



Digitalization of the Economy and Traditional Market Economic Behavior in Social Studies Perspective

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Abstract. The phenomenon of economic digitization has penetrated every aspect of economic activity. This phenomenon has caused fundamental changes in the economic behavior of Indonesian people, especially in the Garut Regency. This study examines the behavior of the traditional economy in conditions of economic digitization and the impact of economic digitization on changes in economic behavior in traditional societies. The sample used in this study were economic actors in the traditional market of Garut using survey techniques on 50 traditional market traders. The results showed that economic digitization activities did not have a significant impact on the economic conventional market behavior of economic actors 58.5%. Emotional and social ties together are more formed in traditional market economic actors by 73.5%. This research is essential to show that the economic digitization system cannot replace traditional market economic actors because of the emotional and social ties in addition to having different segments. Therefore, it is necessary to emphasize the regulatory criteria that can manage the development of this economic digitalization and maintain the behavior of traditional market economic actors in the future.

Keywords: Economic Digitization · Traditional Economic Behavior · Social Studies

1 Introduction

The economic network system (networking economy) is a whole system of business activities aimed at planning, pricing, promoting, and distributing goods and services that satisfy the needs of both existing and potential buyers. The economic network development system that only prioritizes centralized and uneven growth coupled with unbalanced social, political, and economic life will make development fragile. Economic development is urgent in a country, especially in increasing income and improving people's welfare. The economic network marketing system is part of the spearhead that makes a company achieve success or setbacks [1]. Based on the development of

the economic system that evolved from marketing 1.0 to the concept of an economic network in the era of disruption 4.0. Problems in the sector of people's economic life, one of which is a decline and even problems regarding the economic sector in various regions. In the post-covid-19 situation, restrictions have been imposed on the economic system, resulting in a decrease in income, job cuts, and even the loss of people's jobs, while the needs of people's lives continue to increase.

Based on this, in realizing (economic networking) in the era of disruption 4.0, it is necessary to have a deeper understanding of communication, especially marketing communication, in relation to shaping consumer behavior. The interaction between one party and another usually establishes communication. In a communication strategy, creating an economic network is not as smooth as imagined. Several obstacles will affect the success of a communication process. This, of course, can include a message conveyed that can be interpreted differently so that it causes different effects and actions. Digital finance can promote regional economic development, and digital finance also has a positive impact on economic development in terms of breadth, depth, and service support [2]. Based on this, it can be identified that the message content, barriers, and communication disturbances can come from the communicator, the communicant, as well as the selection of media.

The economic network development system that only prioritizes centralized and uneven growth coupled with unbalanced social, political, and economic life will make development fragile. Economic development is an urgent matter in a country, especially in increasing income and improving people's welfare. In macroeconomic analysis, economic growth is the rate of increase in per capita income which is described as a description of a country's economy and the level of community welfare [3]. The economic network development system aims to increase the number of goods and services and job opportunities for the community.

The implementation of economic development must involve all levels of society and the government in taking regional development initiatives by using all available resource support and designing and developing the economy. Economic literacy is an important skill, especially in the era of society 5.0, an economic system that increasingly requires people to be technologically literate in carrying out their economic transactions. Developments and changes in this digital era have changed many things [4]. Including various aspects of human life, especially in the economic system. In the age of digitalization, the role of technology media as an intermediary of information with the recipient of the information or intermediary media.

Thus, in empowering people who prioritize the creative economy, it is necessary to explore and hone the potential for creativity, innovation, and invention in the community. In general, the creative economy is a concept to realize economic empowerment to form an economic network to revive the economic sector after the Covid-19 pandemic.

1.1 Theoretical Review

Economic Digitization Era Society 5.0 was formed by the results or products of the industrial revolution 4.0 by realizing that creative humans are required to have the abilities and skills the community must possess. Students are pioneers of the nation's progress and generations who are prepared to become leaders in the future. In the era of society

5.0, skills in e-money-based digital economics. Seeing economic developments in the digital technological era, this obliged role of education to improve the economic literacy of students. The role of education will stimulate economic transactions in students as social capital when they live in the community.

Economic-financial perception of remote working conditions, such as digital technology and its implementation, has scarcely been researched. Therefore, this study investigates the economic-financial impacts of remote working on laborers [5]. So technological developments in the era of society 5.0 will show their phenomena in society as impersonal and have the autonomy to change every field of human life into a technical sphere.

The technical phenomenon today will bring about changes in society, both in terms of thought and pattern of action. Because every new discovery will give birth to various changes in society, like a subsystem, the presence of new technology as a new subsystem in society will have consequences, and other subsystems in the system inevitably have to adapt to the presence of the technology [6]. Information technology facilitates the digital economy in four core sets of services to help execute business strategy: business process automation, providing information, connecting with customers, and productivity tools. Information technology has many challenges, such as solving problems, opening up creativity, and increasing effectiveness and efficiency in doing work [7]. Figure 1 show digital development orientation.

Based on the picture, it can be identified that digital developments, especially in computerized technology, in microprocessors with increasing performance, and this technology allows it to be planted in various devices that are personally owned. Transmission technology development, including computer networks, has also triggered internet users and digital broadcasters [8]. The development level of digital finance through the digital inclusive finance index empirically analyzes the development of digital finance on the regional economy and further analyzes the breadth, depth, and service support of inclusive digital finance [9]. Based on the statement that integrating oneself into a global information system or digitization, where everyone can quickly obtain various alternative sources of information and versions of data. In this digital era, where the dominance

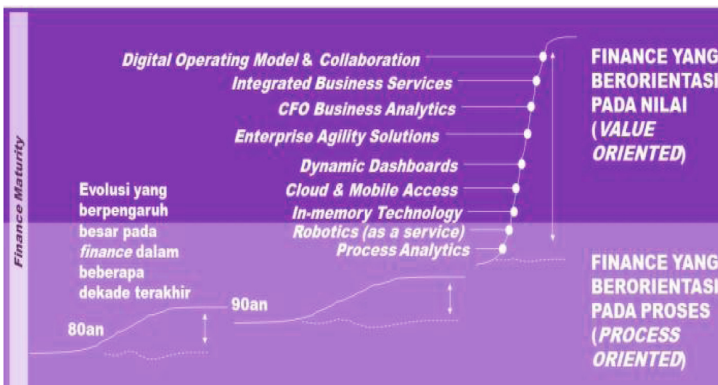


Fig. 1. Digital Development Orientation

of online media is increasingly unstoppable, efforts are made to synergize every aspect of people's lives, especially in the economic field.

Traditional Marketing Behavior and Digitalization in IPS Perspective

The concept of marketing in relation to the economic system is part of social skills such as Communication Skills and Team Works Skills. Individuals who have high social skills (interpersonal skills) will be easy to adjust to their environment, can solve personal problems and problems with their social environment, can appreciate differences between individuals, and can also establish effective communication [10]. The objectives of the skills that can be achieved in teaching social studies are very broad. The skills developed, of course, also include the skills needed to acquire knowledge, values, and attitudes.

Context is a simplification of the integration of social sciences that studies humans in all aspects of their lives, their characteristics, and their behavior, both individually and collectively, in small and large scopes, as well as interactions in their environment [10]. So social studies learning has a very important role in being taught to students because every individual is a social being who lives in society. Where every individual is required to be a good citizen, it is necessary to gain knowledge about social concepts and rules to determine attitudes that are in accordance with this knowledge and have the skills to participate in society, nation, and state life.

The objectives in social studies learning are emphasized based on the national association in social science education, namely the National Council for Social Studies (NCSS) in Maryani [11]. The objectives of social science education (IPS) are as follows:

- a Be a participative and responsible citizen.
- b Provide knowledge and life experience because they are part of the adventure of human life in the perspective of space and time.
- c Develop critical thinking and an understanding of history, geography, economics, politics and social institutions, traditions, and values of society and the state as an expression of the unity of diversity.
- d Increase the understanding of living together as a unity and the diversity of the history of human life in the world.
- e Develop a critical and analytical attitude in assessing the human condition.

Based on the objectives of social studies learning, which emphasizes a selection of social science disciplines and humanities, as well as basic human activities that are organized and presented scientifically and pedagogically/psychologically for educational purposes. So social studies education provides an overview of the conditional dynamics of society, especially for students in the scope of education. So, the benchmark for the orientation of social studies learning emphasizes changes in each individual's behavior patterns [12].

Based on the meaning of IPS is an integrated study of social sciences and humanities to support citizenship skills. Social studies in schools refer to disciplines such as anthropology, archaeology, economics, geography, history, law, philosophy, political science, psychology, religion, and sociology, as well as studies from the humanities, mathematics, and natural sciences [13]. So, IPS is an integration of experience and knowledge about relationships between individuals for the purpose of civic education. So it can be

concluded that social studies are a simplification of social science disciplines designed and taught to students in the form of subjects that aim to help students become good citizens [14]. Thus, social studies learning is a planned activity carried out by teachers and students in social studies subjects in which there is a two-way interaction to achieve educational goals.

2 Methods

Descriptive research method in the form of survey studies. The study uses a quantitative approach with survey types to describe and provide a description of the research subject based on data from the variables studied [15]. The survey method used in this study was a simple random sampling technique. Data processing using SPSS version 25. The population in the study of traders in traditional markets. While the sample is 50 traditional market traders' respondents who were selected randomly using a simple random sampling technique, where this technique provides equal opportunities for every member of the population. The measured variables are economic digitization and traditional marketing behavior from the social studies perspective, which is then tested statistically by Matched Subject using a combination of ordinal and nominal data so that traders will be grouped based on gender similarity and the same score. Data analysis was added using questionnaires and self-report interview guidelines for descriptive observations.

3 Result and Discussion

Based on data processing, describe the state of each variable by looking at the percentage of categories.

a Description of Economic Digitization.

Categorical frequency diagram shown by Fig. 2.

Based on Fig. 2, the minimum score is 20, and the maximum score is 100. From the results of the descriptive test, the condition of the economic digitization variable is included in the good category with a percentage of 59%.



Fig. 2. Categorical frequency diagram.

b. Description of Digital Economics and Traditional Marketing Behavior in Social Studies Perspective

Categorical frequency diagram shown by Fig. 3.

Based on Fig. 3, the minimum score is 20, and the maximum score is 100. From the descriptive test results, the condition of the Digital Economic variable and traditional marketing behavior is included in the Good category with a percentage of 62%.

The requirement for a parametric statistical test is that the data must be normally distributed [16]. To test the normality of the data, researchers refer to the Kolmogorov-Smirnov normality table with the condition that the decision-making value of $\text{sig} > 0.05$ means the data is normal. The result of One-sample kolmogorov-smirnov test shown in Table 1.

Based on the normality test using the One-Sample Kolmogorov-Smirnov Test, the significance value of Asymp is known. Sig. (2-tailed) $0.886 > 0.05$. So it can be concluded that the residual value is normally distributed.

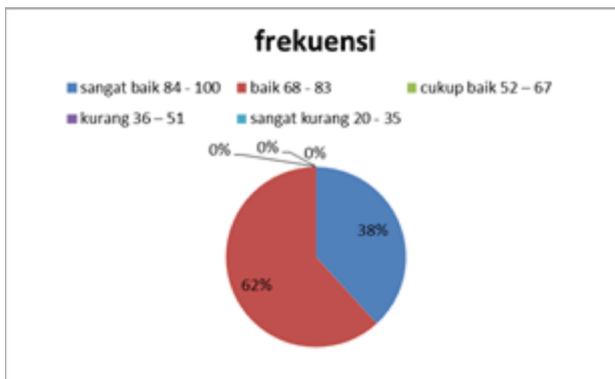


Fig. 3. Categorical frequency diagram.

Table 1. One-Sample Kolmogorov-Smirnov Test.

		Unstandardized Residual
N		34
Normal Parameters ^a	Mean	.0000000
	Std. Deviation	7.30896514
Most Extreme Differences	Absolute	.100
	Positive	.100
	Negative	-.072
Kolmogorov-Smirnov Z		.583
Asymp. Sig. (2-tailed)		.886

a. Test distribution is Normal.

Based on the table explains that the average size of the survey results is 3.2. The amount of the contribution of the economic digitization variable (X) to the traditional marketing behavior variable in the social studies perspective (Y) is called the coefficient of determination (KD) or R Square, which shows how well the regression model is formed. The R Square value obtained is 0.324, which means that traditional marketing behavior has an influence on e-money-based digital economics of 32.4%. So, it can be concluded that e-money-based digital economics is influenced by social skills by 32.4% while the rest is influenced by other variables that are not examined.

The next step is to give post-tests to the 10 matching pairs to see the increase in economic digitization and traditional marketing behavior by providing questions that are at a higher level than the question of understanding the social science concept of economics, namely by using social studies concept analysis questions about the material economy.

The results of this study reveal that (1) the economic digitization factor with traditional marketing has advantages in the aspect of economic digitization; (2) demographic factors seen by gender do not significantly affect the level of economic digitization, and traditional marketing behavior; (3) Traders' perceptions of economic digitization still tend to be insignificant compared to traditional behavior that is still applied, especially by traders who do not yet know the role of digitization in the economic system. Thus, from the results of hypothesis testing and statistical tests that have been carried out, it can be concluded that "there is a significant increase in the significant effect of economic digitization on traditional marketing behavior in students in social science education study programs".

Based on the description of the data presented, it can be seen that social skills and e-money-based digital economics in identifying the significance of their influence on students are included in the good category. This is in accordance with the statement [16]. Someone with this ability is often called social skills, which is part of social skills. So it is closely related to Era Society 5.0, formed by the results or products of the industrial revolution 4.0 by realizing creative humans who are required to have the abilities and skills that the community must possess. In the era of society 5.0, their skills are in digital economics [17]. Seeing economic developments in the digital technological era, this obliged role of education to improve the economic literacy of students. Based on the results of this study, it shows that the percentage of the influence of social skills on digital economics is 32.4%, while 67.6% is influenced by other factors not examined. This means that there is an increased understanding of digital economics among traders as economic actors in transaction activities so that this is in accordance with the objectives of social studies learning, which emphasizes a selection of social science disciplines, and humanities, as well as basic human activities that are organized and presented scientifically and pedagogically/psychologically for educational purposes. So social studies education provides an overview of the conditional dynamics of society, especially for students in the scope of education. So the benchmark for the orientation of social studies learning emphasizes changes in the behavior patterns of each individual [18].

Based on this research, it is in accordance with the research that states that there is a significant and direct influence between social skills on economic digitization, which is related to the part of social capital that students must have to support social life so

that this is in accordance with the statement of research results from [19] which states that social skills are part of social capital that must be possessed by each individual, especially by students as agents of change in realizing answers to the challenges of the development of the era of society 5.0, especially in the economic system.

Thus, today's marketers and consumers are expanding their communication through dynamic new media called social networks. Marketing communications with promotions are the most effective on social media because, in this digital era, marketing is based on social goals, and most consumers are more interested in finding information through their respective smartphones. In fact, powerful social media platforms have created an economic network that is an exemplary scope for any brand to advertise its products through exposure, attention, and perception, to develop opinions, and to create values [20]. The development of the network economy, which emphasizes improving one-way (traditional) communication systems to promote consumer perceptions and increase positive attitudes toward product value, has dramatically lost its persuasive influence due to Facebook's widespread appeal as a connection method for peers [21]. Nowadays, product appraisal, evaluation and perception, and final attitude development processes have drastically aligned with the new pattern of multidimensional communication in which consumers are more interested and find more credibility through pursuing and streamlining snooping opinions rather than getting traditional marketing advertisements [22].

4 Conclusions

Based on the results of research that has been carried out on students of social science education study programs about the relationship between economic digitization and traditional marketing behavior. So it can be concluded that the role of students in their economic activities, the results obtained showed that the role of students has a fairly good ability to carry out their duties and roles as economic actors. Then the students' social skills level dominates in the moderate/good enough category. Social skills are a person's ability to recognize and respond appropriately to several aspects such as feelings, attitudes and behavior, motivations, and desires towards others. One form of social skills is communication and the ability to carry out the demands of economic digitization. And there is a significant relationship between the role of digitalization of the economy and traditional marketing. Therefore, the role of students in conducting digital economic transactions is quite effective in strengthening students' social skills. However, other factors that are not studied influence the formation of students' social skills.

The results of this study can be a reference for institutions to emphasize several courses to avoid hedonic life behavior. The subject of economics must include religious values to avoid prohibited things. This can create good self-control. While the economics course itself can instill in students the importance of saving and investing, prioritizing the priority scales that are more needed. Because the education factor becomes very dominant in increasing the understanding of economic digitization and traditional marketing behavior for traders.

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