the location chosen in this study because Wara Timur District is the area that has the most mini markets of all districts in Palopo City, which is as many as 10 units

In this study, income information was obtained from interviews with UMKM owners by asking for income before and after the presence of mini markets, in addition, the researcher also conducted interviews with the heads of stores of several mini markets adjacent to UMKM and communicated with the secretary of the East Wara sub-district to ask for opinions or responses regarding the presence of mini markets that are side by side with UMKM.

The location of study was carried out in East Wara because it saw that the East Wara district had a Mini Market with the highest number, namely 10 mini market units compared to other sub-districts in Palopo City.

This research was conducted in East Wara District, Palopo City because in this area there are many minimarkets adjacent to UMKM, the train of thought in this study is that researchers make observations and interviews with UMKM owners or retail traders in East Wara and ask how the income of UMKM before and after the presence of mini markets, then the results of the study are compiled based on data obtained from informants.

RESULT AND DISCUSSION

Income of Micro, Small, and Medium Enterprises Before and After the Presence of Mini Markets in East Wara District The development of mini markets in Indonesia is undeniable, including in the East Wara District, almost along the road, there are mini markets that are very close to UMKM. this has resulted in business competition between mini markets and UMKM, especially since almost all products offered to tend to be the same

However, the advantage of mini markets is the provision of adequate facilities for their customers such as a full-air conditioned room, good service, friendly service, and prices that have been fixed on each shelf of goods, so that customers feel comfortable and find convenience.

Unlike UMKM or grocery stores on the side of the road where customers usually have to call the store owner first to get service, moreover, the condition of the store is not equipped with air conditioning and very simple services that cause consumers to be less comfortable shopping.

The rapid development of mini markets in East Wara District requires UMKM players to continue to innovate to improve their services and business facilities, this is because the existence of mini markets that mushroom in densely populated areas will certainly influence the income of UMKM and the number of buyers in grocery stores. The distance between mini markets and UMKM will certainly affect people's choices in determining where to

shop. This will make the number of buyers in UMKM decrease and hurt the income received

The business established by most of the community, especially UMKM actors in East Wara District, has experienced many developments. Starting from the level of income and the business they built. However, recently the situation of UMKM has become a concern in the community, especially for researchers. One of the problems is the presence of mini markets, which will certainly affect the income of UMKM players. The following is one of the statements from the informant relating to the income of UMKM before and after the presence of mini markets. as stated by Mr. Waris,

Based on the results of an interview with Mr. Waris, he said that in the early days of the establishment of this business, the income obtained was quite stable on average around Rp. 10,000,000 / day, the business which was founded in 2013 offered a variety of household needs in general such as, instant food, various snack, snacks, gas cylinders, cigarettes and many more, after the presence of mini markets, they experienced a change in income which fell by up to 70%. In line with Pak Waris's statement, shop owner Andriani also revealed that there was a decrease in the amount of income before and after the presence of the mini market

The business, which was founded in 2012, experienced a decrease in revenue turnover, where before the presence of mini markets the average income received was Rp.

3,000,000 per day, but after the number of mini markets appeared adjacent to the andriani store the income received dropped to Rp. 1,500,000 per day, with a percentage decrease of 50%. Andriani's shop does not have paid labor but the one who becomes a labor force is the business owner and his children, in contrast to the mini market that has labor or saleswomen who are ready to serve consumers. The change in income was also felt by Irwana

The results of the interview showed that there was a decrease in turnover at the wahyu store with a percentage of 25%. The store, which was established in 2017, sells various household needs such as ready-to-eat food, soap, various snacks of various other products, The decrease in sales turnover was also felt by Hariana's mother, the following is a statement from her as the owner of the Hidayah store adjacent to the mini market

Based on the results of an interview with Hariana's mother, it can be concluded that there was a decrease in income with a percentage of 66.66%. The business, which was founded in 2006, is located on Jalan Andi Kambo side by side with Alfamidi, selling various household products. in line with the results of the interview above The decrease in income after the presence of the mini market was also experienced by the shop owner Rahmadillah

Based on the results of the interview above, it can be concluded that the Rahmadillah store experienced a decrease in revenue by 33.33%. this can be seen from the income

obtained where before there was a mini market Toko Rahmadillah had an average income of Rp. 1,500,000 but after the establishment of the mini market the income obtained decreased to Rp. 1,000,000 per day.

The business, which was founded in 2014, sells a variety of household needs such as: instant food, gas, body wash, laundry soap, cooking oil and others. In line with what was experienced by the Rahmadillah store, the decline in income was also felt by Nurhaini's mother, the owner of the Berdikari Business Shop

Based on an interview with Nurhaini's mother, she revealed that there was a decrease in turnover from independent businesses, this can be seen where before the establishment of the mini market, the average income earned was Rp. 1,000,000 per day but after the emergence of mini markets, the income obtained dropped by 50% to Rp. 500,000 per day.

The business, which was established in 2005, at the beginning of its business development, borrowed capital to financial institutions that cooperate with the government to stock more goods so that consumer needs can be met.

Meanwhile, a different thing was stated by Mr. Herianto.

Based on the results of the interview above, it can be concluded that the Andika store, which is located in Yosudarso, did not experience a decrease in revenue but instead experienced an increase in income, this is because the Andika store has the motivation to be more advanced, it can be seen from the strategy carried out by opening a 24-hour working store so that consumer needs can be fulfilled, the store, which was established in 2014, experienced an increase in revenue by 62.5%. this can be seen from the amount of income per day that was originally before the establishment of the mini market, the income obtained was an average of Rp. 1,500,000

However, after the presence of the mini market, it had no effect and experienced an increase in income of Rp. 4,000,000 per day. In line with this statement, Mrs. Hasmilanti also said that the presence of this mini market did not have a negative impact on her business.

Table 3. Changes in the income of UMKM owners before and after the presence of the mini market.

No.	Name	Informan	Year of starting a business	Income before mini market (per day)	Income after mini market (per day)	Percentage Decrease and increase
1.	Toko yahya	Waris	2013	Rp 10.000.000	Rp 3.000.000	-70%
2.	Toko andriani	Andriani	2012	Rp 3.000.000	Rp 1.500.000	-50%
3.	Toko wahyu	Irwana	2017	Rp 4.000.000	Rp 3.000.000	-25%

4.	Toko hidayah	Hariana	2006	Rp 3.000.000	Rp 1.000.000	-66,66%
5.	Kios Audi	Isnir	2010	Rp 8.000.000	Rp 1.500.000	-81,25%
6.	Toko Rahmadillah	Dilla	2014	Rp 1.500.000	Rp 1.000.000	-33,33%
7.	Usaha berdikari	Nurhaini	2005	Rp 1.000.000	Rp 500.000	-50%
8.	Toko andika	Herianto	2014	Rp 1.500.000	Rp 4.000.000	62,5%
9.	Toko zainal abidin	Hasmilanti	2016	Rp 300.000	Rp 400.000	25%

Source: Interview with UMKM owner in east wara subdistrict

The presence of mini markets that mushroom into community settlements cannot be denied along with the times and changes in people's lifestyles and consumption patterns. The presence of a mini market that is able to provide satisfaction for consumers with good facilities and professional services, on the one hand, actually gives concern to UMKM because it will result in business competition, especially UMKM that are still struggling with capital problems and simple services, on the other hand, the existence of these UMKM cannot be ruled out in supporting the economy of the lower middle class. However, the presence of mini markets adjacent to UMKM turned out to have a negative impact on UMKM, as can be seen from the decline in income of UMKM owners

The problem of lack of business capital and the ability of human resources to manage their business is indeed the main obstacle for UMKM, this then becomes a separate program for the government to be complete, some of the micro-business owners in East Wara have the highest education to graduate from high school, not

infrequently of them have education only until junior high school and some even do not finish elementary school. For capital issues, the government provides business assistance in the form of funds, or credit from banks through cooperation with local governments.

This research is in line with some of the same studies as the research conducted by Nasiruddin⁶ that the negative impact is that many traditional merchants with various cirri typical of their sellers feel threatened by the existence of Alfamart in their midst. Purnomo⁷ in his research stated that there were many negative impacts of the existence of alfamart and the like causing a decrease in revenue after its existence of Alfamart. This is proven by the decreasing number of commodities purchased.

Rina Arnisyah also stated in the Analysis of the Impact of the

⁶ Nashiruddin. 2012. Dampak keberadaan indomaret terhadap pendapatan pedagang kelontong di pasar cuplik kecamatan sukoharjo eprints.ums.ac.id/20414/9/11._NASKAH_PUBLIKASI.pdf

⁷ Purnomo, S., & Istiqomah, I. (2019). Economic Growth and Poverty: The Mediating Effect of Employment. JEJAK, 12(1),238-252. doi: doi.org/10.15294/jejak.v12i1.18591

Existence of Minimarkets on the Business Continuity of Grocery Stores (Case Study in the Srengseng Village Area, Kembangan District, West Jakarta) that the existence of modern minimarkets on grocery stores has a negative impact on turnover, income and the number of customers. The implementation of government regulations on the modern market has not gone as it should. The efforts made by grocery store owners to maintain the existence of their businesses are very minimal.⁸

The results of research conducted by Mudrajad Kuncoro, a member of the Economic Team of the Indonesian Chamber of Commerce and Industry (Chamber of Commerce and Industry) in Indonesian Business (2008) stated that the decline in sales turnover of small traders was catastrophic and more significant if the distance between the stalls or shops and modern stores was below one kilometer. Similarly, according to Wijayanti, the presence of the modern market has a negative influence, one of which is on MSMEs in the trade sector, one of which is traditional shops that are less than one kilometer away from minimarkets, which has significantly decreased profits. To face competition with minimarkets, traders need to have a special strategy because the reality is that

what is faced today is more existent than grocery store merchants. Therefore, it is necessary to have a strategy from merchants to retain customers and the existence of their business to build a rebranding and distinctive plan that can meet the needs and demands of consumers as done by minimarkets.

Mini Markets that will carry out the establishment of buildings both in Palopo City and outside Palopo City, of course, must take care of various kinds of licensing procedures for the construction of mini markets. To overcome the inequality between mini markets and UMKM which results in a decrease in the sales turnover of UMKM, the government's attention is needed, not only to provide business capital assistance, training, or education, but also the need for strict rules from the government such as tightening the rules related to the establishment of Mini Markets and paying attention to the existence of local businesses in an area so as not to cause inequality between mini markets and UMKM, and it is necessary to analyze the social and economic conditions of the community, in the area that will be the place of establishment of a mini market

The government also needs to limit the number of mini markets entering the city of Palopo to protect existing local businesses or limit the products that can be sold by mini markets to only products that are not sold by UMKM such as in the form of wholesalers so that UMKM can cooperate with mini markets so that UMKM can benefit from the existence of mini markets.

⁸ Rina Arnisyah. 2020. Analisis Dampak Keberadaan Minimarket Terhadap Kelangsungan Usaha Toko Kelontong (Studi Kasus Di Wilayah Kelurahan Srengseng, Kecamatan Kembangan, Jakarta Barat). <http://repository.uinjkt.ac.id/>

CONCLUSION

Based on the description of the results of the research and discussion, regarding the income of micro, small and medium enterprises before and after the presence of mini markets in East Wara District, Palopo City, the author draws the following conclusions: UMKM income after the presence of mini markets has decreased, where from 9 micro, small and medium enterprises 7 of them experienced a decrease in income with an average decrease of 53.75% while 2 business actors experienced an increase in income with an average of 43.75%.

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