

# Analysis of SMEs in the Ciputat Traditional Market in Islamic Business Ethics Perspective

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**Abstract**—The market is one of the places where buying and selling transactions occur between traders and consumers as well as between traders and other traders, which are often referred to as shopping centers, traditional markets, plazas and other designations. Deviant behavior is often found in traditional markets. Therefore, Islamic business ethics plays an important role in regulating the behavior of traders. In this connection, the researcher wanted to find out how the behavior of Muslim street vendors in Ciputat traditional market in the perspective of Islamic business ethics. This study uses a qualitative method with a descriptive approach. That is, the data collected is not in the form of numerical data, but data derived from interview scripts, observations, documentation, researchers and other official documents that support, which then the data are described, analyzed and discussed to answer the problem. The implication of this research is that as Muslim traders in carrying out their activities, they always adhere to the rules set by the Islamic religion. Which will indirectly have an impact on the lives of the traders themselves.

**Keywords:** *quality service, level of satisfaction, loyalty consumer*

## I. INTRODUCTION

Korompis explain that the phenomenon of the informal sector including street vendors is a common phenomenon in developing countries. The percentage of the informal sector including street vendors in third world countries such as Latin America, Sahara Africa, the Middle East and North Africa and South Asia ranges from 30-70% of the total workforce. The swelling of the informal sector is caused by the inability of the formal sector to absorb more labor. The inability of the formal sector is caused by population growth exceeding the speed of employment. Therefore, informal economy activities are the main alternative to reduce unemployment [1].

According to the Central Statistics Agency (BPS), the number of non-agricultural businesses in Indonesia has reached 27.7 million. this figure increased by 17.6 percent when compared with the number of businesses resulting from the 2006 economic census, because there were 22.7 million businesses. That means an increase of 4 million businesses in 10 years. Of the 26.7 million non-agricultural businesses, there were 7.8 million businesses occupying special buildings. Meanwhile, 18.9 million businesses do not occupy special building businesses, such as mobile traders, businesses in residential homes, street vendors, and so forth.

Cheng and Timilsina explains that being a street vendor is a profession that is present along with the development of the city. Aside from being a job, street vendors are also able to provide services that can be reached by the majority of the urban population. street vendors are an integral part of the city's economy, provide essential services and create their own jobs and contribute to economic growth. The role of street vendors in the economy is as important as the provision of goods and services for urban residents. in economics as important as the supply of goods and services for urban residents [2].

In this context, working as a street vendor appeals to those who have limited opportunities to get a promising formal or business job, and minimizing opportunities for street vendor trafficking is increasingly becoming a livelihood option for micro communities. street vendors are able to provide employment for urban residents and become a source of income. Therefore, street vendors can be seen as opportunities for poor communities.

Many people make a living by becoming traders. There are sellers and buyers who sell or buy goods. However, the number of economic demands, making interest to become street vendors increasingly. Street vendors are weak economic ventures that attempt to use government-owned areas such as roads or places in the public interest.

In carrying out trading activities, they must have ethics, be it for themselves, others, the State and religion. The definition of ethics itself according to Solomon cited in Jalil and Rahman [3], the etymology of ethics shows the basis of individual character to do good things, social rules that limit someone on something that is right or wrong. Also known as morality.

In the context of Islam good deeds are known as *ma'ruf* deeds where naturally healthy and normal human beings know and understand and accept as good. Good health and conscience know and realize it. While bad or evil deeds are known as *mungkar* actions, where all humans by nature, with reason, reason and conscience can know and realize that this action is rejected and not accepted by common sense.

Good value or *ma'ruf* and bad or unjust values are in accordance with Allah's command to humans to do *ma'ruf* deeds and avoid the actions of *mungkar*. In Surah Al-Imran verse 104:

الْمُنْكَرَ عَنِ وَيَهْوُونَ بِالْمَعْرُوفِ وَيَأْمُرُونَ بِالْخَيْرِ إِلَى يَدْعُونَ أُمَّةً مِنْكُمْ وَلَتَكُنَّ الْمَفْلُحُونَ وَأَوْلِيكُمْ

"And let there be among you a group of people who call for virtue, command those who are forgiving and prevent those who are evil; they are the lucky ones."

Based on the description above, the researcher considers the problem of the behavior of street vendors need to be studied more deeply. Therefore, the author is encouraged to conduct research with the title "Analysis of the Behavior of Street Vendors in the Ciputat Traditional Market in the Perspective of Islamic Business Ethics". Five in the Ciputat traditional market in the perspective of Islamic business ethics.

## II. LITERATURE REVIEW

### A. Understanding Behavior

Behavior is an activity or activity of the organism (living thing) concerned. therefore, from a biological point of view all living things ranging from plants, animals to humans behave, because they have their respective activities. so that what is meant by human behavior, is essentially the actions or activities of humans from humans themselves who have a very broad stretch, among others: walking, talking, laughing, working and so on [4].

From the description above it can be concluded that what is meant by human behavior is a series of human activities or activities, both those that can be directly observed or those that cannot be observed by outsiders. The behavior occurs because of strong impulses from within a person himself.

### B. Definition of Trader

According to Sujatmiko [5], a trader is a person who trades, trades goods that are not produced by themselves, for a profit. Meanwhile, according to Kensil and Kansil [6], Traders are those who carry out commercial acts as their daily work. Commercial acts in general are acts of purchasing goods for resale.

### C. Definition of Trader Behavior

According to Bara [7] the intended behavior of traders is a response or reaction of traders to stimuli or the environment around them. Trader behavior is also a trait that is owned by every trader, to capture the reaction that has been given by the environment to the circumstances that have occurred now.

### D. Definition of Street Vendors

According to Djali and Muljono [8], Street vendors or street vendors are any people who offer or sell goods and services by going around. The term street vendors are taken from the habits of the Dutch in regulating traders operating on the roadside. They may trade on the side of the road from where the merchandise is placed at least 5 feet from the highway. Usually street vendors fill centers such as city centers, trade centers, recreation centers, entertainment, and so on. So street vendors are a group of people who offer goods and services for sale on the sidewalk, on the edge or on the side of the road, around shopping centers, shops, markets, recreation or entertainment

centers, educational centers, both permanently, half-settled and mobile- moved, official or unofficial status.

### E. Definition of Business Ethics

According to Djali and Muljono [8] Street vendors or street vendors are any people who offer or sell goods and services by going around. The term street vendors are taken from the habits of the Dutch in regulating traders operating on the roadside. They may trade on the side of the road from where the merchandise is placed at least 5 feet from the highway. Usually street vendors fill centers such as city centers, trade centers, recreation centers, entertainment, and so on. So street vendors are a group of people who offer goods and services for sale on the sidewalk, on the edge or on the side of the road, around shopping centers, shops, markets, recreation or entertainment centers, educational centers, both permanently, half-settled and mobile- moved, official or unofficial status.

### F. Definition of Islamic Business Ethics

Ethics and morals come from Latin which means custom. Whereas in Arabic the form of *jama* 'morals from *mufradhat khuluq* means ethics. Both can be interpreted as habits or customs. Business is built based on the principles of the Koran and Hadith. The ethical standards of Islamic business behavior educate business people in running their business. with piety, *aqsahid*, *khidmad*, and *amanah*.

### G. Principles of Islamic Business Ethics

According to Kara et al. [9], Islamic economic thinkers differed in giving a category to the principles of Islamic economics. However, from various differences of opinion, basically the concepts and basic principles of ethics in the business world based on Islamic law based on the Koran, are:

- The principle of monotheism
- The principle of balance or fairness
- The principle of free will
- Principle of responsibility
- The principle of truth, and
- The principle of ihsan

### H. Types of Islamic Business Ethics

The types of Islamic business ethics that must be possessed by every Muslim trader are as follows:

- Shidiq (honest)
- Amanah (Responsibility)
- No cheating
- Keeping promises
- Generous
- Not forgetting the Hereafter

### III. METHODS

A scientific research can be justified if using a method in accordance with research studies. The research method is a way to find the truth scientifically based on appropriate data and can be justified. The research method is needed because it will clarify the steps or ways how to produce data that is appropriate and in accordance with the direction of the objectives of the study. In accordance with the title of the study, the method used in this study is a descriptive method with a qualitative approach.

Writing this research, researchers used a descriptive method because to describe or explain a matter which is then classified so that one conclusion can be drawn. The conclusion can make it easier to conduct research and observation as visual data for the Final Project entitled "Behavior Analysis of Street Vendors in the Market traditional Ciputat in the Perspective of Islamic Business Ethics ". That way in this study researchers used descriptive qualitative research methods.

### IV. RESULTS AND DISCUSSION

#### A. *General Overview of Ciputat Traditional Market*

Ciputat traditional markets are not classified neatly in terms of their background or historical literature. In the past there were initially three traditional market locations. village area. In 1992 there were fires in the three markets, then at the insistence of traders through the KOPAH Traders Collection, the three markets were rebuilt and elaborated into one name, the Ciputat market.

Along with the situation and conditions of development that existed in Tangerang Regency in 1994, the Tangerang District Government implemented a Cooperation Agreement with PT. Betania Multi Sarana in the Construction of Shopping Centers and Market Rejuvenation and Ciputat Terminals. This collaboration is based on the Conditional Cooperation Agreement No. 551.221755-Um1992 and No. 004BMSVI1992 concerning Cooperation in the Development of Shopping Centers and Market Rejuvenation and the Ciputat Terminal between Tangerang District Government and PT. Betania Multi Sarana.

In 1988 the Tangerang Regency PEMDA transformed the orphanage into a market, because at that time Ciputat had become the main traffic center to the city of Jakarta and was judged to need an established and effective market to become a traditional market. At the beginning of its establishment, this market only operates once every two weeks, then developed into once a week, until now it has been 24 hours, with an area of about 70 meters.

Entering the 90s period Ciputat Market was built into three floors with an area of about 500 meters long stretches along Jalan Aria Putera. The Ciputat Market area includes the Al Jihad Grand Mosque, the Veterans Branch Office, Niagara Theater, Alfa Midi and shop houses. Ciputat market is now continuing to grow along with the more changes experienced by the city itself. For example, the presence of fly-over which was built in 2007, provides a positive response to road users who always cross Ciputat. Another thing is the existence of a

Pegadaian office on the edge of the market. Ironically, the Ciputat Market is now colored by the presence of mini markets such as Alfa Mart and Alfa Midi in the middle of the market. Ciputat Market also has shopping centers such as Ramayana, Carefour and Ciputat Plaza.

#### B. *Understanding Street Vendors About Islamic Business Ethics*

Islamic business ethics is a business ethic that emphasizes the values of the Koran or rules in the Islamic religion, therefore as a Muslim businessman it is fitting to implement or run his business with the principles established by the Islamic Religion, namely as the principle of monotheism, the principle of Balance, the principle of Free Will, the principle of Responsibility, the principle of truth, and the principle of Ihsan.

Islamic business ethics regulates all economic activities, especially in trading activities with Islamic religious values. Islamic business ethics teaches business people or traders to implement Islamic religious rules and away from their prohibitions in conducting trading activities.

From the results of interviews conducted by researchers in the traditional market of Ciputat, the three informants of street vendors, they said that they did not know about Islamic business ethics, however, the three street vendors in the Ciputat market carried out their business activities according to the rules set by Islamic teachings. The rules of the Islamic religion in business activities have been described in Islamic business ethics including: the principle of monotheism, the principle of balance, the principle of free will, the principle of responsibility, the principle of truth and the principle of ihsan.

#### C. *Analysis of the Behavior of Street Vendors in Ciputat Traditional Market Perspective of Islamic Business Ethics*

Trader's behavior is an attitude or action of someone in carrying out a trading or buying and selling activity. In carrying out trading activities, a Muslim trader must always hold the principles of Islamic business ethics.

Therefore, as a Muslim trader, do not cheat in trading and violate existing provisions, especially the rules set by Islamic law. From the interviews conducted by researchers with three street vendors in the traditional Ciputat market, about the behavior of street vendors in the perspective of Islamic business ethics, can be categorized as follows:

**TABLE I. TRADER BEHAVIOR IN CIPUTAT TRADITIONAL MARKET**

<b>Islamic Business Ethics</b>	<b>Informant 1</b>	<b>Informant 2</b>	<b>Informant 3</b>
The principle of obedience	Not neglecting the obligatory prayers on time	Not neglecting the obligatory prayers on time	neglecting prayer on time
Balance Principle	explain the advantages and disadvantages of merchandise	explain the advantages and disadvantages of merchandise	explain the advantages and disadvantages of merchandise
The principle of free will	Not forcing Buyers and not selling goods At a much more price cheap from other traders	Not forcing buyers and not Selling goods At a price that is much cheaper than other traders	Not forcing Buyer and not Selling goods At a much more price cheap from other traders
Principle of Responsibility	Take responsibility responsible for the merchandise good taste and the quality	Take responsibility responsible for merchandise both taste and quality	Take responsibility responsible for the merchandise good taste and the quality
answer	Honest in carrying out trading activities	Honest in carrying out trading activities	Honest in carrying out trading activities
The Principle of Truth	Give leeway time to party owed and friendly to customer	Give leeway time to party owed and friendly to customer	Give leeway time to party payable on condition that it knows / knows the person who is in debt and friendly to customer

#### *D. Reflection on Tawheed*

##### *1) Achieving research objectives and benefits*

*a) Research objectives:* The purpose of this study was to determine how the understanding of street vendors in Ciputat traditional markets about Islamic business ethics and how the behavior of street vendors in Ciputat traditional markets in the perspective of Islamic business ethics.

*b) Research benefits:* This research is expected to increase readers' knowledge about the behavior of street vendors in the traditional ciputat market in an Islamic perspective. And it is hoped that with this research, it can become a reference material in subsequent similar studies.

*2) Tawheed reflection method used:* Tawheed reflection method used in this study is sourced from the Al-Quran and Hadith.

#### *E. Monotheistic Reflections on Islamic Business Ethics*

Business competition in the business world cannot be separated just like that for a businessman. More and more businesses emerge which create increasingly fierce competition. In a business, ethics is a very important thing but is often forgotten because of the high target number applied by a business. When Islamic business appears to create a balance for business people and consumers so that no party is harmed. Principles of good Islamic business ethics will bring business / business to good things also in the future continue to survive

and run on a straight path in accordance with Islamic law. Like the word of Allah SWT in Al-Quran surah Al-Qashas verse: 84,

عَمِلُوا الَّذِينَ يُجْزَى فَلَا بِالسَّيِّئَةِ جَاءَ وَمَنْ مِّنْهَا خَيْرٌ فَلَهُ بِالْحَسَنَةِ جَاءَ مَنْ يَعْمَلُونَ كَانُوا مَا إِلَّا السَّيِّئَاتِ

"Whoever comes with (brings) goodness, then for him (reward) is better than that kindness; and whoever comes with (brings) evil, then not given revenge to those who have done the crime, but (balanced) with what they did before".

#### **V. CONCLUSIONS**

Based on the results of discussions in the research activities conducted by researchers in the traditional market south of South Tangerang ciputat to three informants of street vendors about the Analysis of the Behavior of Street Vendors in the Ciputat Traditional Market in the Perspective of Islamic Business Ethics can be concluded as follows:

- The results of research conducted by researchers indicate that the understanding of the three informants from street vendors in the Ciputat traditional market regarding Islamic business ethics concluded that the three street vendors did not know about Islamic business ethics. However, in carrying out business transactions or buying and selling, the three informants from the street vendors use the rules established by Islam.
- The behavior of the three informants from street vendors in the Ciputat traditional market in running their business or trading which includes the principles of Islamic business ethics, of the three street vendors informants, they have not fully used the principles of Islamic business ethics in their trading activities.

#### **VI. SUGGESTIONS**

Based on the results of the research, discussion and conclusions explained above, the research conveys suggestions aimed at providing benefits to other parties. The suggestions that can be conveyed from this research are as follows:

- For street vendors in the traditional market Ciputat expected to run a business or trade that is run every day still upholds the values or rules that have been set by Islamic law such as Islamic business ethics. Business or trading is expected to always hold fast to Islamic business ethics in any form of business. That, because, businesses that are based on Islamic business ethics will get blessings on the fortune that has been obtained.
- Research conducted by researchers on the behavior of street vendors in the Ciputat market in the perspective of Islamic business ethics still has limitations and many shortcomings. it is hoped that this research can be continued by other researchers with different objects or points of view so as to increase scientific knowledge in the field of science related to Islamic business ethics.

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