

Puan: Pop-up Market for Women-Owned Small Business

Rhea Nisa Humaira^{1*}, Idqan Fahmi¹, Dikky Indrawan¹

¹ *School of Business, IPB University, Bogor, Indonesia*

*Corresponding author. Email: rheanisa.humaira22@gmail.com

ABSTRACT

Women entrepreneurs in Indonesia face various obstacles when starting and running their business daily. The inability to expand business networks is a major obstacle to the development of women's businesses. This limits their ability to increase their customer base. Therefore, businesses owned by women tend to be small scale. This study aimed to analyze the opportunities and the right solutions to hold a Pop-up Market in Bogor. We proposed a Puan Market Pop-up as a concept of a marketplace for small-scale women entrepreneurs to support each other, strengthen the women's community, and strengthen the pop-up market brand that presented in the market. The study explored the appropriate business model and feature to address women entrepreneurship challenges. The study used a descriptive qualitative approach based on a customer discovery method. The results found women entrepreneurs as a tenant in the pop-up market faced difficulties in developing social and business networks and rely on personal relationships that related to their family. Hence, limited retail choices that offer a shopping experience that combined with products were available. The Puan Pop-up Market as a marketplace concept was able to attract customers and women entrepreneurs. Furthermore, Puan Market Pop-up is a business model with women between 19-34 years old as the main customer segment.

Keywords: *Customer discovery, Pop-up market, Women-owned business, Women entrepreneurs.*

1. INTRODUCTION

Women entrepreneurs in Indonesia face various obstacles when starting and running their business daily. Women face many challenges in several fields, such as cultural refusal to accept them as active role holders in business. They also face other challenges when starting a business [1]. The inability to expand business networks is a major obstacle to the development of women-owned businesses. This limits their ability to increase their customer base [2]. Therefore, businesses owned by women tend to be small scale [3].

Women ages 18 to 44 have a higher intention to start a business than older women. The percentage of new young women entrepreneurs (18-24 years) who have run their business no more than 42 months is greater than young male entrepreneurs [1]. This explains the number of millennial women entrepreneurs in Indonesia. When viewed from the consumer's side, millennial consumers have the desire to shop for experience and products. Pop-up shops that provide products in a short amount of time are the solution. Pop-ups are experiencing increased use in various markets [4].

Pop-ups provide new experiences for customers, create unique and often non-repeatable experiences, motivate consumers to participate through feelings of anxiety about falling behind trends, or missing opportunities [5]. Pop-ups can facilitate a variety of marketing and brand objectives, including attracting and connecting brands with new and existing customers, differentiating from competitors, testing new products or retail locations, building brand awareness, generating word-of-mouth marketing, driving sales, and improve customer experience [5][6][7]. Pop-ups developed into a real-world "learning laboratory" for retailers and marketers. In this case, pop-ups can provide consumers with insights about products, services, and marketing approaches from the brand itself [8].

The brand considers location as the most important factor in implementing pop-ups [9]. In 2016, there were 5,262,233 tourists visiting Bogor, consisting of 5,017,578 domestic tourists and 244,646 foreign tourists [10]. Bogor is one of the hinterland cities of DKI Jakarta. Not only as a hinterland from DKI Jakarta, but Bogor has also now developed and become an independent city [11]. Pop-ups, which are held for a limited time [9], can

be held as one of the tourism events in Bogor. Women Pop-up Market can be an experiential marketing media [12] for women entrepreneurs, by utilizing the intention of impulse buying tourists [13] in Bogor. Based on these problems, the design of the Puan Market Pop-up event in Bogor requires a customer development model method to identify the market, explore the needs of consumers and tenants, and build a Puan Market Pop-up design that is appropriate to the market.

2. MATERIALS AND METHODS

2.1. Industry Competitive Analysis

This analysis used a descriptive approach to Porter's five forces framework to determine the opportunities and competitiveness of the pop-up market retail industry. The five forces include rivalry among existing competitors, the bargaining power of customers, the bargaining power of suppliers, the threat of new entrants, and the threat of substitutes "Figure 1". These five factors become indicators to assess the intensity of competition, the profit potential or profitability of an industry, and the degree of attractiveness of an industry. Awareness of this competitive power could help businesses to understand the industrial structure and the creation of sustainable business [14].

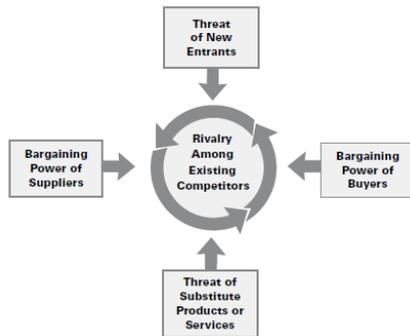


Figure 1 Porter's Five Forces

2.2. Customer discovery

Customer development is a model developed by Blank and Dorf, to test the feasibility of product innovation, starting from understanding the problem, customer needs, and looking for features that provide solutions to customer problems [15]. Customer discovery is a step taken to find who the customer is and whether the product solves the customer's problem. This step is carried out to see the accuracy of the business plan that had been prepared with the problem, product, and consumer hypothesis. There are four steps in conducting customer discovery, stating the business model hypothesis, testing the problem, testing the solution, and verifying the business model. This step is done by a direct survey of the market that would be the target. This research focused on the first two steps of customer

discovery, stating the business model hypothesis and Testing the problem.

2.3. Sampling techniques

The location of research and data collection was carried out in Bogor, West Java. The data collection time is from May to June 2020. In the problem testing, 100 respondents obtained from questionnaires distributed online. The population of women aged 15 years and over in Bogor City is 400,564 people [16]. The technique used for calculating the minimum sample size is the Slovin formula as follows in "Equation (1)".

$$n_{total} = \frac{N}{1 + (N \times e^2)}$$

$$n_{total} = \frac{400.564}{1 + (183.162 \times (0,1)^2)}$$

$$n_{total} = \frac{400.564}{4.006,64}$$

$$n_{total} = 99,975041 \approx 100 \text{ sample}$$

(1)

n_{total} : total sample size

N : total population

e : error margin

This study used stratified random sampling for consumer and tenant respondents. Strata layer size is calculated based on the number of women entrepreneurs in Bogor, as many as 47,080 [17] and the number of the female population aged 15 years and over in Bogor, as many as 400,564 people [16]. The tenant sample size is 12 people, while the consumer sample is 88 people "Table 1". The calculation is based on the sample size calculation in the tenant and consumer strata groups as follows in "Equation (2)".

$$\text{Tenant layer size} = 47.080$$

$$\text{Consumer layer size} = N - \text{tenant layer size}$$

$$\text{Consumer layer size} = 400.564 - 47.080$$

$$\text{Consumer layer size} = 353.484$$

(2)

Table 1. Number of Strata Sample

Strata Group	Number of People in Strata	Number of People in Sample
Tenant	19.910	$100/400.564 * 47.080 = 12$
Consumer	163.252	$100/400.564 * 353.484 = 88$

3. RESULTS

3.1. Industry Competitive Analysis

3.1.1. Rivalry Among Existing Competitors

Competitiveness in the retail-based pop-up industry in Greater Jakarta and Bogor in particular is "moderate" due to the large variety of pop-up markets available with a variety of choices. However, the nature of the pop-up market that is held in a limited time causes low competition between each pop-up market.

In 2019, there were 19 exhibitions held in Bogor. The majority of exhibitions held are food exhibitions. There were also wedding fairs, job fairs, clothing fairs, and Muslim fairs [18]. There was no pop-up market that is a direct competitor to the Puan pop-up market, that had a theme that is focused on women-owned business.

3.1.2. Bargaining Power of Customer

Pop-up market consumers were divided into two categories, consumers as visitors and tenant pop-up markets. Bargaining power of consumers' visitors, is "high". This was caused by visitors not likely to be loyal to one pop-up market, depending on the time, place, and theme of the pop-up market itself. Consumers could easily change shopping patterns to their liking. Although high service quality could help maintain customer loyalty, switching costs between pop-up markets are low.

Unlike visitors, the bargaining power of consumers in the tenant category is "moderate". This was due to the interdependence of the bargaining position between the organizer of the pop-up with the tenant or vice versa. Pop-up organizers with tenants are bound by a memorandum of understanding. This memorandum of understanding requires the pop-up providers to provide services and facilitate tenants in participating pop-ups. In return, the tenants give money to the organizer. So that the tenants had the bargaining power to the organizers which must be by the quality of the facilities provided, as well as the target number of visitors previously agreed upon in the understanding.

3.1.3. Bargaining Power of Supplier

Suppliers from the pop-up market were providers of venue rental services and event support equipment such as tables, chairs, etc. There were many vendors of event support rental services in the Greater Jakarta area. The vendor sets prices according to the quality of the item being rented. Pop-up market suppliers also include tenants who attend the event, so tenants had two roles in this industry, as suppliers as well as consumers.

The overall bargaining power of suppliers is "moderate". This was influenced by the vendor of place rental for limited event availability. The availability of this place was influenced by location factors, the quality of the place, and also the level of demand for the place itself. These factors also directly affected the price of rent offered by the tenant. So that rental vendors tend to have higher bargaining power. However, the overall bargaining power is "moderate" because the bargaining power of event support equipment rental vendors and tenants tends to be low to moderate.

3.1.4. The Threat of New Entrants

The threat of new entrants in this industry is "moderate". Although there was no dominant player in the industry yet, to enter this industry requires high capital and a wide business network. The format and components of the pop-up affected the amount of capital needed to enter the market. This was quite difficult for prospective newcomers.

Pop-up market economies of scale are not as large as in other retail industries, such as supermarkets. However, prospective newcomers must be able to get adequate financial benefits so they could continue to make new investments. Prospective newcomers with large capital had more opportunities to be able to expand their business in competition with existing players or enter new market shares [19].

3.1.5. The Threat of Substitutes

The threat of substitute products for the pop-up market industry is "high" because there were many shopping choices for consumers. Besides being able to visit various other pop-up markets, consumers had shopping options such as malls, modern markets, traditional markets, and online through e-commerce. Bogor had 9 malls [20] and 12 traditional markets spread across various regions [21]. In addition to conventional retail store, malls and traditional markets are also often used to be a venue for exhibitions, pop-up markets, and other temporary events.

3.2. Business Model Hypothesis

Puan pop-up market business hypothesis was presented in the form of a business model canvas as follows in “Figure 2”.

done to increase the awareness of prospective visitors to the event and participating brand tenants. Other Channels are Puan pop-up market as an event itself.

3.2.1. Customer Segments

Figure 2. Business Model Canvas Hypothesis

Key Partners <ul style="list-style-type: none"> • Venue rental vendor • Event support equipment rental vendor • Small-scale women entrepreneurs • Sponsor 	Key Activities <ul style="list-style-type: none"> • Social media content management • Social media engagement management • Event planning • Event execution 	Value Proposition <ul style="list-style-type: none"> • New shopping experience • Help promote products and brand • Help expand business networks 	Customer Relationship <ul style="list-style-type: none"> • Discounts and merchandise • Promoting tenants through social media and event 	Customer Segment <ul style="list-style-type: none"> • Women • Small-scale women entrepreneurs
	Key Resources <ul style="list-style-type: none"> • Human resources • Intellectual assets • Financial assets 		Channels <ul style="list-style-type: none"> • Social media • Event 	
Cost Structure <ul style="list-style-type: none"> • Rental costs • Promotion costs • Staff wages 			Revenue Streams <ul style="list-style-type: none"> • Visitor ticket sales • Merch sales • Tenant fee • Sponsor 	

In the hypothesis, the targeted pop-up market customers were women and small-scale women entrepreneurs who live in Bogor aged over 15 years, respectively as consumers of visitors and tenants. The segment was chosen with the assumption that women in Bogor had less variety in shopping choices. The segment of small-scale women entrepreneurs was chosen with the assumption that women entrepreneurs had difficulty in expanding their business networks and promoting their products, which caused women's businesses to tend to be small scale.

3.2.2. Value Propositions

Value propositions offered to customer visitors and tenants were hypothetical solutions to hypothetical problems that had been set. The value proposition offered to visitors was Puan pop-up market as a new shopping experience compared to shopping choices that had already exist in Bogor. Meanwhile, the value proposition offered for tenants was Puan pop-up market as a medium to promote products and also expand business networks.

3.2.3. Channels

Channels for Puan pop-up market were social media. Social media was chosen as the media to promote the event and the participating brand tenants. Promotional activities focused on Instagram social media. This was

3.2.4. Customer Relationship

Customer relationships for customer visitors were made in the form of special discounts on products offered by tenants, discounts were only valid at the time of the event. Each purchase of an entrance ticket was also given a free sticker. In addition to stickers, merchandise with special designs were available that visitors could buy at the event.

Customer relationships for tenants were brand promotions for a tenant that participate through social media. Each tenant brand would be promoted through Instagram posts. Brands that were willing could also do a giveaway through Puan pop-up market social media, to increase brand awareness. By joining this event, the brand could also increase brand awareness of visitors who come to the event.

3.2.5. Revenue Streams

Revenue streams received by the Puan pop-up market were obtained through the sale of entry tickets to visitors, sales of event merchandise, tenant fees, and fees from collaboration with sponsors.

3.2.6. Key Resources

Human resources needed are a group of people that were divided into several divisions and had their

respective responsibilities. The division is in the form of marketing, design, and events. The marketing division was responsible for managing social media, creating social media content, and promoting events. The design division was responsible to design of social media content, merchandise design, and event decoration design. The event division was responsible for preparing all needs before, during, and after the event.

Intellectual assets contained in the company in the form of human resources who understand the design and planning of events. Financial assets were in the form of personal funding from business owners.

3.2.7. Key Activities

Key activities were the preparation of social media content and the creation of social media content design, these activities were included in social media content management. Besides, social media engagement management was also carried out by analyzing social media engagement to find out the most appropriate promotional strategy to be applied.

Other activities include planning events. This activity includes all preparations before the event, such as tenant search, sponsorship cooperation, preparation of event schedules, and preparation of event risk management. The last key activity is in the form of a Puan pop-up market as an event. This activity was the implementation of a plan that had been prepared previously.

3.2.8. Key Partners

Key partners of the Puan pop-up market were vendors that provide venue rental services and event support equipment. Vendors providing place rental services were partners who provide venue rental for Puan pop-up market events. Meanwhile, vendors of event support equipment rental were partners who provide rental of event support equipment such as tables, chairs, etc. There were also small-scale women entrepreneurs as tenants.

A sponsor as a partner was a company or organization that provides support for the sustainability of an event held. Sponsors need reciprocity commensurate with the support they provide. So that the organizer of the event needs to prepare it would be given to supporting sponsors.

3.2.9. Cost Structure

Costs paid were for rental fees, promotion costs, and staff wages. Rental costs are costs paid for renting venues and supporting equipment for the event. Promotional costs paid in the form of marketing costs through social media, internet access fees, and advertising features. Costs were also paid to pay for software licenses or design applications. There were also wage payment fees for event staff and volunteers.

3.3. Problem Testing

Problem testing was done to determine whether the business model canvas hypothesis that had been designed is by the problems faced by consumers.

3.3.1. Visitor consumers

Problem testing was done on 88 respondents. From testing the problems of the respondents obtained the following data.

- Respondents who filled out the questionnaire had an age range of 19-28 years
- Out of 58 people who were not satisfied with shopping places in Bogor, the main problem felt by respondents was the higher price of the product and the less variety of products provided.
- The main motivation of respondents to visits the pop-up market was looking for a new shopping experience.
- 86 out of 88 respondents were interested in visiting and shopping in the pop-up market that collaborated with women entrepreneurs.
- Media that most frequently used by respondents to obtain information about events/pop-up markets that would be carried out around respondents is Instagram.

3.3.2. Tenant

Problem testing is done on 12 respondents. From testing the problems of the respondents obtained the following data.

- Respondents who filled out the questionnaire had an age range of 21-34 years
- As a woman entrepreneurs, out of 12 respondents, 8 respondents had difficulties in expanding business networks. The majority of respondents still rely on personal relationships related to their family and friends.
- The main motivation of respondents in participating in the pop-up market was wanting to expand the business network and to promote products.
- 12 out of 12 respondents were interested in participating in the pop-up market that collaborated with women entrepreneurs
- Media that most frequently used by respondents to obtain information about events/pop-up markets that would be carried out around respondents is Instagram

4. DISCUSSION

4.1. Industry Attractiveness

range of the respondents studied.

Figure 3. Change in Business Model Canvas

Key Partners <ul style="list-style-type: none"> • Venue rental vendor • Event support equipment rental vendor • Small-scale women entrepreneurs • Sponsor 	Key Activities <ul style="list-style-type: none"> • Social media content management • Social media engagement management • Event planning • Event execution 	Value Proposition <ul style="list-style-type: none"> • New shopping experience • Help promote products and brand • Help expand business networks 	Customer Relationship <ul style="list-style-type: none"> • Discounts and merchandise • Promoting tenants through social media and event 	Customer Segment <ul style="list-style-type: none"> • Women (age 19 to 34 years) • Small-scale women entrepreneurs (age 19 to 34 years)
	Key Resources <ul style="list-style-type: none"> • Human resources • Intellectual assets • Financial assets 		Channels <ul style="list-style-type: none"> • Social media • Event 	
Cost Structure <ul style="list-style-type: none"> • Rental costs • Promotion costs • Staff wages 			Revenue Streams <ul style="list-style-type: none"> • Visitor ticket sales • Merch sales • Tenant fee • Sponsor 	

The results analysis of the pop-up market industry competition that had been done, show that the pop-up market had a "moderate" level of industry attractiveness. This industry did not have high competition, although there were many players in the industry, it is influenced by the nature of the pop-up market that had only held in a limited period. The threat of substitute products was quite high, but the nature of consumers who frequently change shopping patterns opens up opportunities for pop-up markets to compete. Pop-up markets that already exist in the industry were very diverse, with various themes and concepts raised. This shows the opportunity for a new pop-up market in the industry by doing unique diversification that could attract consumers.

Despite the overall appeal of the pop-up market industry "moderate", Puan pop-up market had a great opportunity to make a profit. Puan pop-up market needs to positions correctly in the industry through differentiation of themes and concepts from the pop-up market that had been implemented in Bogor before.

4.2. Business Model Canvas Refinement

After testing the problem on the elements of the business model canvas, there were changes in the element of the business model canvas. The element that had changed is customer segments as in "Figure 3".

In the hypothesis, the targeted pop-up market customers were women and small-scale women entrepreneurs who live in Bogor aged over 15 years, respectively as consumers of visitors and tenants. The change was made by focusing the customer segment into women and women business people who were designated 19 years to 34 years. These changes are based on the age

5. CONCLUSION

With great opportunities for new pop-up markets in the industry, Puan pop-up markets had great opportunities to make profits. Puan pop-up market as a marketplace can attract visitors and women entrepreneurs. We plan to continue the research by designing product prototype designs, and testing solutions, to get a verified business model.

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