

MARGINALIZATION OF SMALL RETAILERS AS A CONSEQUENCE OF THE GROWTH OF MINIMARKET IN DENPASAR CITY

I Wayan Adnyana

Teachers' Training College of PGRI BALI

Seroja Street, Tonja, Denpasar

email: wayanadnyana59@yahoo.com

ABSTRACT

The growth of minimarket, especially the Circle K Minimarket in Denpasar City has been so fast that small retailers with their limitations have been getting left behind. This present study explored the marginalization of the small retailer as a consequence of the growth of the Circle K Minimarket in Denpasar City. It was conducted to identify the forms of the marginalization of the small retailer as a consequence of the growth of the Circle K Minimarket in Denpasar City. The theory of generative structure proposed by Bourdieu and the theory of power and knowledge proposed by Foucault were used eclectically to answer the problems of the study. Qualitative research method with the approach of cultural studies was employed. The data were collected through observation, in-depth interview, and documentation study. The data were descriptively, qualitatively and interpretatively analyzed. The result of the study showed that as a consequence of the growth of the Circle K Minimarket the small retailers became marginalized in economy; business network; technology; management; and socio-politics.

Keywords: marginalization, small trader, Circle K minimarket.

INTRODUCTION

Denpasar, as the center of government, tourism, banking and other services, has been developing as a city of trade indicated by the fact that more and more shopping centers, and modern and traditional markets have been built. The market will be full with products with global quality and price. The products without quality will be left behind by consumers. According to Adlin (2006: 121), nowadays the relationship between consumers and products is not inspired by utility, function and need, but by what is referred to as the logic of sign and the logic of image, meaning that culture is produced for common people whom are considered the market share from this approach.

The small retailers have been made worse by various limitations; their capital is too small, their human resources are too low, their network is too limited, and the image that they pay less attention to cleanliness; they are dirty and the services they provide to the customers are not good. According to the urban people, buying things at the minimarket is a need, which is believed to sell products with warranted quality. In

addition, cleanliness is given priority and the services it provides is good. It is this which contributes to good perception. According to the consumers, image is more important than anything else.

Based on the background above, the present study was intended to explore the forms of the marginalization of the small retailers as result of the growth of the Circle K Minimarket in Denpasar City.

In theory, it was expected that the present study could widen the scientific insight into the small retailers and minimarket from the perspective of cultural studies. In practice, it was expected that the present study could give deeper information on the modern retailer or minimarket, and that it could be used as a reference when issuing any policy and controlling the growth of the minimarket.

RESEARCH METHOD

This present study is oriented towards what is responsible for the growth of the minimarket causing the small retailers to be marginalized. The study was conducted in South Denpasar District for the following reasons. (1) It is the district where many minimarkets have been established; (2) there is a phenomenon that the small retailers are getting marginalized; and (3) several minimarkets established in South Denpasar District are not completed with the permits needed.

In this present study qualitative data were used, supported by quantitative data which were obtained from various types of primary and secondary data sources. The informants were determined using snowball technique, meaning that the main informants were determined first. The main instrument was the researcher supported by an interview guide, a digital camera, and writing equipment. The data were collected using the techniques of observation, in-depth interview, and documentation study. The data were descriptively and qualitatively analyzed through the following steps; data reduction, data presentation, data interpretation, and conclusion drawing.

The theory used in the present study was the theory proposed by Pierre Felix Bourdieu (1930-2002), a French philosopher. In the theory of generative structure, it is stated that $(\text{habitus} \times \text{capital}) + \text{field} = \text{practice}$. The relation between individuals and structure is similar to the relation between habitus and field involving capital. Bourdieu (in Harker et al, 2009: 13) states that habitus is a system of a durable and transposable disposition which functions as the generative basis for the objectively integrated and structured practices. The theory of discourse proposed by Michael Foucault (1926-1984)

and the relation of power was used to analyze power and knowledge. This theory was inspired by Foucault's view of the discourse of power and knowledge, and explains how discourse and knowledge can be used as a tool by the ruler. Discourse results in knowledge and the social practice following it, subjectivity, the relation of power implied in knowledge and social practice, and the social practice and the interrelation among all aspects (Foucault, 2002: 9). Foucault (in Sara Mills, 2003: 33) focuses on the analysis of the impacts of various institutions on people and the roles they play in resisting such impacts. The essence is the analysis of power.

RESULT AND DISCUSSION

The annual growth of the modern retailers ranged between 10% and 30%. The head to head competition as a consequence of the fast growth of the modern retailers badly affected the traditional ones; the number of the traditional retailers was decreasing and their omzet went down as well. In relation to that, Bourdieu (in Harker, 2009: 13) concerning the social practice stated that the competition between the small retailers and the modern ones caused the former to be marginalized. The small retailers with the habitus they had and acquired from their living experience had a clear concept that trading was their livelihood. From the economic, social and cultural capitals they had, they were still left behind. In addition, the management they applied, the services provided to the consumers, the technology applied, and the social network they had made their access to the political institutions and government extremely limited.

Such a condition was not undergone by the minimarket management. This is in accordance with what is stated by Foucault concerning the discourse of power and knowledge, especially how discourse and knowledge could be used as a tool. Discourse resulted in knowledge and the socio-political practice accompanying it, the subjectivity it formed, the relation between power hidden in knowledge and social practice and the interrelation among all the subjects (Foucault, 2002: 9). To what extent the consumers were understood affected the sales. Understanding the management of the network of supplies in the unifying business process was absolutely needed (Utami, 2010: 164).

In practice, many minimarkets were established without referring to the Regulation Issued by the Mayor Number 9 of 2009 concerning How Traditional Market, Shopping centers, and Modern Shops Should be Organized and Supervised (Dinas Perijinan Kota Madya Denpasar, 2009). It was still hard to supervise and control them. Surprisingly, out

of 18 modern shops in South Denpasar District, 13 did not have permit, meaning that the only 72% was supervised and controlled.

The other phenomenon which appeared to cause the small retailers to be marginalized was the change in the consumer behavior. The consumers wanted to buy things in a comfortable place where they were well served and could find products with warranted quality. Almost 75% stated that it was such things which had motivated them to go to the Circle K Minimarket. Individuals, groups or even organizations chose, bought and used products to satisfy their desire (Kotler, 2002: 181). The modern retailers used an integrated retail concept referred to as C.A.R.E. (Customer, Activities, Relation and Enterprising) based on what was needed by the consumers (Lynda and Cynthia, 2001: 7).

Internal and external factors caused the marginalization to take place (Amirulla and Hardjanto, 2005: 19). The internal factors included the availability of educated and trained human resources, the working tradition and culture which were oriented towards efficiency. This made the management of the minimarket more efficient. The external factors included the competition between the small retailers and the Minimarket management. In addition, the quota given by the government through its intervention allowing the minimarket establishment in Denpasar City, was exceeded and this could be considered a form of hegemony from the government. This is in accordance with what is stated by Featherstone (2008: 22) that competition and monopoly took place between the established group and the ignored one.

CONCLUSION AND SUGGESTION

As a consequence of the growth of the Circle K Minimarket, the small retailers became marginalized in economy, business network and management system, technology and socio-politics. The factors which contributed to the marginalization of the small retailers could be classified into internal and external factors. In relation to the conclusion stated above, there are several things which are recommended in the present study. It is suggested that the small retailers should reinforce themselves. It is suggested to other researchers that they should explore more deeply the practices done by particular parties which may inflict the small retailers.

ACKNOWLEDGEMENT

This study could not have been completed without assistance from numerous parties. Therefore, in this opportunity, the writer would like to thank Prof. Dr. (Ing) Ir. I Made Merta as the main supervisor, Prof. Dr. I Nyoman Kutha Ratna, S.U., as co-supervisor I, and Dr. Putu Sukardja, M.Si as co-supervisor II for the correction and input provided to the writer.

BIBLIOGRAPHY

- Adlin, Alfathri. 2006. *Resistensi Gaya Hidup: Teori dan Gaya Hidup*. Yogyakarta: Jalasutra
- Adnyana, I Wayan. 2013. "Pertumbuhan Minimarket Circle K dan Marginalisasi Pedagang Kecil di Kota Denpasar", disertasi, Program Doktor. Program Studi Kajian Budaya, Program Pascasarjana, Universitas Udayana, Denpasar.
- Amirullah dan Hardjanto. 2005. *Pengantar Bisnis*. Yogyakarta: Graha Ilmu.
- Harker, Richard, Cheelen Mahar, dan Chris Wilker (ed.). 1990. *(Habitus x Modal) + Ranah = Praktik*. Yogyakarta: Jalasutra.
- Dinas Perijinan Kota Madya Denpasar, 2009. "Peraturan Wali Kota Denpasar Nomor 9 Tahun 2009 tentang Penataan dan Pembinaan Pasar Tradisional, Pusat Pembelanjaan, dan Toko Modern".
- Featherstone, Mike. 2008. *Postmodernisme dan Budaya Konsumen*. Yogyakarta: Pustaka Pelajar.
- Foucault, Michel. 2002. *Pengetahuan dan Metode Karya-karya Penting Foucault*. Yogyakarta: Jalasutra.
- Kotler, Philip. 2002. *Manajemen Pemasaran*. Jakarta: PT Prenhallindo.
- Lynda, W.K.N dan Cynthia, T.L.M. 2005. *Managing the Brick-and-Mortar Retail Stories*. Jakarta: PT Bhuana Ilmu Populer.
- Mill, Sara. 2003. *Michel Foucault*. Routledge: London.
- Utami, Christina Whidya. 2010. *Manajemen Ritel, Strategi dan Implikasi Operasional Bisnis Ritel Modern di Indonesia*. Jakarta: Salemba Empat.

