e-Bangi Faculty of Social Sciences and Humanities Universiti Kebangsaan Malaysia
Journal of Social Sciences and Humanities

ISSN: 1823-884x
Volume 23, Issue 2, DOI: https://doi.org/10.17576/ebangi.2026.2302.08

Original Research Article

Market Stall Pricing and Vendor Profitability: An Empirical Evaluation of Perumda Pasar Pakuan Jaya In Bogor City

Yustiana Wardhani[1], Syarief Gerald Prasetya[1*], Yuli Anwar[1], Zurinah Tahir[2] and Adelia Dwi Sulistiyowati[1,]

[1]Department of Management, Universitas Binaniaga Indonesia, Bogor 16143, Indonesia
[2]Faculty of Social Sciences and Humanities, Universiti Kebangsaan Malaysia, 43600 Bangi, Selangor, Malaysia

[*]*Corresponding Author: syariefgerald6@gmail.com*

Received:14 November 2025 / Accepted:18 May 2026

Abstract. The rapid increase of street vendors (PKL) in Bogor City has generated congestion, disorder, and waste problems, prompting the local government to relocate vendors into traditional markets managed by Perumda Pasar Pakuan Jaya. However, the rental fees imposed for market stalls often exceed vendors' profit capacities, causing nearly half of the kiosks to remain vacant. This study evaluates the stall rental pricing policy using a chi-square test to examine its relationship with vendor profitability and a SWOT analysis to explore internal and external factors affecting tariff determination. Based on responses from 256 traders selected through stratified random sampling, the findings indicate that effective traditional market governance depends not only on economic considerations but also on the ability to build social trust and cooperative relationships between administrators and traders. Although initial SWOT results position the pricing policy in a strength–opportunity quadrant, empirical perceptions reveal that priority should be given to WT strategies, emphasizing internal improvements and mitigation of external constraints. Key policy directions include strengthening managerial capacity, improving sanitation, upgrading electrical and drainage systems, and ensuring transparency in the use of rental revenue. Periodic disclosure of modernization expenditures can foster trust and demonstrate that tariff adjustments support tangible improvements. Ultimately, modernization should be viewed as an ongoing process of enhancing public service quality and sustaining traditional markets as vital social and economic spaces.

Keywords Market stall pricing policy; street vendors; Perumda Pasar Pakuan Jaya; SWOT analysis; Bogor

Introduction

The increasing number of street vendors (PKL) in Bogor City reflects a dynamic urban economy in which informal retail and micro-enterprise activities continue to expand. Street vendors contribute to the accessibility and affordability of daily consumer needs; however, their presence in public spaces also creates significant urban management challenges, including road congestion, spatial disorder, noise, and environmental degradation due to unmanaged waste (Cao & Qi, 2023). In response to these issues, the Bogor City Government has implemented relocation programs to move street vendors into formal market facilities managed by the Regional Public Company (Perumda) Pasar Pakuan Jaya.

To support this relocation effort, Perumda Pasar Pakuan Jaya has developed several market infrastructures and provided kiosk facilities categorized by market class. Rental tariffs for these kiosks are determined based on such classifications. However, this tariff-setting mechanism does not always align with the economic capacity and profitability of small-scale traders. Similar to findings in small agro-processing and micro-retail sectors elsewhere, many micro-entrepreneurs operate with narrow profit margins, making rental costs a decisive factor for business continuity (Saka et al., 2024). As a result, many traders who

initially relocated to the market have subsequently chosen to return to street vending where operational costs are lower and customer flows are more predictable (Jose, 2024).

This trend has led to a significant decline in kiosk occupancy rates, with vacancy levels approaching 50% in certain market locations. High vacancy rates not only signal the limited effectiveness of the relocation program but also reduce the ability of Perumda Pasar Pakuan Jaya to generate sustainable operating revenue. Insufficient revenue affects the company's capacity to maintain market infrastructure and provide public services. Comparable studies on market rent and pricing perceptions show that traders' willingness to pay is directly connected to perceived market viability, customer accessibility, and product turnover rates (Malilay et al., 2024). Therefore, tariff-setting should not be determined solely by market class designation but must consider traders' ability to pay, willingness to pay, and the competitive advantages of alternative selling locations.

Previous literature on street vendors has largely focused on regulatory control, social policy, and spatial planning, rather than economic feasibility and pricing strategies that affect trader behavior. Research examining rental price adjustments in local market governance, such as the policy context in PT. Tanjungpinang Makmur Bersama, highlights the need for rental systems that account for localized market dynamics and trader livelihood constraints (Adhayanto & Arianto, 2023). This identifies a clear research gap, wherein the relationship between kiosk rental tariffs, trader profitability, kiosk occupancy, and revenue sustainability of regional market management institutions remains insufficiently explored.

The novel contribution of this study is to analyze how rental tariff structures influence traders' business decisions and kiosk occupancy, and how these occupancy patterns subsequently affect the financial sustainability of Perumda Pasar Pakuan Jaya. By proposing an evaluative model for tariff-setting based on traders' economic capacity and market behavioral conditions, this research positions market sustainability not only as a spatial or administrative concern but also as an economic viability issue. The study aims to offer policy recommendations for adaptive and context-responsive tariff frameworks that support both trader welfare and sustainable local market operations.

Methodology

This study employs a descriptive quantitative design with an embedded qualitative strategic component to examine the determinants of kiosk rental tariff formulation in traditional markets managed by PD Pasar Pakuan Jaya. The descriptive approach is selected to accurately capture existing tenant conditions and policy-related perceptions without manipulating the research setting.

The population consists of 2,543 kiosk tenants registered across 11 traditional markets, drawn from the official tenant registry to ensure complete coverage. Given the substantial heterogeneity among markets particularly in size, facility conditions, and trader composition, the study applies Stratified Random Sampling to enhance representativeness. Proportional allocation is used to preserve the structural distribution of tenants, and random selection within strata maintains equal selection probability. A final sample of 256 respondents is determined based on established sample size formulas for large populations at the 95% confidence level, exceeding the minimum threshold recommended by Krejcie and Morgan (1970). The instrument integrated structured questionnaire items and guiding interview questions to capture stakeholders' perceptions comprehensively. Table 1 presents the measurement indicators used in this study.

Data were collected using structured questionnaires capturing demographic attributes, cost perceptions, service evaluations, and tariff fairness assessments. Quantitative data were analyzed using descriptive statistics to identify tenant profiles and operational patterns relevant to tariff formulation.To complement the empirical findings, the study integrates a SWOT analysis following the framework of Rangkuti (2015) and the strategic mapping perspective introduced by Keans. SWOT is used not merely as a heuristic tool but as an analytical framework for translating internal strengths and weaknesses, together with external opportunities and threats, into strategic implications for tariff-setting. This integration ensures that strategic recommendations are grounded in systematically sampled empirical data, thereby meeting the methodological rigor expected in top-tier policy research. From a theoretical perspective, the SWOT matrix

is presented in Table 2.

Table 1. Research Instrument and Interview

Dimension	Code	Questionnaire Item	Guiding Interview
Strengths	S1	The increase in market stall rental fees is accompanied by improvements in market facilities and services.	What benefits have emerged following the increase in stall rental fees?
	S2	The tariff increase supports market modernization and better organization.	Do you believe the tariff increase contributes to better market management? Why?
	S3	Increased market revenue is reinvested into infrastructure and public services.	Have traders experienced direct benefits from the tariff increase?
Weaknesses	W1	Increased stall rental fees impose financial pressure on small-scale traders.	What challenges have traders faced due to the tariff increase?
	W2	Information regarding tariff increases is insufficiently transparent.	How transparent was the communication process regarding tariff adjustments?
	W3	Facility improvements are not proportional to the increase in fees.	Are the additional costs justified by market improvements?
Opportunities	O1	Tariff increases create opportunities for market revitalization and better governance.	What opportunities could arise from improved market management?
	O2	Better market conditions may attract more consumers and strengthen MSMEs.	How can traditional markets become more competitive?
	O3	The policy encourages innovation and partnerships for market development.	What innovations should be introduced in traditional markets?
Threats	T1	Traders may relocate due to increasing operational costs.	Is there a risk of traders leaving the market? Why?
	T2	Consumers may switch to modern retail stores if prices increase.	Have customer behaviors changed following tariff adjustments?
	T3	Tariff increases may reduce trader profitability and trigger conflict.	What negative consequences may arise from the tariff increase policy?

**Measurement scale:* 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, and 5 = Strongly Agree.

Table 2. The SWOT Matrix

Internal / Eksternal	Positive	Negative
Internal Factors	Strengths (S)	Weaknesses (W)
External Factors	Opportunities (O)	Threats (T)

The Findings

Based on the collected data and field observations, several internal and external factors were identified as key determinants in formulating the rental pricing policy for market kiosks in Bogor City. These factors were analyzed using the SWOT Matrix, which allows for the assessment of Perumda Pasar Pakuan Jaya's strategic position and supports the formulation of tariff policies that are fair, sustainable, and economically viable.

The internal factors, summarized in the Internal Factor Analysis Summary (IFAS), indicate several strengths, including: (1) tariff adjustments accompanied by improvements in market facilities such as sanitation, electricity, and cleanliness; (2) the municipal government's commitment to enhancing market safety and convenience; (3) the alignment of tariff increases with market modernization objectives; and (4) increased local revenue that can be reinvested in market infrastructure development. However, several

weaknesses were also identified, such as: (1) the financial burden experienced by small-scale traders due to higher kiosk rental fees; (2) limited transparency and insufficient socialization regarding tariff adjustments; (3) uneven improvement of facilities across different markets; and (4) reduced competitiveness of traditional market traders relative to modern retail outlets. The Internal Factor Analysis can be seen in Table 3 below.

These findings provide a foundation for developing an adaptive and balanced kiosk rental pricing strategy that not only enhances local government revenue but also sustains trader livelihoods and preserves the socio-economic role of traditional markets.

Table 3. Total Weight and Weighting of Internal Factors

Internal Factor	Item	Mean Score	Item Weight
Strengths	The increase in market stall rental fees is accompanied by improvements in facilities (e.g., restrooms, electricity, and sanitation).	3.281	0.150
	The Bogor City Government is actively working to enhance market comfort and security.	2.773	0.126
	The tariff adjustment supports market modernization efforts to create a more organized environment.	2.656	0.121
	The budget allocation for the relevant sector has increased.	2.742	0.125
Weaknesses	The increase in rental fees places a financial burden on small-scale traders.	2.421	0.110
	Information regarding the tariff adjustment lacks transparency, and public outreach efforts are limited.	2.671	0.122
	Not all market facilities have been upgraded despite the increase in rental fees.	2.609	0.119
	The tariff increase may reduce the competitiveness of traditional market traders compared to modern retail outlets.	2.718	0.124
Total Weight		**21.875**	

Table 4. Total Weight of External Factors

Category	Item	Mean	Item Weight
Opportunities	The increase in kiosk rental rates has the potential to encourage the revitalization of traditional markets, making them cleaner and better organized.	2.593	0.111
	A more modern market environment may attract new consumer segments, including tourists.	2.804	0.120
	The government can position traditional markets as local economic hubs driven by Micro, Small, and Medium Enterprises (MSMEs).	2.601	0.112
	There is an opportunity to establish partnerships with private sector entities for market development.	3.023	0.130
Threats	Vendors may relocate to alternative market locations with lower rental costs.	3.210	0.138
	Consumers may shift their purchases to minimarkets or supermarkets if kiosk rental costs drive price increases.	3.007	0.129
	The potential for conflict may arise between vendors and market management.	2.984	0.128
	Vendors' incomes may decline due to increased overhead associated with higher rental fees.	2.968	0.127
Total Weight:		23.195	

Meanwhile, the external factors summarized in the External Factor Analysis Summary (EFAS) reveal several opportunities, including: (1) the potential revitalization of traditional markets into cleaner and better-organized commercial environments; (2) increased attractiveness of modernized markets to new

consumer segments, including tourists; (3) strengthened positioning of markets as local economic hubs for MSME-based activities; and (4) opportunities for strategic partnerships with private sector entities. However, there are also significant threats, such as: (1) the possibility of traders relocating to cheaper informal vending spaces; (2) consumer shifts toward supermarkets and convenience stores; (3) potential conflicts between traders and market management; and (4) decreased trader profitability resulting from higher cost burdens. The External Factor Analysis can be seen in Table 4.

As presented in Table 5 below, the assessment of internal and external factors indicates that the increase in kiosk rental rates has both potential benefits and significant challenges for traditional market stakeholders in Bogor City. Internally, there are several strengths that support market improvement initiatives. The increase in rental fees is accompanied by efforts to upgrade facilities such as sanitation, electricity, and overall cleanliness, which contributes to a more comfortable and orderly market environment. Additionally, the local government is actively committed to improving market security and convenience, and the overall policy direction aligns with broader market modernization efforts

Table 5. Internal and External Factors Assessment

Factor	Item	Rating
Internal Factors	**Strengths**	
	The increase in kiosk rental rates is accompanied by improvements in facilities (e.g., toilets, electricity, cleanliness, and others).	4
	The Bogor City Government is taking measures to enhance market comfort and security.	3
	The increase in rental rates supports the modernization and better organization of the market.	3
	The budget allocation for the defense industry has increased.	3
	Weakness	
	The increase in kiosk rental rates places a financial burden on small traders.	4
	Information regarding the tariff increase is not sufficiently transparent and socialization is limited.	4
	Not all market facilities have been improved despite the higher rental fees.	4
	The increase in rental rates may reduce the competitiveness of traditional market vendors compared to modern retail stores.	4
External Factors	**Opportunities**	
	The increase in rental rates can encourage the revitalization of traditional markets to become cleaner and better organized.	3
	A more modern market environment could attract new consumer segments, including tourists.	3
	The government can position the market as a local economic hub based on Micro, Small, and Medium Enterprises (MSMEs).	3
	There are opportunities to establish partnerships with private sector actors for market development.	3
	Threats	
	Vendors may relocate to other market areas with lower rental costs.	4
	Consumers may shift to minimarkets or supermarkets if kiosk rental increases lead to higher product prices.	4
	There is a potential for conflict between traders and market management.	4
	Traders' income may decline due to increased rental burdens.	4

However, these strengths are counterbalanced by notable internal weaknesses. The increased rental tariffs place a heavier financial burden on small traders, who generally operate with limited capital and thin

profit margins. Furthermore, the dissemination of information regarding tariff adjustments has not been sufficiently transparent, leading to misunderstanding and resistance among traders. Not all market facilities have experienced equal improvement, which raises concerns about fairness and accountability. Moreover, the higher rental fees may reduce the competitiveness of traditional market vendors relative to modern retail outlets, which typically offer standardized pricing and controlled environments.

Externally, several opportunities can be leveraged to enhance the market's role in local economic development. Market revitalization can potentially attract new consumer groups, including tourists, thereby strengthening its function as an economic center powered by Micro, Small, and Medium Enterprises (MSMEs). There is also room for collaboration with private sector partners to support infrastructure improvements and service innovation. Nevertheless, these opportunities are accompanied by substantial external threats. Traders may choose to relocate to more affordable market locations, thereby reducing occupancy and commercial vibrancy. Rising operational costs may also influence consumer behavior, encouraging them to purchase from minimarkets and supermarkets instead. The potential for conflict between traders and market management increases when changes are perceived as unfair or abrupt. Additionally, increased rental burdens may ultimately reduce traders' income, potentially weakening their long-term sustainability.

Table 6. Calculation of Internal Strategic Factors

Internal Factor	**Item**	**Item Weight**	**Rating**	**Weighted Score (Weight × Rating)**
Strengths	The increase in kiosk rental rates is accompanied by improvements in facilities (such as toilets, electricity, cleanliness, and others).	0.150	4	0.600
	The Bogor City Government is making efforts to enhance market comfort and security.	0.126	3	0.378
	The increase in rental rates supports market modernization, contributing to a more organized environment.	0.121	3	0.363
	The budget allocation for the defense industry has increased.	0.125	3	0.375
Total Strength Score				**1.716**
Weaknesses	The increased rental tariffs impose financial pressure on small-scale traders.	0.110	4	0.440
	The dissemination of information regarding the tariff increase has been insufficient and lacks transparency.	0.122	4	0.488
	Not all market facilities have been upgraded despite the increase in rental fees.	0.119	4	0.476
	The tariff increase may reduce the competitiveness of traditional market traders compared to modern retail stores.	0.124	4	0.496
Total Weakness Score				**1.900**
Total Internal Factor Score				**3.616**

As shown in Table 6, the results of the internal factor evaluation indicate that the total strength score (1.716) is slightly lower than the total weakness score (1.900), suggesting that the internal condition of the market continues to face considerable pressure. On the strength side, the increase in kiosk rental rates has been accompanied by efforts to improve facilities such as sanitation, electricity, and cleanliness, alongside initiatives by the Bogor City Government to enhance market comfort and security. Market modernization also represents a positive element that reinforces internal capacity, although its overall contribution remains limited.

Nevertheless, the weaknesses carry greater weight. The higher rental tariffs impose significant financial burdens on small-scale traders, while the dissemination of policy information is perceived as insufficient and lacking transparency, leading to uncertainty. Furthermore, the uneven improvement of facilities and the potential decline in the competitiveness of traditional market traders relative to modern retail outlets further exacerbate internal pressures. With a total IFE score of 3.616, these findings highlight the need for responsive strategies that prioritize the mitigation of weaknesses while optimizing existing strengths

Table 7. Calculation of External Factor Strategies

External Factor	Item	Item Weight	Rating	Weighted Score (Weight × Rating)
Opportunities	The increase in rental tariffs can encourage the revitalization of traditional markets to become cleaner and better organized.	0.111	3	0.333
	A more modern market environment may attract new consumers, including tourists.	0.120	3	0.360
	The government can develop the market as a local economic hub driven by Micro, Small, and Medium Enterprises (MSMEs).	0.112	3	0.336
	There are opportunities to establish partnerships with private sector actors for market development.	0.130	3	0.520
Total Opportunity Score				**1.549**
Threats	Traders may relocate to alternative locations with lower rental costs.	0.138	4	0.552
	Consumers may shift to minimarkets and supermarkets if the increase in kiosk rental rates leads to higher selling prices.	0.129	4	0.516
	There is potential for conflict between traders and market management.	0.128	4	0.512
	Traders' income may decline due to rising rental burdens.	0.127	4	0.508
Total Threat Score				**2.088**
Total External Factor Score		**1.000**		**3.637**

The evaluation of external factors, as presented in Table 7, indicates that opportunities (Opportunity Score: 1.549) and threats (Threat Score: 2.088) exert a significant influence on the dynamics of traditional markets. On the opportunity side, the increase in rental tariffs has the potential to stimulate market revitalization toward a cleaner, more organized, and modern environment, thereby attracting new consumer segments, including tourists. Additionally, opportunities exist to strengthen the market's role as a local economic hub driven by Micro, Small, and Medium Enterprises (MSMEs), as well as to foster partnerships with private sector actors for market development.

The external threats exert greater pressure than the opportunities identified. Higher rental tariffs may prompt traders to relocate to more affordable areas, while consumers may shift to modern retail outlets if rising rental costs translate into higher selling prices. Furthermore, the likelihood of conflict between traders and market management may intensify, accompanied by potential declines in traders' income. Overall, the total external factor score (3.637) suggests that threats remain more dominant and must be mitigated through responsive and adaptive market governance policies.

The Internal–External (IE) Matrix presented above indicates that the policy on market kiosk rental pricing is positioned in Cell I, which signifies a strong internal condition and high external opportunities. In this position, the most appropriate strategic approach for determining kiosk rental rates is the concentration strategy through vertical integration. The concentration strategy implies that the market management

authority focuses its business activities on a single core function, namely the administration and development of the market. Meanwhile, vertical integration is a strategy in which the institution (in this case, the market management body) expands its control either upstream (towards suppliers) or downstream (towards distribution and services provided to traders and consumers). The objective is to enhance efficiency, reduce dependency on external parties, and minimize operational costs, enabling kiosk rental tariffs to be set more rationally and competitively. This positioning can be observed in Figure 1.

		Internal		
		3 Strong	**2 Moderate**	**1Weak**
External	**3 High**	Growth Strategy (3.616 : 3.637) - concentration through vertical integration	Growth Strategy - concentration through horizontal integration	Retrenchment Strategy - turnaround initiatives
	2 Moderate	Stability Strategy with cautious expansion	Growth Strategy - concentration through horizontal integration, Stability Strategy - no significant changes in profit orientation	Retrenchment Strategy - captive company approach or divestment
	1 Low	Growth Strategy - concentric diversification	Growth Strategy - conglomerate diversification	Retrenchment Strategy Liquidation

Figure 1. Internal–External (IE) Matrix

Implementation of Vertical Integration in Market Management

Backward integration involves the market management authority taking over or directly collaborating with parties that previously served as suppliers of essential market services, such as, providers of electricity, water, security, and sanitation services; and, construction service providers or kiosk building maintenance contractors. The benefits of this approach include:

i. Reduced operational costs, as intermediary margins are eliminated
ii. Improved control over the quality and cost of essential services
iii. More stable and competitive kiosk rental tariffs, due to lower cost components

Subsequently, internal and external factors were identified to formulate four primary strategic alternatives, namely the SO (Strength–Opportunity) strategy, WO (Weakness–Opportunity) strategy, ST (Strength–Threat) strategy, and WT (Weakness–Threat) strategy. The detailed formulation of these strategies is presented in Table 8.

Table 8. SWOT Strategy

Internal / **External**	***Strength* (S)**	***Weakness* (W)**
	• The increase in kiosk rental fees is accompanied by improvements in key facilities (sanitation, electricity, cleanliness, etc.) • The Bogor City Government is committed to improving market comfort and security • The tariff adjustment supports the modernization and better structuring of traditional markets • Increased local revenue provides fiscal	• The tariff increase may burden small traders • Limited transparency and insufficient socialization regarding the tariff change • Not all facilities have been upgraded despite higher fees • The increased fees may reduce the competitiveness of traditional market traders compared to modern retail

	space to reinvest in market infrastructure	
***Opportunities* (O)**	**Strategi SO**	**Strategi WO**
• Tariff adjustment can stimulate full-scale revitalization of traditional markets • A more modern market environment has the potential to attract new customers, including tourists • The market can be positioned as a local MSME economic hub • Cooperation opportunities with private stakeholders for joint development	• Implement a comprehensive market revitalization program leveraging increased tariff revenues and government support to improve infrastructure and functionality (S1–S4, O1). • Develop a "modern-traditional market" concept emphasizing comfort, security, and orderliness to attract wider customer segments including domestic and international visitors (S2–S3, O2). • Strengthen the role of markets as MSME development centers through facility enhancement, trader training, and administrative support (S1–S4, O3). • Establish partnerships with private sector actors in areas such as digital payment systems, marketing, and parking management to reinforce modernization efforts (S3–S4, O4).	• Introduce cross-subsidy or targeted incentive schemes to ensure small traders remain viable while infrastructure improvements continue (W1, W3, O1). • Enhance transparency and communication through public information campaigns and trader engagement meetings to clarify the long-term benefits of revitalization (W2, O1, O3). • Conduct phased, measurable infrastructure upgrades to strengthen trader competitiveness and attract new visitors (W3–W4, O2). • Build cooperative partnerships between government, traders, and private sector to provide digital marketing training and shared promotion initiatives (W1, W4, O3–O4).
***Threats* (T)**	**Strategi ST**	**Strategi WT**
• Traders may relocate to more affordable sites • Consumers may shift preference to modern retail stores • Potential conflict between traders and market management • Potential decline in trader earnings due to increased fees	• Strengthen trader retention by ensuring visible improvements in market facilities that justify the adjusted fees (S1–S3, T1). • Enhance service quality and customer experience to maintain competitiveness against modern retail, including improved layout, lighting, and digital transaction systems (S2–S4, T2). • Establish regular communication forums between management and traders to ensure transparency and prevent conflict (S2, S4, T3). • Allocate a portion of tariff-generated revenue to trader empowerment programs, such as marketing training and utility subsidies (S1, S3–S4, T4).	• Introduce flexible or differentiated tariff schemes based on stall size and location to protect small traders and maintain price competitiveness (W1, W4, T1–T2). • Promote participatory governance mechanisms to improve trader involvement in decision-making and reduce conflict potential (W2, W3, T3). • Provide business advisory and entrepreneurship training to help traders adapt and maintain income stability (W1, W3–W4, T4). • Develop a digital market promotion system to expand trader customer reach beyond local market dependence (W2, W4, T2–T4).

To determine which of the four strategies should be prioritized, an evaluation was conducted using the calculation presented in the following Table 8:

Table 8. Strategy Value Calculation

Internal / **External**	**S = 1,716**	**W = 1,900**
O = 1,549	SO = 3,265	WO = 3,449
T = 2,088	ST = 3,804	WT = 3,988

The results indicate that the highest composite score is found in the WT quadrant (3.988), followed by the ST quadrant (3.804). This positioning suggests that the strategic emphasis should prioritize minimizing weaknesses to mitigate existing threats, while also recognizing the importance of utilizing strengths to confront external challenges. In other words, the organization/market condition is currently situated in a defensive strategic position, where internal weaknesses and external threats are relatively dominant. Therefore, strategies should focus on:

i. Stabilizing trader resilience, particularly small-scale traders who are vulnerable to cost increases.
ii. Improving transparency, communication, and stakeholder engagement to prevent conflict and strengthen trust in policy implementation.
iii. Enhancing competitiveness through gradual infrastructure improvement and service quality enhancement so that traditional markets can remain attractive against modern retail alternatives.
iv. Implementing flexible and responsive policies, particularly regarding kiosk tariff adjustments, to maintain trader sustainability and consumer affordability.

Overall, the WT-driven strategic direction underscores the need for risk mitigation and consolidation, before further expansion-oriented strategies (SO or WO) can be optimally pursued.

Discussion

Based on the analysis of internal and external factors, the marketplace demonstrates notable strengths, particularly in terms of facility improvements and strong support from local government policies (Mohammad & Manaf, 2025). However, these strengths are accompanied by internal limitations, especially regarding budget constraints for infrastructure development and the resistance to change among certain trader groups. Externally, the market benefits from opportunities related to the modernization of traditional markets through revitalization and commercial zoning reorganization. Additionally, consumer preferences are increasingly shifting toward cleaner, more organized, and safer market environments, where improvements in hygiene and service standards have been shown to influence price transmission and enhance willingness to pay within local agri-food value chains (Kumar et al., 2017). These opportunities align with the broader collaborative and digital transformation strategies that have been implemented in other local economic institutions to enhance service efficiency and organizational adaptability (Wardhani, Prasetya, & Simanjuntak, 2023).

Despite these potential advantages, threats remain, including competition from nearby modern retail outlets and the possible decline in visitor numbers following kiosk rental price adjustments. Interview findings with market administrators indicate that the tariff increase should be interpreted as part of a long-term strategy to enhance competitiveness and resilience. One administrator (Node: P.1) explained, “We intend for this market to serve not only as a place of transaction, but as a well-organized, safe, and comfortable economic space. The tariff increase has been carefully calculated so that it can be reinvested into facility improvements.” This is consistent with modernization and service-based business model restructuring strategies applied in logistics and service firms, where operational upgrading and digital-based management improve sustainability and competitiveness (Prasetya, Maria, & Maria, 2023). Further, the second administrator (Node: P.2) emphasized that local government policy provides flexibility to support modernization efforts, including sanitation improvements, utility upgrades, and digitalization of rental administration.

At the trader level, perceptions are more varied. Three out of the five interviewed traders (Node: D.2, D.3, D.4) accepted the tariff increase on the condition of tangible improvements. As stated by one trader (Node: D.3), “If the toilets are clean, electricity is stable, and security is guaranteed, then we can understand the cost increase. What matters is that the benefits are clear.” However, two traders (Node: D.1 and D.5) expressed concerns regarding increases in operational expenses and decreasing consumer purchasing power. These concerns align with empirical findings that small-scale traders are highly sensitive to fluctuations in market costs and buyer circulation, where even marginal cost increases can significantly affect income stability (Mukaila et al., 2021). This is also consistent with evidence on the economic vulnerability of micro-scale traders, where shifts in operational burdens may influence spending patterns and market participation (Wardhani, Prasetya, & Dharmantyo, 2020; Prasetya & Wardhani, 2018).

The SWOT matrix results show that the WT (Weakness–Threat) strategy has the highest score (WT = 3.988), followed by ST (3.804), WO (3.449), and SO (3.265). This suggests that addressing internal weaknesses to mitigate external threats is the most strategic priority. In implementation, managerial focus

should be directed toward improving services that directly affect trader and visitor experiences, such as responsive cleanliness management, structured security operations, and adequate parking facilities. Transparency and participatory communication are also vital so that tariff policies are not perceived as unilateral burdens but are understood as collective efforts to enhance economic value.

Therefore, the dynamics surrounding kiosk tariff adjustments extend beyond economic considerations to include trust building and social acceptance. Regular dialogue forums between administrators and traders can function as collaborative mechanisms to reduce resistance and strengthen engagement, which aligns with evidence that market planning becomes more sustainable when based on trader participation and perception-based development approaches (Malilay et al., 2024). When executed effectively, the market will not only sustain its relevance amidst modern retail competition but also evolve into a sustainable center for local economic empowerment.

Conclusion

The findings of this study indicate that the effectiveness of traditional market governance is not solely determined by economic considerations, but also by the capacity to cultivate social trust and cooperative relationships between market administrators and traders. Increases in kiosk rental fees tend to be more acceptable when the resulting benefits are tangible, directly experienced, and communicated transparently. The interplay between government policy, the physical condition of market facilities, and traders' perceptions forms an ecosystem that requires adaptive, participatory, and service-oriented governance. Prioritizing the WT strategy offers the market a strong opportunity to sustain local economic viability while reinforcing its role as a social and cultural interaction space within the community. Ultimately, the modernization of traditional markets should not be viewed as a final objective, but rather as an ongoing process of rebuilding the relationship between public service provision, small business actors, and broader societal interests.

Based on the dominant WT strategic priority, a key policy direction involves strengthening managerial capacity with an emphasis on improving the quality of basic services directly experienced by traders and visitors. This may include enhancing sanitation standards, increasing the number of cleaning personnel, and upgrading electrical and drainage systems to ensure a comfortable and functional market environment. Equally important is ensuring transparency in the allocation of revenue generated from kiosk fees. Periodic disclosure of modernization expenditures, for example through public information boards or routine stakeholder meetings, can foster trust and demonstrate that fee adjustments are not merely intended to increase local revenue, but are reinvested into concrete improvements that benefit both traders and consumers.

Acknowledgement: The authors gratefully acknowledge the financial support provided by the Rector of Universitas Binaniaga Indonesia, which enabled the successful completion of this research. We also extend our appreciation to all individuals and institutional partners who contributed to the study and provided valuable assistance throughout the research process.

Informed Consent Statement: Informed consent was obtained from all subjects involved in the study.

Conflicts of Interest: The authors declare no conflict of interest.

References

Adhayanto, O., Arianto, B., & Fatahurrazak, S. (2023). Adjustment of market stall and kiosk rental rates for PT Tanjungpinang Makmur Bersama. *Mimbar Hukum*, *35*(1), 127–164. https://doi.org/10.22146/mh.v35i0.11455

Alabi, O. O., Oladele, A. O., & Maharazu, I. (2020). Profitability analysis and marketing efficiency of soybean (Glycine max) value chain among actors in Abuja, Nigeria. *Sarhad Journal of Agriculture, 36*(4), 1010–1019. https://doi.org/10.17582/journal.sja/2020/36.4.1010.1019

Batrău, Q., & Bonnet, F. (2016). Managed informality: Regulating street vendors in Bangkok. *City & Community*, *15*(2), 138–154. https://doi.org/10.1111/cico.12150

Broderick, S., Wright, V., & Kristiansen, P. (2011). Cross-case analysis of producer-driven marketing channels in Australia. *British Food Journal, 113*(4), 481–495. https://doi.org/10.1108/00070701111177656

Chamberlin, J., Jayne, T. S., Snapp, S. S., Sitko, N. J., & Mason, N. M. (2021). The role of active soil carbon in influencing the profitability of fertilizer use: Empirical evidence from smallholder maize plots in Tanzania. *Land Degradation & Development, 32*(1), 139–152. https://doi.org/10.1002/ldr.3940

Daly, J. L. (2002). *Pricing for profitability: Activity-based pricing for competitive advantage.* McGraw-Hill.

Dawar, N., & Chattopadhyay, A. (2002). Rethinking marketing programs for emerging markets. *Long Range Planning*, *35*(5), 457–474. https://doi.org/10.1016/S0024-6301(02)00075-5

Gorman, M. F. (2001). Intermodal pricing model creates a network pricing perspective at BNSF. *Interfaces*, *31*(4), 37–50. https://doi.org/10.1287/inte.31.4.37.9661

Gu, Y., Wu, Y., Xu, M., Wang, H., & Zuo, T. (2016). The stability and profitability of the informal WEEE collector in developing countries: A case study of China. *Resources, Conservation & Recycling*, *114*, 18–27. https://doi.org/10.1016/j.resconrec.2016.07.003

Hardesty, S. D., & Leff, P. (2010). Determining marketing costs and returns in alternative marketing channels. *Renewable Agriculture and Food Systems*, *25*(1), 24–34. https://doi.org/10.1017/S1742170509990196

Horn, P. (2015). *Behind the counter: Shop lives from market stall to supermarket*. Routledge.

Ikatan Akuntansi Indonesia. (2019). *Pernyataan Standar Akuntansi Keuangan (PSAK) No. 73: Sewa*. IAI. https://www.iaiglobal.or.id/v03/files/file_sak/exposure-draft/de_psak_73-sewa.pdf

Inuwa, I. M. S., Kyiogwom, U. B., & Ala, A. L. (2011). Profitability analysis of rice processing and marketing in Kano State, Nigeria. *Nigerian Journal of Basic and Applied Sciences, 19*(1), 40–46.

Ismaidar, Amirullah, & Usman, S. (2016). Persepsi masyarakat terhadap pedagang kaki lima di Kota Banda Aceh. *Jurnal Ilmiah Mahasiswa Pendidikan Kewarganegaraan Unsyiah, 1*(1), 147–157.

Jose, T. D. L. (2024). Evaluating profit disparities in selling vegetables: Rolling store vs. market stall. *Ignatian International Journal for Multidisciplinary Research, 2*(6), 375–385. https://doi.org/10.5281/zenodo.11479529

Keputusan Direksi PD Pasar Pakuan Jaya Kota Bogor Nomor 977/KEP-45/PDPPJ/2018 tentang tarif sewa pakai dan jasa pelayanan seluruh pasar. (2018). PD Pasar Pakuan Jaya.

Kotler, P., & Armstrong, G. (2016). *Dasar-dasar pemasaran* (Edisi ke-9, Jilid 1). Erlangga.

Kumar, A., Thapa, G., Roy, D., & Joshi, P. K. (2017). Adoption of food safety measures in milk production in Nepal: Impact on smallholders' farm-gate prices and profitability. *Food Policy, 66*, 13–22. https://doi.org/10.1016/j.foodpol.2016.11.001

Malilay, J. R., et al. (2024). Rice pricing as perceived by stall owners in Talavera Public Market: A basis for market development plan. *International Journal of English Literature and Social Sciences, 9*(5), 1–10. https://doi.org/10.22161/ijels.95.21

Mukaila, R., Obetta, A. E., Awoyelu, F. E., Chiemela, C. J., & Ugwu, A. O. (2021). Marketing analysis of vegetables: The case of carrot and cucumber marketing in Enugu State, Nigeria. *Turkish Journal of Agriculture–Food Science and Technology*, *9*(2), 346–351. https://doi.org/10.24925/turjaf.v9i2.346-351.4000

Olson, M. S., & Van Bever, D. (2008). *Stall points: Most companies stop growing—Yours doesn't have to*. Yale University Press.

Pemerintah Kota Bogor. (2019). *Peraturan Daerah Kota Bogor Nomor 11 Tahun 2019 tentang Penataan dan Pemberdayaan Pedagang Kaki Lima.* https://peraturan.bpk.go.id/Home/Download/126357/Perda%2011%202019.pdf

Pemerintah Kota Bogor. (2019). *Peraturan Daerah Kota Bogor Nomor 18 Tahun 2019 tentang Perusahaan Umum Daerah Pasar Pakuan Jaya*. https://peraturan.bpk.go.id/Home/Download/126362/Perda%2018%202019.pdf

Prasetya, S. G., & Maria, M. (2023). Strategi pengembangan bisnis jasa layanan logistik J&T Express. *Jurnal Ilmiah Manajemen Kesatuan*, *11*(1), 129–136.

Prasetya, S. G., & Wardhani, Y. (2018). Analisis dampak ekonomi pedagang kaki lima di Kota Bogor. *Jurnal Manajemen Pembangunan Daerah, 10*(2), 100-119.

Ramadhani, M. R., & Prasitia, I. (2020). Evaluasi harga sewa Pasar Baru Marabahan Timur. *Jurnal Teknologi Berkelanjutan, 9*(1), 39–47.

Rangkuti, F. (2015). Analisis SWOT: *Teknik membedah kasus bisnis*. PT Gramedia Pustaka Utama.

Sarjoko, J., & Utami, M. (2017). Penerapan metode fuzzy Mamdani untuk rekomendasi optimisasi penentuan harga sewa kios. *Jurnal Ilmiah Teknologi Informasi dan Sains, 7*(1), 68–76. https://doi.org/10.36350/jbs.v7i1.35

Silva, G. R. de O., Lopes, M. A., & Lima, A. L. R. (2019). Profitability analysis of milk production systems. *Semina: Ciências Agrárias*, *40*(6), 2749–2764. https://doi.org/10.5433/1679-0359.2019v40n6p2749

Sudin, S. A., Kamaruddin, S. H., & Ismail, R. (2024). Entrepreneur resilience in the Young Agropreneur Program in Terengganu based on the perspective of implementation officers. *e-Bangi: Journal of Social Sciences & Humanities*, *21(*4), 341-345. https://doi.org/10.17576/ebangi.2024.2104.33

Vivin, I., Makhfatih, A., & Prijanto, R. (2021). *Kajian penentuan tarif sewa optimal pasar tradisional: Studi kasus Pasar Gede Surakarta* (Master's thesis, Universitas Gadjah Mada). https://etd.repository.ugm.ac.id

Wardhani, Y., Prasetya, S. G., & Dharmantyo, D. A. (2020). Faktor-faktor yang mempengaruhi pendapatan pedagang sayur keliling di Kota Bogor. *Ekono Insentif, 14*(1), 39–53.

Wardhani, Y., Prasetya, S. G., & Simanjuntak, V. C. (2023). Strategi pengembangan koperasi melalui kolaborasi digital di Kota Bogor. *Jurnal Manajemen dan Organisasi, 14(*2), 184–193.