

Social Network Typology of Doing Transactions in Minangkabau Traditional Market

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Abstract—Traditional markets is not only a place for doing transactions among traders and buyers but also as a social institution that maintains the social structure of the society. Transactions conducted in traditional markets are influenced by emotional connections and social networks. The purpose of this research is to analyse the social networks typology of doing transactions in Minangkabau traditional market. This research was conducted in Agam and Tanah Datar Regencies. Data collection techniques were conducted by observation, in-depth interviews and FGD. The social networks formed are realized through trust and are maintained by the norms that exist in the society. The typologies of social networks encountered include: 1) micro social networks between traders and farmers, a bond formed because of trust, 2) meso social network, is collecting traders and sending traders, where economic actions are socially synchronized and 3) macro social networks that are built by more than two groups namely traders and agents or the destination are.

Keywords: *social network, transaction, traditional market*

I. INTRODUCTION

The market is an institution that regulates communication and interaction between sellers and buyers that aimed at conducting transactions in the exchange of objects, cash, and services where the transactions can be delivered at a future time based on a predetermined price. The market exists because of supply and demand. Soekanto stated that the market, in addition to a place to look for goods to meet their needs, also a place for social interaction where dynamic social relationships among individuals, individuals and groups, and among groups exist. The market is also a place to fulfil ones' daily needs in which the existence of public markets is equally in line with the availability of the daily necessities. That means of economic action embedded in each other [1]. From another perspective, a market is considered a situation where goods and services are sold to customers at a price that is paid for with money [2].

The market is divided into modern markets and traditional markets [3]. Modern markets are not much different from traditional markets, but this type of market sellers and buyers do not transact directly but buyers see the label the price listed on the item (barcode), is in the permanent building, and the service is carried out independently (self-service) or served by salespeople. The items sold in the modern market, other than foodstuffs e.g. fruit, vegetables, meat, etc. are mostly goods that have high durability. In West Sumatra a market is commonly known as the "nagari" market. Effendi defines a market as a place in the local village where trade of goods that represent output from economic activities in Minangkabau, especially those who live in rural areas occurs [4].

The traders of both in modern and traditional markets are inseparable from the social networks. Social networks are the relationships that are created among many individuals in a group or even among groups. Social relations are a picture or reflection of cooperation and coordination between citizens based on active and reciprocal social ties. Granovetter initially uses the concept of "the strength of ties" and makes the distinction between strong ties and weak ties [5]. Sociology studies have discussed markets issues, ranging from traditional markets [6,7], modern markets [8,9], including in the network [10].

Social networks are a special type of network, where the 'ties' that connect one point to another point in the network are social relations. Based on this type of bonding, then directly or indirectly the members of a social network are humans (people). It is possible that those who are members of a social network are a group of people representing the points, so it does not have to be represented by one person, for example an organization, agency, government or country (network of non-aligned countries) [11].

A social network is built from the market through good social interaction and with trust capital between buyers and sellers. Therefore the market is an important institution in economic institutions. Pasar Padang Luar, Agam is the largest Horticultural Market in West Sumatra. The market is the

biggest vegetable market and every day a transaction or marketing process of vegetables is carried out by farmers and collecting traders. The Pasar Padang Luar located on the Bukittinggi-Padang Highway, precisely at Km 4 Padang Luar, Banuhampu District, Agam Regency, which is famous as a market for supplying fresh vegetables, to various cities outside West Sumatra such as Pekanbaru, Batam, Bungo, Jambi, Bengkulu and Medan.

This is because Pasar Padang Luar is surrounded by fertile areas as a producer and production centre for fresh vegetables. The Pasar Padang Luar is open every Tuesday through Sunday. Pasar Padang Luar is very crowded and crowded with buyers and small traders as well as large traders/toke from outside and within West Sumatra. Range of time for selling vegetables from 06:00 AM - 03.00 PM. usually the traders arrive earlier than 06:00 AM, even earlier than the farmers.

In this timeframe, farmers will come and sell their vegetables to traders in retail, to middleman traders, or directly to the distributors. This condition has become the source of the inevitable traffic jam in Pasar Padang Luar. And from the range of 16.00-18.00 WIB is the time of transaction between farmers and merchants who have subscribed to other vegetable delivery destinations.

Based on the observation, it can be seen that there are various types of traders in Pasar Padang Luar e.g. middlemen traders, distributors and sending traders, and local agents of the destination area. Traders are people or institutions that sell products or goods to consumers, both directly and indirectly.

Traders are people who sell goods or services directly to consumers. According to traders are divided into three categories: 1. Large traders are traders who collect goods on a large scale and then sell them back to the smaller scale traders for benefits; 2. Medium traders are traders who have merchandise on a large scale to a larger trader and then resell it to a smaller trader; and 3. Small traders are traders who own medium-sized merchandise and sell it directly to consumers. Traders who are recorded are accommodated based on kiosks or booths that have been provided by the market manager.

The number of traders in Pasar Padang Luar until 2018 is up to 3,000 traders, but there are still many that have not been recorded. After the vegetables are bought by the collectors/toke who has a large volume of warehouses/kiosks, the goods will be directed to various cities outside West Sumatra by truck.

In this case, the vegetable transport trucks have to stay in Pasar Padang Luar in order to distribute the goods from Pasar Padang Luar and to fasten the transferring process. According to North and Swedberg [12] in the latest economic mainstream, *New Institutional Economic*, state that the economists see transaction costs incurred on the market (high transaction costs). The high transaction costs are caused by imperfect information. This is because there is a structure that plays in the market, such as the structure of farmers, the structure of traders as economic actors in the market, so that information is not the same (asymmetric information). It means that New Institutional Economics (NIE) only reaches quantification that it is the structure that causes high market costs, so it needs to change the structure of the market to reduce the high

transaction costs. If the farmer's yields are a little, the price of the vegetables will surge up. In the other hand, if the farmer's yields are flooded then the price of vegetables will decrease.

Here, we can see the interesting thing happened in the market e.g. the relationship built among farmers, farmers and traders, traders and consumers, etc. The researcher is interested in the network that is strongly intertwined to the extend to the network conducted outside the Province of West Sumatra since Pasar Padang Luar is one of the central vegetable producer in West Sumatra. Therefore, researchers are interested in examining the typology of social networks of doing transactions in Minangkabau traditional market.

II. LITERATURE REVIEW

Baker stated that the market as a marketplace can be explained in two different types: the broad network and the narrow network. In a narrow type of network, there are clique members who form the networks, there are also market participants who isolate themselves from the clicks or the groups in the market, but only have interactions with one of the members of the click/group. In the other hand, in the broad network, there are two or more market groups/clicks that have interaction either among click members, the members of the different clicks, or even the interaction with the isolated market participants, liason market participants, and group members who are in pairs [12].

In reviewing the networks in the market, we will be able to see that the greater the type of network formed, the more parties/actors involved in it. It is believed that the network formed is strongly influenced by considering e.g. politics, markets, community background and technology. This study analysed the broad network since there are two or more market groups/clicks perform the interaction. Among these market groups, there are groups of middlemen or collecting traders, distributors or sending traders, and agents for the destination market.

Social networks are one of the social dimensions alongside the beliefs and the norms. The concept of networks in social capital is more focused on aspects of inter-node ties that can be a person or group (organization). In this case there is an understanding of the social relations that are bound by the existence of trust where trust is maintained and maintained by existing norms. The concept of this network, there is an element of work, which through social media relations becomes cooperation. Basically, social networks are formed because of a sense of mutual knowledge, mutual information, mutual reminders, and mutual assistance in implementing or overcoming something.

The network according to Lawang can be understood as:

- A bond between the knots (people or groups) associated with the media (social relations). These social relations are bound by trust. Trust is maintained by norms that bind both parties.
- Integrated work among vertices (people or groups) which through social media become collaboration, not work together.

- Like a net (which does not break) the work that is intertwined between the knots must be strong enough to hold the joint load, and instead can "catch fish" more.
- In the work of the network there is a bond that cannot stand alone. In fact, if one node is broken then the whole net cannot function anymore, until the node is repaired. All the knots become one unity and a strong bond.

There are several research related to the market that have been done by several researchers before. Zuzmelia from IPB in her research entitled "The Persistence of Pasar Nagari Minangkabau: The Case of Cassialavera Market in Tanah Datar and Agam, West Sumatra." Zuzmelia in her research found that the exchange that occurred in the Pasar Nagari (cinnamon market) has not been shown as a compromise of interest in each party, and has not led to the creation of reciprocal satisfaction. The micro analysis shows that the persistence of the Pasar Nagari from time to time is due to the element of attachment: 1). Actors' economic actions in the ongoing personal social network, 2). Economic action with the socio-cultural system of the community. This attachment turns out to have different meanings on each economic actor (for researchers, middlemen or collecting traders, and larger scale traders) [12].

Still related to traditional the markets, there are three type of networks in TPI Gauang, namely trade network, familial network and employment network [13].

In Pasar Pagi Minggu Tiban there is social capital consisting of social networks, social norms, and beliefs. Social networks are deliberately formed from the actors in Pasar Pagi Minggu Tiban, namely market managers, community leaders, traders, and buyers. Seen from the social interactions that exist, there are two forms of networks created, namely networks with strong and weak ties. Social norms in the Pasar Pagi Minggu Tiban formed together to regulate individual behaviour in the market. The process of the formation of social norms in the Tiban Sunday Morning Market is formal and informal. The trust that arises from Pasar Pagi Minggu Tiban participants has several functions including making decisions, bringing about cooperation, simplifying work, maintaining order, strengthening relations between market participants, and creating social capital.

Several studies conducted by the researchers above show that studies related to traditional markets have been analysed from different points of view. Differences were made in relation to the location of the study, the problem under study and the purpose of the study.

III. METHODS

The approach used in this study uses a qualitative approach that is a research procedure that requires data of written words and observed behaviour. This approach is used because it wants to reveal things that do not appear on the surface. A qualitative research approach can be defined as a social method that analyses words and changes in society. While the type of research is descriptive (descriptive research), descriptive research is research that seeks to describe a phenomenon,

event, event, which is happening at the moment, according to Straus and Corbin [14].

Data collection techniques in this research are through in-depth interviews and observation. In this study, researchers used an in-depth interview method by creating interview guidelines and using a recording device. In-depth interviews are conducted many times and require sufficient time with informants in the research location.

The interview technique in this study was used by visiting the merchant, being acquainted and starting the interview with the aim of getting the appropriate data. The purpose of using this in-depth method was to dig up information from everyone who was made a research informant. The information or data to be taken is data related to the research objectives, namely typology of social networks in transactions in the traditional Minangkabau market.

For observation as a data collection technique has specific characteristics when compared with other techniques, namely interviews and questionnaires. Two of the most important are the processes of observation and memory. For observations carried out observing the activities of traders who hunt for vegetables from farmers, both sending traders are traders starting from the arrival of farmers who bring vegetables from the fields to the bargaining process between farmers and traders, both from retailers to sending traders.

While the analysis was conducted with the model of Miles and Huberman, this analysis was carried out with several stages including: data collection, data reduction, data presentation and conclusions.

IV. RESULTS AND DISCUSSION

A. Actor in a Horticultural Transaction

The concept of actors in sociology, as a whole, is socially constructed in an interaction or actor in society. Actors in an interaction are individuals involved in an interaction with individuals or several other groups of individuals. Actors in individual societies are people whose identities do not appear but are hidden in a unity that needs or as a hidden identity [15].

Actors in a network of networks are connected, glued together and bound by one another. The actors in this study who play an important role in social networks between traders in horticultural transactions include farmers / traders, retailers, collectors, senders (toke), agents (destination areas) and retailers. The traders get these vegetables from farmers who are ready to harvest and brought directly to the market. In horticultural transactions in traditional markets involving several actors:

- Farmers are people who own land and goods (vegetables), which are then sold to traders, both to retailers, collectors, senders (usually called toke). An important role in this research is as a supplier of vegetables and shipped out of West Sumatra
- Retailers consist of:
 1. Kiosk Traders in Pasar Inpres is a trader who occupies a building that was established by the

Regional Government which traders sell their daily needs. Based on the data on page four there is a Kiosk Pasar Inpres which consists of 20 plots.

2. Los Traders are traders who occupy buildings built by the regional government with a broad size and have the characteristics of buildings that do not have walls. Based on the data on page four, there are five stalls consisting of 2 units of ground food, 1 unit of presidential decree, 1 unit of c block, 1 unit of d block, 1 unit of turnip, 1 unit of tomato, 1 unit of turnip SMEs, 1 unit of WBC booth and 2 units of farmer booth.
3. Street Vendors are traders who are in the overhang of the Pasar Padang Luar. These traders do not have official ownership rights, they only scramble to trade, when there are officers from the market manager coming to inspect the market, they immediately pack themselves up, but after how long they will return again. In this case the time allowed to trade around 11:00 WIB.
 - Collecting traders are traders who buy merchandise from farmers and then sell it back to sending merchants from outside the area.
 - Sender Traders (Toke) are traders who directly buy merchandise from farmers and collectors, and then immediately sell it again to the regions.
 - Agent is a person or company that sells products from distributors to retail or consumers. Usually the existence of an agent is formed directly by the distributor whose purpose is to get closer to the consumer. But the problem of profit is obtained from the difference in the selling price or it can also be through the sales commission. As an example of vegetables that they get, they sell again at a selling price according to the market economy. The process is that they directly sell to retailers or buyers.

B. Social Network Typology in Horticultural Transactions

Social networks are formed because through the process first, the social networks of relationships that are formed in the community become important, because humans are social creatures. No human lives without the help of others. That's why humans have a good relationship, although not infrequently there are conflicts in the community.

A social network is a grouping of three or more people, each of whom has his own identity and each is connected with one another through existing social relationships, so that through these social relationships they can be grouped as one unit or group social. The social relationship that is realized is not only between two parties but it is a relationship that is like a child in a net or a network that includes many people.

The social networks among traders in traditional markets are as follows: first the Micro Social Network, the second Meso Social Network and Macro Social Network.

C. Micro Social Network

Micro social network is a form of network that is always found in daily life. Social networks have a function as a lubricant, and as a bridge and glue. Or because of the actors' play in the market, the collaboration occurs because of mutual repetitive transactions. Besides, it is seen from the quality of the goods, in this case, vegetables that are traded.

The price will be determined based on the agreement between the two parties which is built on the cooperation network. In this study found a micro social network between farmers and traders. When farmers and collectors trade business and end up buying and selling, this can be a node for the formation of a customer bond between farmers and collectors. The formation of customers can be initiated by both parties, both farmers and traders. Both parties will establish a customer bond by considering the level of trust (trust). According to Polani, that social networks generate trust and trust is embedded in social network and simultaneously economic action is embedded in the structure of trust of social network [16].

Customer ties between farmers and collectors can facilitate the formation of new relationships or expand relationships with farmers or other collectors. The formation of a customer bond between the farmer and the collector has the trust and the benefits that they earn are tied to one another. It means that in social networks avoid looking for one's own benefit [17].

Based on interviews with research informants, there is a strong good relationship between farmers and traders. This is consistent with the results of the researchers' interview with Mrs. Ema as a collector who buys vegetables from farmers as follows:

“Kok modal a awak surangnyo, kalau samo petani tu awak langsung bayie se nyo, langganan pulo jo petani tu, tapi beko ka urang yang mengirim e tu ndak dibayaie e do, istilah e bayie jo muluik se nyo, alum biaya wak bali ka petani lai alum upah menyewa oto unntuk mambaok sayua tu lai. Beko a sayu tigo karuang palingan elok e dua satngah karuang nyo tu, banyak nan rusak cek e. Beko sayua nan bakirim lamo lo nunggu mako dibayie e.”
(Interview Mei 25th, 2018)

Translation:

“I have my own capital. For the farmers, I just pay them directly, but sometimes the man who supposed to pay me has not sent the money yet. The payment is sometimes just figuratively paid. I have to figure out how to pay the farmers, the wages of renting trucks to carry the vegetables. Later, three sacks of the vegetables only consist of two and half sacks of the good quality vegetables. The rest are damaged. The payments are usually late.”

Based on the description above it can be concluded that, collecting traders have their own capital, farmer's process direct payments, but the problem lies with sending merchants who sometimes are not paid. Many of the losses obtained by

traders such as vegetables that have not been paid for because the vegetables are sent have to wait a long time to be paid.

Based on the description above it can be concluded that, traders and farmers have a good relationship, the purchase of vegetables can be found in the market or by telephone. However, payment of vegetables by the sending trader (owning a warehouse) to the collecting trader is delayed or long waits to be paid on the grounds that it has not been paid by the agent of the destination area, even though the destination agent has already been paid to the sending trader.

According to Weber, the social network developed between farmers and traders is classified into rational instrumental actions. Where they do is determined by the expectations that have the goals they achieve. The hopes of the farmers to the traders are that the vegetables they bring to the Pasar Padang Luar are still given to the traders.

D. Meso Social Network

Meso network is a relationship built by actors or groups to form a bond. In this study, meso network was found, namely the bond between the collecting traders and the sending traders. The facilitation function in social networks at the meso level can be seen from the various facilities obtained by collecting traders and sending traders. In this case the relationship process is established by the sending trader and the collecting trader to get vegetables sent to the destination area.

Between sending traders and collecting traders, one trader with another group, they uphold each other's values that affect their behaviour. Based on research conducted, the social network found in this study is the existence of relational attachment which is an economic action that is socially situated and embedded in the network that exists between the collecting traders and the sending merchants.

Basically sending traders carry out their roles and functions, sending traders collaborate both with farmers and with regional destination agents. For the payment process, traders use via ATM, even though the payment process from the destination area agents is slightly delayed.

E. Macro Social Network

Macro social networks are bonds that are formed due to the occurrence of nodes of several groups (two or more groups). The establishment of a macro social network between traders, both traders of large social networking collectors, requires sending traders as well as sending traders to need agents from the destination area and with these vegetable delivery retailers. It is said to need each other because the vegetable centre is in the market, one of which is the famous Pasar Padang Luar with a lot of produce, fresh and good vegetables besides a relatively cheap price range, and has quite a number of traders. Indeed it has become a mutual need factor.

In this market consists of various kinds of vegetables with a state of good and fresh vegetables. Between traders need each other to get vegetables and establish cooperation with other traders. This means that one trader with another trader needs each other. Between traders need each other to get vegetables sent to various destination areas.

The social network that is found among traders in Horticulture transactions is seen as a micro social network, a meso social network and a macro social network. In this study, it can be seen that the networks owned by traders in the market are macro social networks and large or wide social networks. In this study the social network between traders is a macro social network, in the order of a macro social network is a bond formed between traders and agents of the destination area due to the occurrence of nodes of several groups. And have a large or broad social network because they have two or more groups or market participants who interact with each other. Among them is the merchant gathering group, the sending merchant group and the destination area agents

The theory of social action of Max Weber explained in his basic idea that every human action with another person and those actions need each other or be influenced. In Max Weber's theory of social action there are four types of rationality that characterize human development, namely traditional rational action, affective rational action, rationality action oriented to values and intellectual rationality. Based on the four social actions according to Max Weber, in this study the researchers looked at the traders or agents of the destination area on horticultural transactions that is, based on intralental rational actions.

The Horticultural Transaction in Pasar Padang Luar shows that the actors involved have different goals and expectations. Collector traders need farmers to supply vegetables to sell them back, and vice versa, between collector traders and sending traders and sending traders with agents of the destination area. All actors involved need each other.

V. CONCLUSION

The social network found in the Pasar Padang Luar was built through actors involved in horticultural transactions including farmers as vegetable suppliers, collectors, sending traders, agents (destination areas) and retailers, they transact. Whereas the typology of social networks in horticultural transactions consists of: 1) micro social networks, 2) meso social networks and 3) macro social networks.

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