

The Influence Of Public Interest On Operational Failure Of Traditional Markets Gumukmas - Jember

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Abstract

Traditional markets are an important pillar of economic activity in society, especially for small and medium-sized businesses. However, with the passage of time and changes in consumer patterns, traditional markets have experienced a decline in visitors, leading to operational failure. This study aims to analyze the influence of public interest on the operational failure of traditional markets in Gumukmas Subdistrict, Jember. The research method used is quantitative with a survey approach, employing a questionnaire distributed to 200 respondents from the Karanganyar community. Data analysis was conducted using multiple linear regression analysis via SPSS software. The results indicate that public interest significantly influences the operational failure of traditional markets, as evidenced by a calculated T-value of $3.432 > T\text{-table } 1.671$ and a significance level of $0.001 < 0.05$. The coefficient of determination (R^2) shows that public interest accounts for 14% of the influence on traditional market operations, while the remaining 86% is influenced by other factors. These findings highlight the importance of increasing public interest through market revitalization strategies to maintain the existence of traditional markets amid competition with modern markets.

Keywords: traditional markets, public interest, operational failures.

1. Introduction

Traditional markets have long been the center of economic and social activities for communities, especially in rural and semi-urban areas. The existence of traditional markets not only serves as a place to buy and sell basic necessities, but also as a space for social and cultural interaction that strengthens the cohesion of local communities. In the context of the people's economy, traditional markets play a crucial role in distributing essential goods at affordable prices and serve as a livelihood source for small traders and micro-entrepreneurs. (SCP, 2020)

However, in recent decades, traditional markets have faced increasing pressure due to the rapid growth of modern markets, shopping centers, and minimarkets, which offer greater convenience, accessibility, and a wider variety of products. This phenomenon has led to changes in consumer behavior, particularly among younger generations, who prefer to shop at places perceived as cleaner, more organized, and more efficient. As a result, many traditional markets have begun to lose their appeal, experience a decline in visitor numbers, and some have even been forced to cease operations due to their inability to compete. (Malano, 2013)

One of the key factors determining the sustainability of traditional markets is the level of public interest in these markets. Public interest can be influenced by various aspects, including comfort, cleanliness, safety, market location, and perceptions of the value and image of traditional markets themselves. When public interest declines, the intensity of visits and economic transactions at traditional markets also decreases, which can ultimately lead to operational failure. In this context, understanding the relationship between public interest and

the operational failure of traditional markets is crucial to formulating targeted revitalization strategies. (Aliyah, 2017)

This study was conducted to analyze the extent to which public interest influences the operational failure of traditional markets in Gumukmas Subdistrict, Jember Regency. Using a quantitative approach and regression analysis techniques, this study aims to provide empirical insights into the role of public interest in determining the operational sustainability of traditional markets. (Anggraeni, 2021) The findings of this study are also expected to serve as a basis for local governments and market managers in formulating policies for the development and revitalization of traditional markets to remain relevant amid increasingly competitive conditions. (Suprihati, 2021)

2. Literature Review

Interest

According to the Indonesian Dictionary, interest is defined as a strong desire, passion, or intense inclination toward something. Interest is an individual's drive toward a particular object, such as work, study, objects, and people. Interest is related to cognitive, affective, and motor aspects and is a source of motivation to do what one wants (Saidah, 2022).

According to Kotler and Keller, consumer interest is a consumer behavior where the consumer engages in activities to purchase and select a product or service based on their experience in choosing, using, and desiring that product or service (Kevin Lane Keller, 2015). Meanwhile, according to Taylor, consumer interest is part of the consumer behavior component in consumption attitudes, the consumer's tendency to act before the purchasing decision is actually made (Musran, 2022).

According to Jahja and Yudrik, Interest is a drive that causes an individual's attention to be focused on a particular object, such as work, study, objects, and people. Interest is related to cognitive, affective, and motor aspects and is a source of motivation to do what one wants to do (Yudrik, 2011).

Traditional Markets

Traditional markets are open spaces where the buying and selling of goods and services takes place, allowing for bargaining. Not all visitors to traditional markets are consumers; some are traders, and anyone can open a shop there and sell their wares (Ariyani, 2014). In Indonesia, traditional markets represent an important economic sector for the majority of the population. Poor communities rely on traditional markets for their livelihood (Mokalu, 2021).

Regarding quality, traditional markets often have a limited variety of commodities based on the owner's capital or consumer demand. In terms of pricing, traditional markets do not have fixed prices because they are determined by the profit margin desired by each seller (Sari, 2022). In addition, prices in markets often fluctuate, making the use of price tags more difficult because traders must adjust the tags to reflect these price changes. (Nengsih, 2021)

3. Research Methods

This research method uses a quantitative approach with a survey as the data collection method, as it has many advantages, ranging from cost efficiency to the ability to produce reliable quantitative data. Given the research objectives and characteristics of the target population, a survey is a highly effective choice for data collection. This technique allows for the collection of information from both large and small populations by distributing

questionnaires to respondents. The population in this study is the community of Karanganyar Village who work with market traders and consumers, with a population of 200 people. This study uses a non-probability sampling technique with the Purposive Sampling method, where the researcher selects respondents based on specific criteria relevant to the research objectives, allowing the researcher to obtain information from individuals who have specific knowledge or experience. To determine the sample size, the researcher used the Taro Yamane formula, which is used in quantitative research with a known population. The formula is:

$$n = \frac{N}{1 + N d^2}$$

n= sample size

N= population size

d= specified precision

This data collection technique uses a questionnaire with a scale of 1-5. The analysis of this research data uses structural equation modeling (SEM), which is one of the SPSS analysis software.

4. Results

Validity and Reliability Test

Validity testing is used to determine whether the data obtained from the distributed questionnaire or survey is valid or not. The validity of the data can be determined from the calculated R and the table R. If the calculated R > table R with a = 0.05 or 5%, then the data is considered valid (Waruwu, 2022). The reliability test is a survey research method that functions as an indicator of variables or constructs. If the Cronbach's alpha value is > 0.60, then the items in the questionnaire can be declared reliable (Anggraini, 2022).

Tabel 1 Validity and Reliability Test

Variable	Item	R Count	R Table	Information	Cronbach's Alpha	Information
Public Interest	X1	0,544	0.236	Valid	0,624	Valid
	X2	0,556	0.236			
	X3	0,848	0.236			
	X4	0,789	0.236			
Traditional Market	Y1	0,490	0.236	Valid	0,686	Valid
	Y2	0,567	0.236			
	Y3	0,821	0.236			
	Y4	0,764	0.236			
	Y5	0,686	0.236			

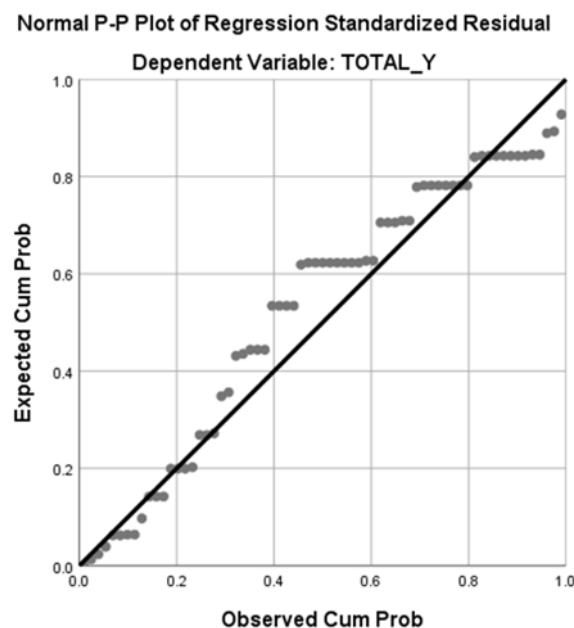
Source: SPSS Data Processing Results ,2025

Based on the table above, it can be seen that all statement items in the public interest variable (X) and the traditional market variable (Y) produce an R value $> R$ Table, which indicates that all statement items for each variable are valid, and all variable items have a Cronbach's alpha value > 0.60 , meaning that all variable items in the questionnaire can be used for research purposes.

Y Normality Test

The normality test determines whether the independent and dependent variables of the regression model have a normal distribution (Asyorori, 2023). A good regression model has data that is normally distributed or nearly normal. Normality can be determined by examining the distribution of data (points) along the diagonal axis of the graph.

Figure 1 Y Normality Test



Source: SPSS Data Processing Results, 2025

The results of the plot diagram show that there is no skewness in the data distribution, so it can be concluded that the respondents' perceptions of collectors and unemployment are normally distributed.

Multicollinearity Test

Multicollinearity is a high level of correlation that occurs between one independent variable and another independent variable (Hidayatullah, 2024). The multicollinearity test aims to test whether the regression model finds a correlation between independent variables. A good regression model should not exhibit correlation among independent variables (Wulandari, 2022). If the tolerance value is > 0.10 and the VIF value is < 10 , it can be concluded that there is multicollinearity among the independent variables in the regression model.

Variable	Tolerance	VIF	Description
Public Interest - Traditional Market	1.000	1.000	No Multicollinearity

Tabel 2 Multicollinearity Test

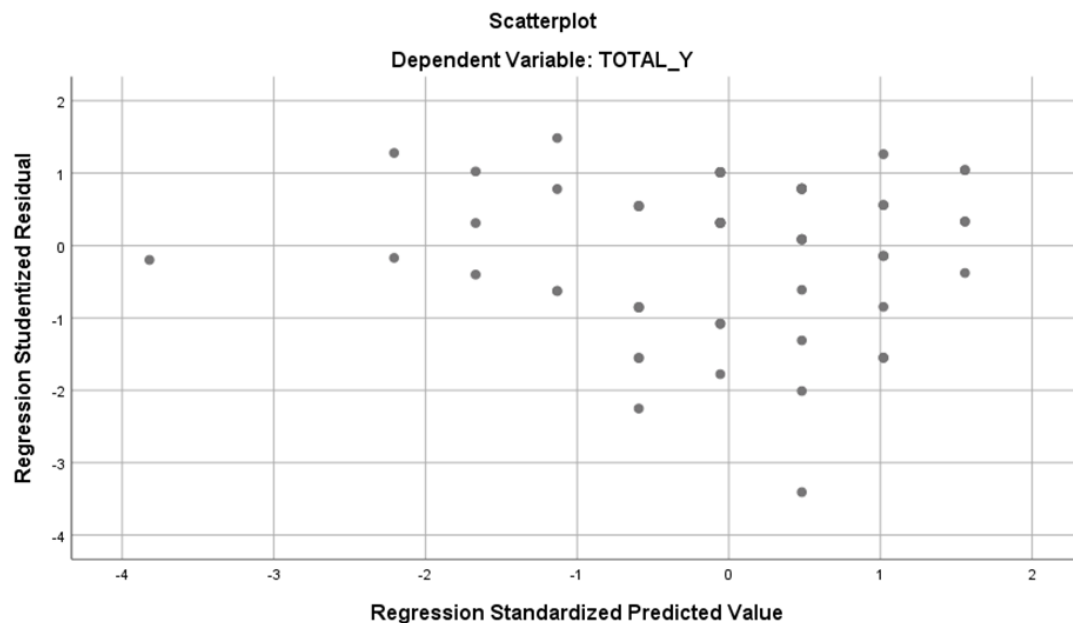
Source: SPSS Data Processing Results ,2025

Based on the table above, it shows that the tolerance value of the collector variable (X) to income (Y) is 1,000 and the VIF value is 1,000. These results prove that there is no multicollinearity because the tolerance value is > 0.10 and the VIF value is $< 10.Y$

Heteroscedasticity Test

The heteroscedasticity test aims to determine whether there is variance inequality in the multiple regression model between the residuals of one observation and another (Widana, 2020). To determine heteroscedasticity, a scatterplot graph is used; the points should be randomly distributed both above and below the number 0 on the Y-axis. If this condition is met, then there is no heteroscedasticity (Nurdiana, 2020).

Figure 2 Y Heteroscedasticity Test



Source: SPSS Data Processing Results ,2025

The points on the scatter plot, as shown in the figure above, are scattered both above and below 0 on the Y-axis, spread randomly, and do not have a clear pattern. This indicates that the regression model is heteroscedastic.

Multiple Linear Regression Test Y
Tabel 3 Multiple Linear Regression Test Y

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
1	(Constant)	16.968	1.645		10.313	.000
	Traditional Market	.328	.096	.392	3.432	0,001

Source: SPSS Data Processing Results ,2025

a. Dependent Variable: Traditional Market

Based on the table above, the multiple linear regression equation can be written as follows:

$$Y = 16.968 + 0.328X$$

Penjelasan:

1. The constant value indicates that if the public interest variable (X) is zero, then the traditional market variable (Y) is 17,296.
2. The regression coefficient value of the public interest variable (X) is 0.328, which is positive and indicates a direct relationship with the traditional market variable (Y), where every one-unit increase in the public interest variable (X) will cause an increase in the traditional market variable (Y) of 0.328.

F Test Results (Simultaneous Test) Y

The F test or simultaneous test aims to test the combined effect of interest in traditional markets.

Tabel 4 F Test Results (Simultaneous Test) Y

Model		Sum Squares	df	Mean Squeres	F	Sig.
1	Regression	24.593	1	24.593	11.780	.001 ^b
	Residual	135.706	65	2.088		
	Total	160.299	66			

Source: SPSS Data Processing Results, 2025

a. Dependent Variable: traditional market

b. Predictors: (Constant), public interest

The results of the analysis in the table above show a calculated F value of 24.593 > table F value of 3.96 and a sig. value of 0.001 < 0.05, so it can be concluded that there is a significant simultaneous effect between public interest (X) and traditional markets (Y).

T-test (Partial Test)

T-test or partial test to show how much influence the independent variable has on the dependent variable (Telussa, 2013).

Tabel 5 T-test (Partial Test)

Variable	T Count	T Table	Sig	Information
Public Interest - Traditional Market	3.432	1.671	.001	Significant

Source: SPSS Data Processing Results 26,2025

1. Based on the table above, the interest of the community (X) obtained a calculated T value of $3.432 > T$ table 1.671 and a sig. value of $0.001 < 0.05$, which can be concluded that there is a significant effect on unemployment (Y), so H (accepted).

Test of Determination Coefficient (R²) Y

The coefficient of determination (R²) test shows how well the regression model explains the dependent variables. A higher coefficient of determination value indicates that the model is better able to influence the independent variables in explaining the behavior of the dependent variable (Darma, 2021).

Tabel 6 Test of Determination Coefficient (R²) Y

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.392 ^a	.153	.140	1.445

Source: SPSS Data Processing Results 26,2025

- a. Predictors: (Constant), Interest
- b. Dependent Variable: Traditional Market

Based on the table above, it shows that the coefficient of determination is 0.140, which means that this regression can explain 14% of the traditional market variable and the remaining 86% is influenced by other variables that were not studied in this research.

5. Discussion

Pengaruh Minat Masyarakat terhadap Kegagalan Operasional Pasar Tradisional

Based on the results of the study, it is known that public interest has a significant influence on the operational failure of traditional markets. This is proven through statistical tests which show that the calculated T value of 3.432 is greater than the table T value of 1.671. In addition, the significance value (sig.) of 0.001 is much smaller than the commonly used significance limit of 0.05. This finding confirms that low public interest in shopping or visiting traditional markets is one of the main factors causing the operational failure of these markets. Factors such as convenience, cleanliness, availability of goods, or the appeal of modern markets have likely caused the public to shift away from traditional markets.

Penelitian ini sejalan dengan (Pratiwi, 2019), Minat masyarakat secara signifikan mempengaruhi keberhasilan atau kegagalan operasional pasar tradisional. Jika minat masyarakat menurun, maka pasar tradisional berisiko mengalami kegagalan dalam menjalankan fungsinya sebagai pusat perdagangan rakyat. Oleh karena itu, peningkatan minat masyarakat harus menjadi fokus utama dalam upaya revitalisasi dan pelestarian pasar tradisional.

6. Conclusion

Based on the results of research conducted on the Karanganyar Village community related to traditional markets, it can be concluded that community interest has a significant influence on the operational failure of traditional markets. This is proven through a T-test statistical test with a calculated T value of 3.432, which is greater than the table T value of 1.671, and a significance value of 0.001, which is less than 0.05. This indicates that the hypothesis is accepted, and there is a real relationship between community interest and the operational sustainability of traditional markets.

This study also shows that the lower the public interest in shopping at traditional markets, the greater the likelihood of the market experiencing a decline in activity until it

eventually fails to operate. Factors influencing this interest include market comfort, cleanliness, facilities, accessibility, and the appeal of modern markets that better meet the expectations of today's consumers, particularly the younger generation.

7. Suggestion

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