# Impact of Minimarket Network Existence On Store Revenue In **Binjai** City

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Abstract: Minimally expanded network growth in various capital cities and districts in Indonesia including in Binjai City. Based on the news in the newspaper Tribunnews (2016) Idaham as Mayor of Binjai said for the last five years did not give permission to establish minimarket networking to protect traditional shops, but on the basis of market and community needs and raelisasi policy Asean Economic Community (MEA) given back. The granting of permits for the construction of networked minimarkets in Binjai City has resulted in a significant growth in networked minimarket numbers, which has led to an unhealthy competitive climate and harming the owners of the shops in Binjai City. The purpose of this study is to analyze the impact of minimarket presence on the network, the number of stores, store work hours in the city of Binjai and researchers looking for an alternative to the store in order to compete in the middle of networked mini market growth in Binjai City This study was conducted by qualitative and descriptive approaches, by interviewing store owners, store consumers and minimarket networks in Binjai City. The results of this study concluded that the existence of minimarket networked impact on the average income of the owner of the store which decreased from 40% to 50%. This happens because the minimarket networked with all its advantages and make buyers more interested in shopping in network minimarket than in the store so that there is a decrease in the number of buyers in stores and minimarket networks that sell the same products as the products at the store causing many products in stores that are not sold and even have expired date. This certainly makes the owner of the store experienced a decline in income that led to losses.

*Keywords* - *impact*, *revenue*, *network minimarket*, *store* 

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#### I. **INTRODUCTION**

Store owners and traders in traditional markets need to be protected from the increasing number of minimarket networks in Indonesia, it is necessary to re-evaluate the Presidential Regulation of the Republic of Indonesia Number 112 Year 2007 which allows minimized network to be located on any road network system, including network system environmental roads in urban / urban service areas (housing).

This regulation threatens the continuity of the store because according to Djojodipuro (1992) on the theory where the center of Chistaller states that the determination of the location is affected by the threshold and activity outreach. Thresholds or thresholds affect the number of service offerings to meet the needs of the community, while the range is related to distance because of the ease of achievement to obtain services.

Based on the theory, minimarket networked with all its advantages are always built in strategic locations and there is no regulation about the distance between mini network with one another and the Presidential Regulation of the Republic of Indonesia Number 112 Year 2007 which allows networked Minimarket located on every road network system, including the environmental road network system in the urban / municipal environmental service area has a negative impact on the owners of the store because it will make a decrease in income that leads to close the business and this will increase the unemployment rate in Indonesia.

Quoting from (nurulzullaeqa.blogspot.co.id) the theory of modernization is discussed by some sociologists with different perspectives. One includes the classical theory of classical modernization of the theory of evolution that describes the development of society (social change) as a directional movement like a straight line. Society progresses from primitive society to modern society. In the view of the theory of evolution, modern society is a form of society that can not be avoided and is a form of society that "aspired".

So based on the theory of evolution is the development of the shop which increasingly replaced by the minimarket can be said that it is also an evolutionary demands of a society that increasingly progresses toward more modern development so as not to be categorized as a primitive society. The theory of the stage of economic growth of Rostow which states that there are five stages of economic development, ie from the start of the stage of traditional society to the stage of high consumption.

Rostow emphasized the critical stages of the economic growth of the society, namely the take-off stage. From the theory is clearly divided the five stages of economic development, the store can be entered gradually traditional society and minimarket network can be entered at the stage of high consumption. So the conflict or problems that arise between the store and minimarket network is not a big problem because it is a stage of society to achieve the process of modernization so as not to be left behind with other countries. The process toward modernization is gradually so indirectly occurs because to get to the modern society it takes a long period of time not just like a reverse palms.

Minimarket own network comes from 2 words Mini and Market. Mini is defined as "small" while Market means "Market". From these basic sentences, networked minimarkets can be defined as a place that has a small area but sells goods that are varied and complete like a market. Minimarket networked in legislation included in the sense of "Modern Stores". The regulations on modern stores are regulated in Presidential Regulation no. 112 Year 2007 on Structuring and Fostering of Traditional Markets, Shopping Centers and minimarket networks ("Perpres 112/2007"). Understanding modern stores according to Article 1 number 5 Perpres 112/2007 is a store with self-service system, selling various types of goods in retail in the form of networked Minimarket, Supermarket, Department Store, Hypermarket or wholesaler in the form of a Replica.

Each networked minimarket shall take into account the socio-economic condition of the community and the distance between minimarket network and the existing traditional market (Article 4 paragraph (1) of Perpres 112/2007). Networked Minimarket is a modern market managed by modern management, generally located in urban areas, as a provider of goods and services with good quality and service to consumers (generally members of the middle to upper class).

The store can be called a convenience store that is a store that sells all kinds of daily necessities, ranging from toiletries, tableware, kitchen utensils, stationery to snacks (Kusno, 2012). Although it can be called a convenience store, but actually the store is different from the convenience store that is abroad. Convenience stores abroad exactly like minimarket networked, while the store does not implement a self-service system but served by the seller / shop owner. Therefore, the striking difference between the store and the minimized network is the interaction between the seller and the buyer, since the buyer in the store does not pick up the goods himself but rather mentions what will be bought for later by the seller.

Minimally networked growth has been emerging in various capitals of provinces and districts in Indonesia including in Binjai City. This network minimarket distribution can be seen in Table 1.

Table 1 The number of minimarket networked distribution in Binjai City								
No.	districts	Years					Total	
		2009	2010	2011	2012	2016	2017	
1	Binjai Kota	1	3		1	1		6
2	Binjai Timur		1		2	3	1	7
3	Binjai Selatan	1	2			1	1	5
4	Binjai Barat	1				1		2
5	Binjai Utara		2	1		2		5
Total					25			

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Source: Department of Cooperatives SMEs Industry and Trade Binjai City

Based on Table 1 it can be seen that every year the number of minimarket construction in the city of Binjai continues to increase. Based on the newspaper Tribunnews (2016) Binjai Mayor Idaham said during the last five years did not give permission to establish minimarket network to protect the traditional shops, but on the basis of market needs and society and raelization of Asean Economic Community policy (MEA) hence permit establishment of minimarket networked given back.

The granting of these licenses can certainly affect the income of the owners of the shop in Binjai City. The measurement of the minimarket minimarket impact on the revenue of shopkeepers in Binjai City is needed to maintain the continuity of the store because the store has a social function. In addition to increasing the family's income, the store has a function as a place of social gathering and information exchange among visitors to be able to exchange information in the community.

#### II. Method

This research was conducted in Binjai City, North Sumatera Province. The election is based on the consideration that the region is an area with a growing number of networked minimarkets in recent years. This study was conducted for three months starting from March to May 2017. In that period of time researchers conducted data collection and analysis in order to answer the purpose of the study. This research was conducted with descriptive descriptive and this type of research is qualitative. The data needed in this research is primary data and secondary data. Primary data in this study comes from respondents that the owner of the store around minimarket networked. Secondary data obtained from the Department of Cooperatives SMEs Industry and Trade Binjai City, Central Bureau of Statistics (BPS) Kota Binjai and several articles related to the research. Selection of informants in this study is to use purposive sample techniques to determine the informants of research with certain considerations (Sugiyono, 2009). The consideration determined for primary data of this research are:

- 1. Store with non-corporate private ownership.
- 2. Location kadai business is about +500 meters from the location of minimarket networked business.
- 3. Types of shops are those that already have a permanent building in the form of shophouses, stalls or stalls, is not a store that can move places.
- 4. The type of goods sold in the store have similarities with the type of goods sold on minimarket networked.

Based on these considerations, the researchers set as many as 5 informants owner of the store and researchers also set 1 employee on minimarket networked in Binjai City for the interview. To obtain the data needed to support this research activity, then in this research the method used are:

a. Library study, which read and collect materials, documents, and books that provide information related to this research.

b. Observation, which is collecting information by doing direct observation in the field.

c. Interviews, data collection and information by conducting interviews directly to respondents related to the object of research.

d. Documentation

Dokumentsai according to Sugiyono (2009) is a record of events that have passed. Documentation used by researchers here in the form of photos, pictures, and data about the store and minimarket networked in the city of Binjai.

After the data collected, the data analysis process starts from reviewing all data, linking data, reducing data and presenting the available data from various sources, that is obtained from interviews, observations, documents of literature sources relevant to research about minimarket network impact kedahap store in Binjai City. Then the existing data presented in the form of descriptive analysis that presents by explaining the results of existing studies with sentences rather than by using statistics.

### III. RESULT AND DISCUSSION

#### Result

1. Overview Store in Binjai City

Large and Retail Trade; Car and Motorcycle Repair is the largest contributor to PDRB in Koa Binjai, indicating that the people of Binjai City have high consumption power in these sectors. This can be seen in Table 2.

Table 2	PDRR	Structure	Based on	Current	Price o	f Biniai	City by	/ Field	Business	(Percent)
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No.	Field of Business / Sector	Structure			
		Year 2014*)	Year 2015**)		
	Agriculture, Forestry and Fisheries	3,85	3,61		
	Mining and excavation	11,74	0,11		
	Water Supply, Waste Management, Waste and Recycling	0,12	0,12		
	Construction	11,89	12,38		
	Large and Retail Trade; Car and Motorcycle Repair	26,45	26,61		
	Transportation and Warehousing	7,86	8,01		
	Provision of Accommodation and Drinking	5,85	5,69		
	Information and Communication	2,17	2,22		
	Financial Services and Insurance	3,98	3,83		
	Real Estat	7,41	7,37		
	Company Services	0,88	0,87		
	Government Administration, Defense and Mandatory Social Security	7,65	7,73		
	Educational Services	5,08	4,87		

Health Services and Social Activities	1,01	1,03
PDRB	100,00	100,00

Source: Official Binjai City Statistics News No.1 / 10/1276 / Th.XVI, October 10, 2016

Based on Table 2 we can see that large and retail trade; car and motorcycle reparations provide the largest contribution to GDP of Binjai city compared to other sectors of the economy. large and retail trade, car and motorcycle repairs contributed 26.45% in 2014 and increased by 26.61%. in 2015. The increase in the sector proves that the consumption power of the community every year has increased in the large and retail trade sector, car and motorcycle repairs. So if there is no protection from the government to the stalls in the city of Binjai then of course retail trade will be dominated by minimarket network whose number continues to increase every year then of course this will make the stores in the city of Binjai to roll out.

### 1. Networked Minimarket in Binjai City

Distribution minimarket networked in Binjai City continues to increase and spread in every district in the city of Binjai. This network minimarket distribution can be seen in table 3.

No.	Minimarket Network Name	Kelurahan			
1	Great Market	Kelurahan nangka, Kec. Binjai Utara			
2	Asia King's mart & Grocery	Kelurahan Pekan Binjai, Kec. Binjai Kota			
3	Seribudaya Grand	Kelurahan Jati Makmur, Kec. Binjai Utara			
4	Aisyah Mini Market	Kelurahan Rambung Barat, Kec. Binjai Selatan			
5	Tahiti Minimarket	Kelurahan Pekan Binjai, Kec. Binjai Kota			
6	Indo Marco Pristama (Indomaret)	Kelurahan Pekan Binjai, Kec. Binjai Kota			
7	Indo Marco Pristama (Indomaret)	Keluahan Satria, Kec. Binjai Kota			
8	Indo Marco Pristama (Indomaret)	Kel. Tanah Seribu, Kec. Binjai Selatan			
9	Indo Marco Pristama (Indomaret)	Kelurahan Bandar Senembah Kec. Binjai Barat			
10	Indo Marco Pristama (Indomaret)	Kelurahan Rambung Timur, Kec. Binjai Selatan			
11	Roli Market	Kelurahan Rambung Timur, Kec. Binjai Selatan			
12	Indo Marco Pristama (Indomaret)	Kelurahan Pahlawan, Kec. Binjai Utara			
13	Indo Marco Pristama (Indomaret)	Kelurahan Dataran Tinggi, Kec. Binjai Timur			
14	Indo Marco Pristama (Indomaret)	Kelurahan Kartini, Kec.Binjai Kota			
15	Indo Marco Pristama (Indomaret)	Kelurahan Sumber Mulyorejo, Kec. Binjai Timur			
16	Indo Marco Pristama (Indomaret)	Kelurahan Dataran Tinggi, Kec. Binjai Timur			
17	Midi Utama Indonesia Tbk, PT Alfamidi	Kelurahan Jati Utomo, Kec. Binjai Utara			
18	Midi Utama Indonesia Tbk, PT Alfamidi	Kelurahan Limau Mungkur, Kec. Binjai Barat			
19	Midi Utama Indonesia (Alfamidi)	Kelurahan Timbang Langkat, Kec. Binjai Timur			
20	Sumber Alfaria Trijaya (Alfamart)	Kelurahan Sumber Mulyorejo, Kec. Binjai Timur			
21	Sumber Alfaria Trijaya (Alfamart)	Kelurahan Kebun Lada, Kec. Binjai Utara			
22	Sumber Alfaria Trijaya (Alfamart)	Kelurahan Tanah Tinggi, Kec Binjai Timur			
23	Midi Utama Indonesia (Alfamidi)	Kelurahan Sumber Mulyorejo, Kec. Binjai Timur			
24	Sumber Alfaria Trijaya, Tbk,PT Alfamart	Kelurahan Kartini, Kec. Binjai Kota			
25	Sumber Alfaria Trijaya, Tbk,PT Alfamart	Kelurahan Rambung Dalam, Kec. Binjai Selatan.			

Table 3. Name and address minimarket networked in District Binjai East.

Source: Department of Cooperatives SMEs Industry and Trade City Binjai

Based on Table 3 it is known that the sub-district with the most minimized minimarket is in Binjai Timur Sub-district with 7 minimarket networks, then Binjai Kota District With 6 Minimarket networked, North Binjai with 5 Minimarket networked, then Binjai Selatab Sub-district with 4 Minimarket networked, at least have minimarket networked is Binjai Barat District with 2 minimarket networked.

#### 2. Impact of Minimarket Network Presence on Revenue Store in Binjai City

The existence of minimarket networked in number continues to increase in the city of Binjai would increase the Original Regional Income (PAD) because taxes for modern stores are more expensive and of course easier to withdraw. But the increasing number of network minimarket will be very disturbing the owner of the store and may be able to culminate in the roll of the owners of the store in Binjai City. Such anxiety can be proved by the complaints of the owner of the store in Binjai City.

#### The owner of "tavern lovelyn" said:

The existence of minimarkets is very negative for my store. My average income before the minimarket of Rp.400.000 (Four Hundred Thousand Rupiah) but after the minimarket my average income per day to Rp.200.000 (Two Hundred Thousand Rupiah). People prefer to shop at the minimarket when the price of goods is cheaper in this store. (interview, 13 June 2017, 09.05WIB).

The owner of "Rahul Abdul Rasyid Cara" who owns the shop is just 50 meters from the networked minimarket saying:

Ever since my mini-store's income minimized drastically. Before there minimarket average my income per day of Rp.600.000 (Six Hundred Thousand Rupiah). Rp.300.000 (Three Hundred Thousand Rupiah). In addition to competing on the minimarket, I also compete in other stores near here. (interview, June 13, 2017, at 9:30 pm).

#### The owner of "Kedai Linda" said:

My average income before there is a minimarket Rp.400,000 (Four Hundred Thousand Rupiah) but since there is a mini market so Rp.200.000 (Two Hundred Thousand Ruiah) per day. The government does not make regulations that protect us, so minimarkets can continue to increase in number even a lot of distance between minimarket one with another very close. (interview, June 13, 2017, at 9.50WIB).

The owner of "Rangkuti Store" has a tavern located just 40 meters from mnimarket saying:

Minimarket is very negative for my store. Average income before there is a minimarket of Rp.400.000 (Four Hundred Thousand Rupiah) and after there minimarket my opinion down to Rp.200.000 (Two Hundred Thousand) per day. Because adaminimarket a lot of my stuff is not sold, even to be expired like milk, canned drinks, snacks, this really makes me very loss. (interview, June 13, 2017, at 10:05 pm).

#### The owner of "tavern andrea" said:

Minimarket is very negative for my store. Before there minimarket usually average income per day Rp.500.000 (Five Hundred Thousand Rupiah), but after there minimarket income reduced to Rp.300.000. (Three hundred thousand rupiahs). Before there is minimarket during Idul Fitri, in one day I can get Rp.1000.000 (One Million Rupiah) but now after there minimarket, when Lebaran I only get Rp. 500,000. (Five Hundred Thousand Rupiah) only. (interview, June 13, 2017, at 11.20 WIB).

Based on the results of interviews on the five informants above, it is known that the existence of minimarket networked complained about the owner of the store, because minimarket networked negative impact on the owner of the store so that makes the average income per day decreased. The existence of minimized networks affects the average income of store owners who decrease from 40% to 50%. In addition, the consequences of the products sold in the minimarket with the store cause many products in the store that do not sell and even have expired date. The existence of minimarket bejaringan with all its advantages cause buyers more interested in shopping in network minimarket. The shift of interest buyers shop from the store to minimarket network certainly causes the owner of the store to lose. The interest of buyers to shop from the store to switch to network minimarket is evident from the interview result of the researcher at bang Fahri as one of minimarket employee networked in Sumber Mulyorejo Subdistrict, Kec. East Binjai.

#### Bang Fahri said:

From 08.00 WIB to 12.00 WIB, the number of buyers who come to minimarket networked on average is 85 people. (interview, June 13, 2017, 11.15 WIB).

This is far from the number of buyers coming to the store. Like the owner of "Rahul Abdul Rasyid Cara" which is also located in Sumber Mulyorejo Village. Owner of "tavern Abdul Rasyid Cara" which says:

before the minimarket networked The average number of buyers who come to the store at: 08.00 WIB until at: 12.00 WIB amounted to 50 people and after the minimarket networked, the number of givers decreased to 35 people. (interview, June 13, 2017, at 9:30 pm).

The same thing is experienced by the owner of "Rangkuti shop". The owner of "Kedai Rangkuti" said: Before there is minimarket networked The average number of buyers who come to the store at: 08.00 WIB until at: 12.00 WIB amounted to 50 people and after the minimarket networked, the number of givers decreased to 35 People. (interview, June 13, 2017, at 10:05 pm). Based on these interviews, it is known that the existence of network minimarket also affects the interest of buyers to shop at the store. Buyers' interests have changed and moved to networked minimarket. So do not be surprised if the owners of the store greatly suffered losses due to decreased income experienced.

The decrease in income is in accordance with the results of research conducted by Wijayanti (2011) conducted a study on the Analysis of Effect of Changes in Advantages of Traditional Warung with the emergence of Mini Market (Case Study in Kecamatan Pedurungan Kota Semarang). This study aims to analyze the effect of changing profits of traditional warung business with the emergence of minimarkets (Case Study: Pedurungan Subdistrict Semarang City). This study uses primary data through interviews directly to the respondents with a list of questions that have been prepared and using multiple regression analysis with Ordinary Least Square (OLS) approach. The result of analysis shows that the change of sales turnover (0,0000) and distance (0,0653) \* have significant effect to the change of business profit, while the product diversification (0,3147) has no effect.

So based on the results of research on the impact minimarket networked against revenue this store strengthens the theory of evolution that describes the development of society (social change) as a direct movement like a straight line. Society progresses from primitive society to modern society. In the view of the theory of evolution, modern society is a form of society that can not be avoided and is a form of society that "aspired". So based on the theory of evolution is the development of the shop that increasingly replaced by minimarket networked and the people who switch shopping to minimarket berjaringanbias said that it is also a demands of the evolution of a society that are in great demand by the people of Indonesia because it can be done by people who are educated high and low then the store is increasingly replaced by minimarket networked and the protected by the government with policies that protect the owners of the store there is no store closed and increase the unemployment rate in Indonesia.

#### CONCLUSION

The existence of minimized networks affects the average income of store owners who decrease from 40% to 50%. This happens because the minimarket networked with all its advantages and make buyers more interested in shopping in network minimarket than in the store so that there is a decrease in the number of buyers in stores and minimarket networks that sell the same products as the products at the store causing many products in stores that are not sold and even have expired date. This certainly makes the owner of the store experienced a decline in income that led to losses.

IV.

#### Suggestion

Based on the results of research that has been discussed then the suggestions that can be proposed is for the owner of the store in the City of Binjai should further improve the quality of the store, both in terms of service, convenience, and find a distributor that sells its products at very cheap prices so that the owner of the store can menjau kembli with a cheap price so that can be able to compete with minimarket networked whose numbers continue to increase in the city of Binjai. For the city government Binjai should be able to provide policies by limiting the number of minimarket bersaringand in a region In addition, the minimum distance regulation between fellow minimarket network is also required. The stipulation of the regulation must be balanced with strict control, supervision and action mechanisms for offenders to ensure owners can compete fairly.

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