



Revitalizing Traditional Markets: The Power of Digital Branding

Didit Welly Udjiyanto^(✉), Hani Subagio, Hari Prapcoyo, and Ilyasin Aditya Rahman

Universitas Pembangunan Nasional Veteran Yogyakarta, JL. SWK 104, Condong Catur,
Yogyakarta 55283, Indonesia

hanisubagio@gmail.com, hari.prapcoyo@upnyk.ac.id

Abstract. This article discusses the importance of traditional market branding management for maintaining sustainability, with a focus on Niten Market as a successful example. The goal of traditional market branding management is to increase awareness, expand buyer loyalty, attract new buyers, and enhance competitiveness. The article suggests that one way to achieve this is through digital branding, which utilizes information technology to provide a unique and engaging experience for visitors. The article highlights that Niten Market has effectively implemented branding management but needs improvement in the digital branding aspect. The utilization of digital technology has significant potential for supporting future marketing communication activities and enhancing the overall customer experience. The implication of this article is that traditional markets need to consider digital branding as a means to attract and retain customers and remain competitive in the modern marketplace.

Keywords: Traditional markets · branding management · digital branding · sustainability · customer experience

1 Introduction

The need for the development of traditional markets in the midst of competition with modern markets is very necessary because the survival and development of traditional markets can support economic development and socio-cultural diversity [1]. The term traditional market has been changed to a people's market to avoid people's perception of the antiquity of traditional markets [2]. There is a strong perception in the community about traditional markets that these markets are bad, dirty, wet, smelly, unsafe, and have non-standard product quality [3].

The strategy to maintain the sustainability of traditional markets is to turn them into tourist attractions based on their local characteristics [4, 5]. A traditional market is not only a commercial space, but also a cultural space that provides a glimpse of the lifestyle of the local community while preserving its culture [6]. The inherently unique characteristics of the people's market can be utilized as a cultural and tourism resource to attract visitors and increase sales, thereby sustaining the vitality of the market economy.

Utilization of information technology can improve consumer shopping experience and number of visits [1, 7–9].

The COVID-19 pandemic has had a very significant impact on the community's economy, especially traders in traditional markets. Due to the pandemic, the turnover of traders in traditional markets has fallen when compared to normal conditions. There are even traders who have gone out of business. This condition occurs because many people prefer to transact at minimarkets around housing or online to meet their daily needs. This is done to avoid crowds in accordance with government recommendations. Basically, digitalization in the transaction process is a necessity that cannot be delayed in the midst of the COVID-19 pandemic situation. In line with that, there are several things that make new entrepreneurs in the digital era able to survive, namely being able to follow market tastes, having a human spirit such as hospitality when selling and no less important is the use of online marketing media and digital transactions. This incident can be used as a lesson that it is important for business actors to carry out the adaptation process by utilizing digital technology to expand the market share of traditional traders. The digitalization in question is quite broad, starting from accessing the information system of trading facilities to monitor the price of goods in the market, non-cash payments, digitally paying user fees, to entering the marketplace platform.

To strengthen the existence of traditional markets, strong branding is needed. In line with technological developments, digital branding is an urgent thing to do. However, efforts to give branding to traditional markets must be followed by the readiness of traders and good market management. The quality of the product must be strictly maintained, as well as the place and the convenience of the market must be strongly maintained. If it is not strong then the market cannot maintain the brand it has. So the focus of this research is to rebrand the Niten market by utilizing information technology that can improve the consumer shopping experience which in turn increases the number of visits and improves the regional economy.

2 Literature Review

Unlike modern retail forms such as supermarkets, malls and convenience stores, traditional markets have socio-cultural characteristics and many markets are national heritage and attract visitors [10]. They are also considered a community for cultural diversity and integration as well as promoting local products [11]. Traditional markets are not just places for buying and selling, but are considered as a conception of life and socio-cultural interactions, as well as recreational facilities within the region and city [12].

Traditional markets have a humanistic character so that they can build closeness and a “family” relationship between traders and buyers. Spatial planning in the market is able to influence the services of traders in identifying consumers, and then being able to encourage them to shop again at traditional markets [2]. The friendliness and close relationship between traders and buyers are the characteristics of traditional markets. The existence of traditional markets is motivated by social capital, such as norms, beliefs, bargaining which causes market visitors to remain loyal to shopping at traditional markets [13]. Since the change in lifestyle, such as people's interest in shopping and recreation at the mall, traditional markets have begun to improve their quality by providing more convenient services and facilities [2].

Traditional markets are considered as places for commercial and social activities. The balance between the commercial and social focus of the market is reflected through market policies and strategies such as terms and conditions for rent and fees and the types of products and services the market wants to promote. Markets in different locations with different types of management models can have different levels of strategic approach to market management [11].

Previous research has shown that planning and infrastructure interventions are inadequate to address the challenges facing the competitive retail market and changing consumer needs and behavior [14]. A proactive approach to marketing and promotion can help the market to adapt and grow. Several local authorities have taken the initiative in organizing events such as food and beverage festivals to promote the market for products and services to local communities and visitors [15]. This activity directly addresses the marketing needs of small retailers and merchants who have limited capabilities and resources to promote their products.

The development of traditional markets cannot be separated from the entrepreneurial aspect. Entrepreneurship is about innovation, risk taking, and being aware of opportunities [16]. Retail innovation is a key element to support growth and competitiveness [17]. Innovative retail management approaches can range from technology upgrades [18] to the introduction of new services [19]. However, research on innovation has determined that small businesses face many challenges when it comes to innovation. These include motivation to innovate [20] and willingness to adopt new services [21]. Due to the interdependence nature of market managers and individual traders in retail markets, entrepreneurial innovation depends on the pro-activity of both actors and the business environment in which the market operates.

3 Methodology

This study uses primary data obtained through questionnaires with consumer respondents and FGDs with parties related to the management of the Niten market in Bantul Regency. The sampling technique used purposive random sampling with the number of respondents as many as 100 visitors. The analytical tool used in this research is Importance Performance Analysis (IPA). Data analysis technique using Importance Performance Analysis (IPA) is a method to map the importance level of certain performance of a component. Each component of the level of importance and performance is assessed on a Likert scale of 1–5. Score 1 for very poor performance and very unimportant importance. Score 2 for poor performance and unimportant importance. A score of 3 for moderately poor performance and level of importance is quite important. A score of 4 for good performance and importance is important. A score of 5 for excellent performance and very important importance.

The average value of each component is grouped according to performance and level of importance compared to the average value of all components. The IPA matrix is divided into four quadrants with the following criteria:

1. Quadrant I: Performance below average and level of importance above average including the Priorities for Improvements criteria. This quadrant contains factors that

are considered important by consumers, but in reality are not in line with expectations (the level of satisfaction obtained is still low). The performance of the variables included in this quadrant must be improved to exceed the average, and become a top priority for improvement.

2. Quadrant II: Performance and level of importance above average including the criteria for Keep Up the Good Work. This quadrant contains factors that are considered important by consumers and are in line with expectations so that the level of satisfaction is relatively higher. The variables included in this quadrant must be maintained because all these variables are superior products/services in the eyes of consumers.
3. Quadrant III: Performance and level of importance below average including the Lowest Priority criteria. This quadrant contains factors that are considered less important by consumers, with performance that is not too special. The increase in the variables included in this quadrant can be reconsidered because its effect on the benefits felt by consumers is very small.
4. Quadrant IV: Performance above average and level of importance below average including the criteria of Possible Overkill. This quadrant contains factors that are considered lacking by consumers, and are felt to be too excessive. The variables included in this quadrant can be reduced or become the lowest priority in an effort to improve.

4 Analysis and Discussion

Analysis of the Potential Attractiveness of the Niten Market

Traditional markets themselves have various potentials that are not owned by modern markets and can increase their competitiveness. As a unique buying and selling infrastructure with its bargaining system, traditional markets sell various kinds of commodities at relatively cheaper prices than modern markets [12]. The relationship between traders and buyers that occurs in the market is considered more intimate than the relationship that occurs in modern markets which will increase the value of buyer loyalty. Traditional markets that carry the theme of local culture are also iconic symbols and cultural reflections for the area that can be relied on.

Traditional markets that have a unique concept such as the shape of the building that emphasizes the characteristics of a particular area can increase its attractiveness and can be used as a tourism place. Likewise, if traditional markets sell certain commodities, such as markets that only sell antiques or markets that sell works of art from local artists. The competitiveness of traditional markets is important because by building competitiveness, the public's view of the traditional market will also be better. Traditional markets that were previously known for being dirty, smelly, etc., have turned into clean, comfortable and practical places. Building the image of traditional markets through appropriate branding strategies will increase the competitiveness of these traditional markets.

Market attractiveness potential is things that can attract buyers to shop at the market so that it will increase profits for traders. Even though Niten Market is not traversed by public transportation, it has easy access to online transportation and is located on

the side of a major road. The convenience of the market can be felt at Niten Market where the management of market cleanliness is good, the manager regularly cleans the market in the morning and evening. The management has been very concerned about the zoning division where the zoning notice board is clearly available at the front of the market. The market needs to prioritize the uniqueness of the region or the uniqueness of the market that is different from other traditional markets in the surrounding area. Commodity prices are a crucial factor for the attractiveness of traditional markets but Niten Market does not yet have a price control board issued by the Office. However, the Bantul Government already has an application for the price of staple foods, namely the Android-based Bantul Food Price Application which can provide official information on food prices in three markets in Bantul Regency, namely Niten Market, Imogiri Market, and Bantul Market.

Payment methods are an important thing for market managers to pay attention to, especially digital payments, which are growing day by day and have more and more users. Niten Market can serve non-cash payment methods using barcodes, and retribution withdrawals already use the e-retribution system. This will eliminate the occurrence of illegal levies from irresponsible parties. Regarding the physical condition of Niten Market, its physical condition is already good because it has been revitalized. The government is renovating these traditional markets so that the physical condition of the market becomes more feasible and comfortable to visit.

Niten Market was successfully nominated in the top six of the Community-Based Safe Food Market Competition representing the Special Region of Yogyakarta. The Food and Drug Supervisory Agency (BPOM) has accompanied the Niten Market on a regular basis since 2013 by routinely conducting sample tests on traded food products, and since 2020 no hazardous food ingredients have been found in the Niten Market. The market must be a protected area with its commodities, transactions and trading locations. Therefore, empowering the market community is the key to realizing ideal conditions. The commitment to control hazardous foodstuffs must be firmly held by the market community, from managers, workers, suppliers, to the market community.

Niten Market Branding Management Analysis

Branding management can include three branding criteria, namely Place Branding related to location, market accessibility, and buildings; Personal Branding concerns the characteristics or uniqueness of the market; and Digital Branding related to the use of information technology in market management. Branding not only makes our target market choose us in this competent market but also makes our marketing prospects see us as the only one who can provide a solution to their needs or problems. Niten Market has done quite well in branding management, only a few aspects need to be improved, especially those related to Digital Branding. In the digital era which is experiencing very rapid development, traditional markets should also follow the development of information and communication technology. The following are aspects that are researched relating to Digital Branding in the Niten Market:

- 1 Website ownership as a digital medium that represents the market.
2. Ownership of official accounts on social media (such as WA, IG, FB, Twitter).



Fig. 1. Importance-Performance Analysis Matrix

3. Account ownership of video content on video platforms (such as Youtube, Tik Tok, Hello, Snack Video).
4. Commodities transaction through social media.
5. Commodities transaction through marketplace platforms (such as Tokopedia, Shopee, Lazada, Bukalapak).
6. Ownership of application of information on prices of certain food and commodities.
7. Non-cash transactions for buying and selling.
8. Complete market infrastructure with independent digital weighing platforms at several strategic points (Fig. 1).

Variables in digital branding that have been good with levels of importance and performance above average are ownership of the application of information on prices of food and certain commodities (number 6) and the non-cash transactions for buying and selling (number 7). Consumers can monitor the price development of certain commodities through an android-based application. The use of this application makes it easier for local governments to control prices, especially prices for basic goods (food) in Bantul Regency. The prices of basic commodities contributed significantly to inflation. If the prices of basic commodities can be controlled, then inflation can be maintained in accordance with the targets that have been set. Stable price levels support the stability of people's purchasing power, especially traditional market consumers, and encourage local economic growth. The use of non-cash transactions is becoming an increasingly important need for consumers. Transactions on the Niten Market can already use Quick Response Code Indonesian Standard (QRIS) so as to minimize the circulation of counterfeit money and transactions are more efficient and recorded.

The variables that need main attention for improvement are website ownership as a digital media that represents the market (number 1), ownership of official accounts on social media (such as WA, IG, FB, Twitter) (number 2), commodity sales through marketplace platforms (such as Tokopedia, Shopee, Lazada, Bukalapak) (number 5), and complete market infrastructure with independent digital weighing platforms at several strategic points (number 8). Along with digital developments, the need for digital media as a source of information is increasing. Consumer activities on social media and the internet require that every information needed can be fulfilled by these media, including information on traditional market products. Consumers also want the convenience of online shopping through the marketplace. However, consumers still enjoy shopping directly at Niten Market because they can choose the products they buy by physical observation, can bargain in transactions, and have real social interactions. This is a special satisfaction for consumers who shop at traditional markets. In addition, going to traditional markets is one form of shopping tourism that is attractive to consumers. In addition to access to information, consumers also demand improvements to market infrastructure through the provision of independent digital scales, so that consumers can recalibrate the products they have purchased. Consumers can submit complaints to traders if the quantity of goods purchased is not appropriate, so that customer satisfaction is met. As a result, consumer loyalty to the Niten market increases and they make repeated visits many times.

Variabel-variabel The variables with the lowest priority are video content account ownership on video platforms (such as Youtube, Tik Tok, Hello, Snack Video) (number 3) and commodity sales through the use of social media (number 4). Dissemination of information through video platforms is also considered not so important. Dissemination of information through the internet and social media is considered more than sufficient by consumers. Consumers also tend to dislike online transactions through social media compared to marketplaces. Transactions through the marketplace are considered safer and more comfortable than through social media. By paying attention to various variables that can increase customer satisfaction, it can increase the number of visits to the Niten Market.

One of the breakthroughs in the development of a traditional market is the use of information technology, by providing a digital experience for market visitors. The goal is to provide a special attraction, as well as increase the occupancy of visits. One of the information technologies is Augmented Reality (AR), where the technology has great potential to support future marketing communication activities because it provides a pleasant digital experience in interacting with a product [22, 23]. In addition, AR technology is also in line with the concept of Integrated Marketing Communications (IMC) because it not only increases product sales but also demonstrates the competitive advantage of a product or service.

5 Conclusion

Pasar Traditional markets are required to be able to adapt quickly to the development of information technology. The needs of consumers who are increasingly familiar with the digital world must immediately be met by traditional markets so that they are not

abandoned by consumers. Digitalization of traditional markets is a demand of the times so that traditional markets can compete, by providing convenience and comfort for buyers, so that it can be one of the efforts to accelerate advanced and inclusive economic growth. The need and urgency of the use of digital technology in the traditional market ecosystem is needed in buying and selling transactions such as online transactions, the use of e-wallet and e-payments, as well as the use of social media and the internet as a means of promotion.

The use of digital technology has brought many breakthroughs and innovations in various fields, which are expected to also reach business players in traditional markets, by helping traders reach a wider range of new consumers. Another important aspect is the management of market management such as rental management, parking fees, and so on which are digitally based. Thus, collaboration between the government, marketplace and payment system providers, as well as other related parties is needed to encourage the transformation of traditional markets through the Traditional Market Ecosystem Digitization program. This program is a form of support for digital transformation efforts as one of Indonesia's main focuses in the G20 Presidency in the economic field. This collaboration is expected to strengthen the foundation of the traditional market ecosystem, especially in terms of online sales platforms, access to financing, access to cashless payments for consumers, as well as an efficient onboarding process for market traders.

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