Analysis of Factors Affecting Traders' Income on Traditional Markets in Indonesia

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ABSTRACT

This study aims to determine the analysis of the factors that influence traders in the Panam-Pekanbaru Traditional Market, Indonesia. The sample in this study were 61 traders. Data collection techniques using a questionnaire. The data analysis method used SPSS version 25. Finding showed that partially the variables that had a significant effect were working hours and capital, while the non-significant variable was length of business. While the results of the research simultaneously that all independent variables have a positive effect on the dependent variable.

Keywords: *Working Hours, Capital, Length of Business, and Income*

INTRODUCTION

In the city of Pekanbaru, the business of street vendors is growing rapidly in almost every area (Herman 2021; Iskamto et al. 2020). One of them is the Soebrantas/Panam road area, this is because it is close to the campus area and shopping centers, where street vendors are the easiest businesses to enter, so street vendors can absorb workers who find it difficult to enter the formal sector. Formal sector employment is a top priority for workers. However, the COVID-19 pandemic that has hit Indonesia in the last two years has resulted in many layoffs in the formal sector, thus increasing the number of unemployed, and coupled with the increasing number of urban-rural urbanization, where the newcomers generally do not find work, so they try to complain. fate by participating in the economic activities of the city (Frinces 2012; Iskamto 2017; Iskamto and Ghazali 2021). So here the informal sector is needed for the community so that it can absorb employment independently (Basriani et al. 2021; Iskamto 2020; Sukriani 2021). Senggol Traditional market located in Panam Pekanbaru is a Senggol market which was established to deal with street vendors (PKL) who used to sell in the Jongkok Market area, precisely on the edge of JL. HR. Soebrantas Panam, West Sidomulyo Village, because the market sells its wares in the yard. The merchandise sold here, ranging from bags, shoes, sandals, clothes, headscarves, pants, batik clothes, blankets, underwear, watches, and others, are all available with different models and sizes and also sell food. and drinks. So that the number of traders always changes every year, here is a picture of the number of traders in the Senggol Panam market Pekanbaru:

Figure 1. Number of Traders
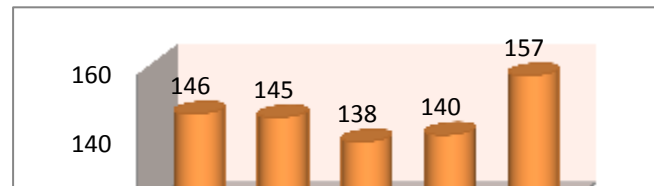
Based on Figure 1 above, it can be explained that the number of traders in the Senggol Panam market is always changing, namely from 2016 there were as many as 146 traders and decreased to 138 traders in 2018, the decrease in the number of traders is the impact of the many large shopping centers around the Senggol Panam market, which are many the big standing shops that spend almost the same wares as those at the senggol panam market. But over time the number of traders is increasing, namely in 2020 there are 157 traders who sell at the Senggol Panam market. The most prominent problem is the problem of parking which is quite far and the condition of the adjacent market, so that it will be difficult for buyers to shop, so this will have an impact on the income of existing traders, besides that the merchandise traded is almost the same as the others.

According to research conducted by Fatmawati (2014) that the factors that affect the income of street vendors include capital, working hours, and experience. Based on the description above, the purpose of this study is to find out what factors affect the income level of traders in the Senggol Panam market, Pekanbaru.

LITERATURE REVIEW

Income

Revenue is the result of the sale of goods or services in a company within a certain period. Samuelson and Nordhaus in Nurlaila Hanum (2017) state that income in economics is defined as the result in the form of money or other material things that are achieved from the use of wealth or free human services. According to Puji Yuniarti (2019) Income is money received by a person or company in the form of wages, salaries, rent, interest, profit and so on, together with unemployment benefits, pension and so on. According to Samuelson and Nordhaus in Nurlaila Hanum General sources of income can be obtained through three sources, namely: salary/wages, income from wealth, and income from other sources (Iskamto 2021).

Factors Affecting Income

According to Kasmir in Dewa Made Aris Artaman (2015) in determining the income of traders or entrepreneurs, several factors are needed, including the interests of entrepreneurs, capital, definite time, profits, trading experience, labor, the surrounding environment, and education.

Working hours

Hours of work are the period of time during which a person performs work for a certain wage. Working hours in this study is the amount or length of time used to trade or open their business to serve consumers every day. Meanwhile, working hours in the Big Indonesian Dictionary are the scheduled time for equipment for employees and so on to work.

Working hours are the time spent by individuals in carrying out work activities to earn income. The willingness of the workforce to spend long or short working hours is the workforce's own decision (Sukirno, in Dewa Made aris Pratama. 2015). According to the Central Statistics Agency (BPS) the number of working hours is the length of time in hours used for work from all jobs, excluding official work breaks and working hours used for things outside of work during the week.

Capital
According to Komaruddin in Nurlaila Hanum (2017) argues that: real capital "is an appropriate fund of productive wealth that is tangible in the form of capital goods". Capital is an input (factor of production) which is very important in determining the level of income (Alhempi and Supeno 2021; Iskamto, Ghazali, and Aftanorhan 2019; Santarelli and Tran 2013). According to Suparmoko (2010), capital is all forms of wealth in the form of goods and money that can be obtained alone or by other parties in the form of loans. Economists use the term capital or capital to refer to the stock of various equipment and structures used in the production process. That is, economic capital reflects the accumulation of goods produced in the past that are currently being used to produce new goods and services. This capital includes equipment, machinery, transportation, buildings and raw materials (Mankiw, 2011).

Business Length
Employee work experience is one of the factors in determining the level of employee performance. With work experience, it is hoped that it will produce quality human resources and be able to provide the best results in achieving company goals (Adel, Mahrous, and Hammad 2020; Iskamto and Ghazali 2021).
The length of time an entrepreneur does his business has an important influence on the choice of strategy and the way he does his business. Entrepreneurs who take longer in doing their business will have a more mature and precise strategy in managing, producing, and marketing their products. The length of business is the length of time the trader has lived in running his business.
Length of business is the length of time a person works in a particular field or field that is occupied in one year (Kasmir, 2014).
Dewa Made Aris Artaman. (2015) in their research shows that partially the variables of business capital, length of business, and business location have a positive influence on the income of Sukawati Art Market traders while the working hours and parking variables partially have a negative effect on the income of Sukawati Art Market traders.
Based on the phenomenon and research gap above, the researchers are interested in raising the title of the study with the title "Factors Affecting Traders' Income at Senggol Panam-Pekanbaru Market". The hypotheses in this study are:
H1: Working hours have a significant effect on the income of traders.
H2: Capital has a significant effect on traders' income.
H3: The length of business has a significant effect on the income of traders.
H4: Working hours, capital, and length of business simultaneously have a significant effect on the income of traders.

METHODS
The research population is all traders in Senggol Panam Market Pekanbaru, which are 157 traders. and a sample of 61 traders, while the sampling technique is Non Probability sampling.The data collection is by questionnaires distribute.
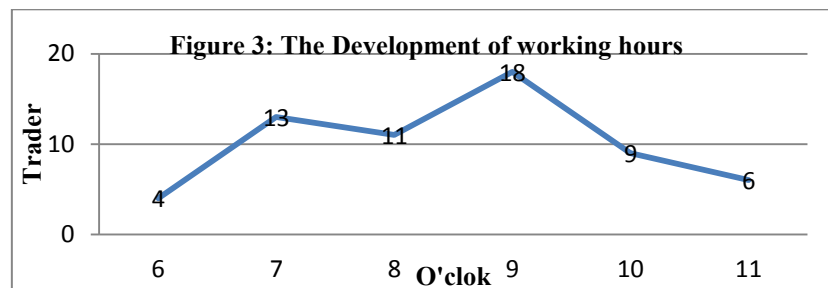
Research design

The research design uses descriptive and quantitative calculations. as for the variables in the study are:

Figure 2: Research Design
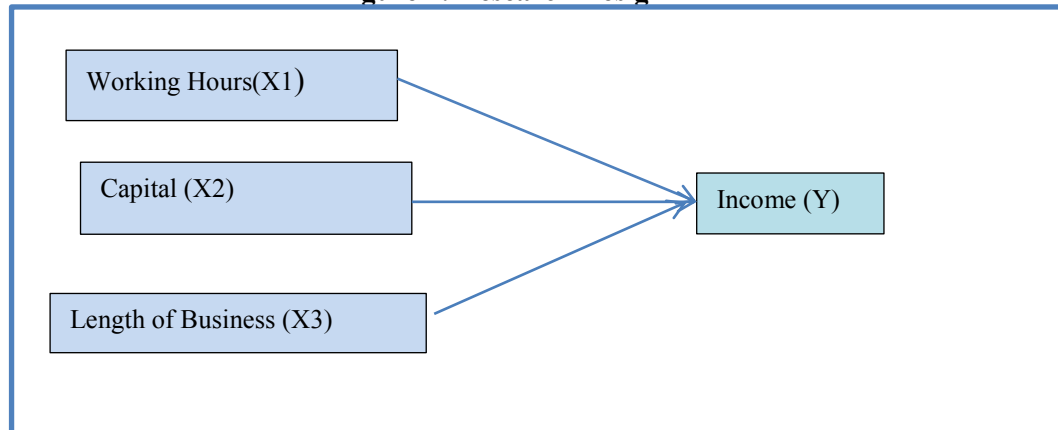
RESULTS AND DISCUSSION

Based on Figure 3 above, it can be explained that the working hours of traders in the Senggol market which are open for 6 hours are 4 traders, those who are open 7 hours are 13 traders, while those open for 11 hours are 6 traders. So it can be concluded that the average length of time for traders in the Senggol market to trade is 9 hours, which is 18 traders, while the minimum is 6 hours, which is 4 traders. So the traders in the Senggol market have exceeded working hours, that the maximum working hours is 8 hours, because from the research results there are up to 11 hours, namely there are 6 traders who open their wares.

Figure 4: Capital Development
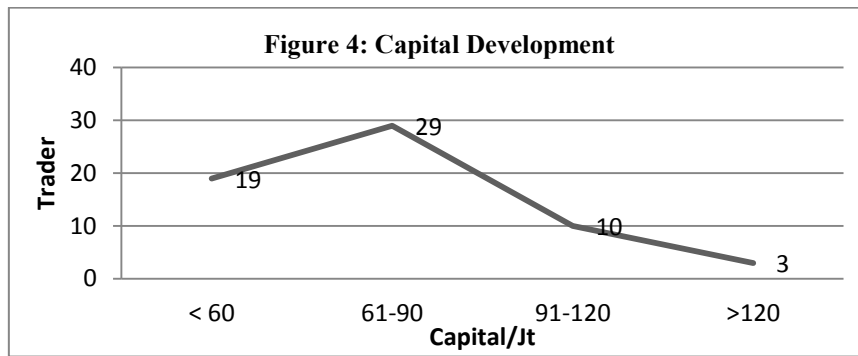
Based on Figure 4 above, it can be explained that the capital owned by traders in the Senggol market is below 60 million, there are 19 traders, between 61 and 90 million there are 29 traders, while above 120 million there are only 3 traders. So it can be concluded that the average capital owned in the Senggol Panam market is 61 to 90 million, that is, there are 29 traders, while the minimum capital is 120 million hours, which is only 3 traders.

Figure 5: Old Business Development
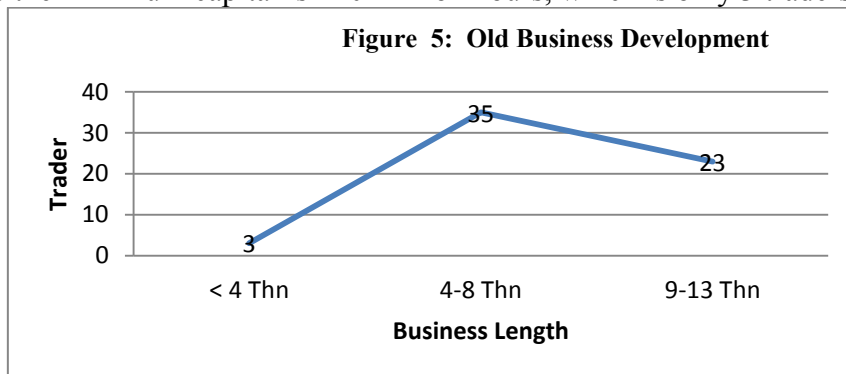
Based on Figure 5 above, it can be explained that the length of business of traders in the Senggol market is under 4 years, there are 3 traders, those for business from 4 to 8 years are 35 traders, while the length of business from 9 to 13 years is 23 traders. So it can be concluded that the average trader in the Panam Senggol market for the length of business is 4 to 8 years, namely there are 35 traders.

Gigure 6. Income Development
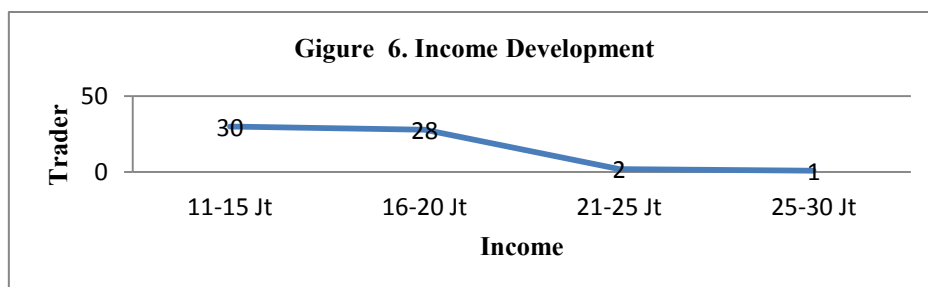
Based on Figure 6 above, it can be explained that the income of traders in the Senggol market is from 11 to 15 million, there are 30 traders, 16 to 20 million there are 28 traders, while those with income from 21 to 25 million are only 2 traders. So it can be concluded that the average income of traders in the Senggol market is 16 to 20 million, namely as many as 28 traders, while the minimum is 25 to 30 million, which is only 1 trader.

Multiple Linear Regression

Table 1: Multiple linear regression

Model		Unstandardized Coefficients	
		B	Std. Error
1	(Constant)	3.627	1.8066
	Working hours	842033.257	272835.207
	Capital	.061	.013
	Long effort	55067.146	152795.900

Dependent Variable: Income

Based on table 1 above, it can be obtained multiple linear regression equations, namely:

Y = 3,627+842033,257 Hours of work+0,061 Capital+55067,146 Length of business

From the results of the regression equation can be interpreted, namely:

1. The constant of 3.627 means that without working hours, capital, and length of business, the amount of income for traders in the Senggol Panam market is only 3.627.
2. The variable working hours is 842033,257 which means that if every increase in the working hours of traders is one unit, it will increase the income of traders in the Senggol Panam market by 842,033,257 units.
3. The capital variable is 0.061, meaning that if every increase in the trader's capital is one unit, it will increase the income of traders in the Senggol Panam market by 0.061 units.
4. The variable length of business is 55067,146 meaning that if every increase in the length of business of traders is one unit, it will increase the income of traders in the Senggol Panam market by 55067,146 units.

t test

Table 2: t test

Model		t	Sig.
1	(Constant)	2.008	.049
	Working hours	3.086	.003
	Capital	4.583	.000
	Long effort	0.360	.720

Dependent Variable: Income

Based on the t-test table above, it can be explained that:

1. The calculated t value for the working hours variable is 3.086 which is greater than the t table of 1.67 at Sig < 0.05, which means that H0 is rejected so that it can be concluded that there is a significant effect between working hours on the income of traders in the Senggol Panam market.
2. The calculated t value for the capital variable is 4.583, which is greater than the t table of 1.67 at Sig < 0.05, which means H0 is rejected, so it can be concluded that there is a significant effect between capital on the income of traders in the Senggol Panam market.
3. The calculated t value for the length of business variable is 0.360 smaller than the t table of 1.67 at Sig > 0.05, which means that H0 is accepted so that it can be concluded that there is no significant effect between the length of business on the income of traders in the Senggol Panam market.

Based on the results of the t test, it can be concluded that the most influential independent variable is capital, while the variable that has no effect is the length of business (experience).

F test

Table 3: F test

Model		Df	Mean Square	F	Sig.
1	Regression	3	9.750E13	20.309	.000[a]
	Residual	57	4.801E12		
	Total	60			

a. Predictors: (Constant), Long effort, Capital, Working hours
b. Dependent Variable: Income

Based on the F test table above, it can be explained that the F test value of 20.309 is greater than the F table of 2.76 at the Sig < 0.05 level. So it can be concluded that H0 is rejected, this means that working hours, capital and length of business together have a significant effect on the income of traders in the Panam Traditional Senggol market.

Coefficient of Determination Test

Table 4: Coefficient of Determination

Model	R	R Square	AdjustedR Square
1	.719[a]	.517	.491

a. Predictors: (Constant), Long effort, Capital, Working hours
b. Dependent Variable: Income

Based on the table above, it is found that the Adjusted R Square value is 0.491. So it can be concluded that the ability of the independent variables in this model is 49.1% while the remaining 50.9% is explained by other variables.

The Effect of Business Length on Merchants' Income
Based on the results of the study, it was found that the variable length of time had a significant effect on the income of traders in the Senggol Panam market. The results of this discussion are in line with research conducted by Nurlaila Hanum, 2017 which states that the income level of street vendors is influenced by the length of the merchant's business.

Effect of Capital on Trader's Income
Based on the results of the study, it was found that the capital variable had a significant effect on the income of traders in the Senggol Panam market. This is in accordance with research conducted by Yandhi Fernando, 2016. The capital variable has a positive effect on the income of traders.

Effect of Working Hours on Merchants' Income
Based on the results of the study, it was found that the working hours variable had no significant effect on the income of traders in the Senggol Panam market. This is in accordance with research conducted by Erni Febrina Harahap, 2020 that working hours have no effect on increasing income.

CONCLUSION
Based on the results of the study, it can be concluded that partially the variable that has no significant effect is the length of business, while all independent variables have a significant effect on the income of traders in the Panam Traditional market. Based on the results of the

analysis carried out, there is hope for the next researcher to add research variables such as location, parking, price, and others.

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