

# **PERCEPTION OF STAKEHOLDERS AND HORTICULTURE MERCHANTS ON THE PROSPECT OF THE CENTRAL MARKET EXISTENCE IN DENPASAR AND BADUNG**

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## **ABSTRAK**

Indikator keberhasilan pembangunan sektor pertanian ditentukan oleh seberapa banyak masyarakat, khususnya para petani, yang disejahterakan. Dalam upaya itu pembangunan sektor pertanian harus diikuti dengan pembangunan subsistem terkait lainnya seperti pemasaran, keuangan dan infrastruktur lainnya.

Pasar, baik dalam arti fisik maupun abstrak memegang peranan sentral dalam menjamin kelancaran arus barang dan jasa dari produsen ke konsumen. Optimalisasi peran pasar sangat ditentukan oleh keberadaan dalam keseluruhan aspek suprastruktur, struktur dan infrastruktur.

Fenomena inefisiensi dalam pemasaran produk hortikultura di Denpasar dan Badung yang selama ini terjadi, menjadi persoalan krusial yang perlu mendapat perhatian. Pentingnya hal ini terletak pada efisiensi dan meningkatnya volume perdagangan, karena secara kualitatif dan kuantitatif terjadi peningkatan peran para pelaku pasar. Pihak-pihak yang berkepentingan, dalam hal ini para pedagang dan pemerintah daerah, dalam sebuah hasil pengamatan merasakan bahwa keberadaan pasar-pasar tradisional yang tidak tersentralisasi dan terorganisasi dengan baik menjadi penyebab utama terjadinya inefisiensi dalam pemasaran produk hortikultura; dan juga dampak lanjutannya yang berupa kemacetan lalu lintas. Sebagai sebuah alternatif pemecahan masalah ini, para pedagang dan pemerintah daerah yang diwawancarai dalam penelitian ini, sebagian besar menginginkan hadirnya sebuah lembaga pemasaran yang representatif, tersentralisasi, terorganisasi dengan baik, yang dalam hal ini maknanya mengacu pada hadirnya sebuah pasar induk di Kota Denpasar atau Kabupaten Badung.

*Kata Kunci : Efisiensi, Lembaga Pemasaran, Representatif.*

## **I. INTRODUCTION**

Indonesia is regarded as an agricultural country. The agriculture sector development plays an important role and become an integrated part of the national development. In order to realize the main purpose of the agricultural sector development, which is aimed to the development of the other subsystems link is worth doing.

To expand production subsystem in agricultural business, it needs supporting by some other subsystem such as marketing, processing, finance and market infrastructure, etc. Marketing plays an important role in transaction and distribution smoothness of commodities and service from producer to consumer. Hamid (1972) bravely declared that marketing institution which is directly involved in distributing commodities from producer to consumer where the institutions demonstrate their role in exchanging, physical and provision of structure function. In agricultural business, concept the market existence in both physical and abstract meaning (building and meaning) is crucial.

Inefficiency phenomenon of horticulture product marketing in Denpasar and Badung Regency and its side effect has become a crucial problem in which the solution must be immediately solved. Alternative solution offered to overcome the problem is the creation of centralized and well organized marketing institution, which will be called as central market (*Pasar Induk*).

The main objective of this research is to determine the local government (Denpasar and Badung Regency) and the traders / merchants' perception in Denpasar and Badung, on the prospect of the central market existence in Denpasar or Badung regency. The result of this study is expected to be the consideration base of the executives, legislatives and investors on the prospect of the formal central market existence as well as the socialization to the traders in Denpasar or Badung Regency which is organized by the local government.

## **II. THEORITICAL FRAMEWORK**

Based on the main objective of this research, the theoretical framework taken is relevant to the marketing institution and the perception of traders and local government on the prospect of the central market existence in Denpasar or Badung Regency.

### **2.1. Marketing Institutions**

Institution term has two meanings, (1) physically: refers to the meaning of building such as government offices, etc; (2) abstract: refers to the meaning of its character and motivation. Budiono (1982) stated that market doesn't merely mean as building but could be meant as transaction between sellers and buyers where the price and volume of commodities are compromised. Dahl and Hammond (1977); Tomek and Robinson (1990) categorized that institution and agencies directly linked to the agricultural production marketing are retailers, whole sellers, processors and assemblers. Each institution or agency gets a marketing charge from their activities in selling and distributing commodities from producers to consumers. The amount of marketing charge and marketing cost, which consists of wages capital interest, land lease and profit is called marketing margins.

To maintain a natural market mechanism traditionally in developmental economics emphasize some economic rules by the non-marketing institution where the institution plays role as a mediator. Jhon Commos declared that a mediator is needed to maintain the smoothness of transaction between two interest parties (Hoff, et. al, 1993).

## **2.2. Perception of Stakeholders**

According to Allen (1992) in the Australian Concise Oxford Dictionary stated that perception is the ability of the mind to refer sensory information to an external object as its cause.

Walgito (1993) declared that perception is a process of interpreting stimulus that is to find and to arrange meaning of one object. Moreover, perception is regarded as a cognitive process undergone by everybody to comprehend information about environment through eyesight, sense of hearing, feeling and shrinkage. The perception is an unique interpretation, but not an accurate recording of the situation (Thoha in Suteja; 1982).

Based on those opinion or definition above, generally it can be concluded that perception is an organized response through the process of comprehension, interpreting and \*to think consciously to an object stimulus. In reference to the idea of the central market prospect existence that it many located in Denpasar or Badung Regency, it would be advisable to determine the perception of stakeholders before planning it. The quality of the perception depends upon the stakeholders' ability in interpreting and comprehends information and knowledge of the central market.

## **III. RESEARCH METHODOLOGY**

### **3.1. Location**

The research location were in the traditional market in Denpasar such as Kumbasari, Anyar Sari, Amerta Sari and fruit stocks along the Kampung Arab street and Balai Banjar Titih where the transaction is usually done by the producers and retailers.

### **3.2. Types of Data**

Kinds of data collected are primary data and secondary data. Primary data was collected from the interviewees; where as the secondary data was collected from private and governmental offices documents.

### **3.3. Respondents Determining**

Respondents of the research are merchants / traders as the central market agency candidates 321 respondents were determined by census as distributors of horticulture product in three traditional markets such as Anyar Sari, Amerta Sari and Kumbasari.

They were interviewed to determine the transaction volume of horticulture as well as their perception on the prospect of the formal central market existence in Denpasar or Badung.

### **3.4. Collection**

For the perception, in depth interview with guide interview was used for collecting data and qualitative information.

### **3.5. Analysis**

Data research is regarded to be a qualitative data, so in this case verbal analysis was used.

## **IV. RESULT AND DISCUSION**

### **4.1. Respondent Merchants' Character**

#### **1. *Respondent merchants' age and sex***

The age plays an important role in determining an optimum productivity. In this research, the respondent merchants' age lays between 15 – 65 year, which is consist of 66% male and 34% female.

#### **2. Education level of respondent**

Even though there is no significant correlation between education level and the success level in business, but education can influence decision. The education levels of respondents are varying from elementary to university level.

#### **3. Respondent original and experience**

Most of the respondents are from Bali and the rest are from outside of Bali. The length of the respondents' experience in doing such business is vary from 1 – 30 years.

#### **4. Respondents' income**

The gross income of the respondents is vary from one million to seven million per day.

#### **5. Respondents' way to stock and transaction horticulture product**

A few respondents sell the horticulture product directly to some traditional market, while some of them stock temporarily before selling it. Most of respondent make any transaction in cash and few in credit.

## **4.2. Perception of Respondents**

### **1. Merchants' perception**

The perception of the respondent is based on some determinant factors such as the reason to do any business activity in the present place, loading activity in any place with some efforts by the authorized department to reduce it, knowledge of central market, the need to have a central market, respondent's willingness to use the central markets facilities, form and central market organizer and problems, which possibility rise by the existence of the central market.

Almost all traditional markets where the respondents do any business activity are now no longer optimum in its function for the lack of systems and the limit of space. Actually they need a suitable place to do so.

In relation to the loading activity in any place which causing the traffic jam, most respondents agree to stop the activity, but the other don't agree for they need to be provided a more representative place.

The respondents' knowledge on the central market is vary, few number don't know exactly what is meant by central market; and some of them comprehend the central market as a big and centralized place where the sellers and buyers doing transaction beside as a centre of information.

Based on the research, most of respondents assumed that the existence of the central market is now urgently needed. While small number assume that the central market is not necessary for the present traditional market can be functioned as a central market. Those who think that the central market is badly needed assume that the present traditional markets are now no longer representative anymore.

Most of respondent are willing to use the central market's facilities for they think that it supports their business activity. In relation to the form and the central market organizer, most of respondents agree that the form of the central market must be a permanent building, big and secure, which will be organized by a certain institution (*PEMDA / PD Pasar*).

Some problems could possible be occurred by the existence of the central market such as: the lease price is going to be very expensive as everybody in a strong competition to have a new one, crowded and the lack of space for parking, etc.

### **2. Perception of the local government**

The local government respondent in this term are the Head of Transportation Department of Denpasar, the Head of Crops and Horticulture Department of Badung

Regency, the Head of Economic Section of Agency for Regional Development of Denpasar and Badung Regency, and the Landscape Services Head of Badung Regency.

Most of the respondents assumed that the conditions of the present traditional markets are no longer representative anymore now. By this reason the existence of the central market is urgently needed. They extremely hope that the central market must be physically a permanent one.

About the organizer, some respondents want that the central market must be organized by *PEMDA* (local government), while some respondents want that the central market must be organized by *PEMDA* in collaboration with non-governmental party. There are some conflict interests in accordance with the location of the central market. Some respondents (33%) want to have the central market be located in Badung Regency; some of them (50%) want to have the central market location in Denpasar; and the rest (17%) want to have the central market location in outside both Badung and Denpasar.

## V. CONCLUSSION

Based on the previous explanation here with I conclude that the perception of the merchants and stakeholders respondent are positive, which indicating the need of the central market existence in Denpasar or Badung Regency. The existence of the central market is urgently needed to avoid being inefficiency in economic growth for the local people, beside the local government can earn money for the local treasure.

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