



*URBAN INFORMAL SECTOR MOBILITY: SOCIOECONOMIC ANALYSIS OF
STREET VENDORS IN THE SUDIANG SPORTS COMPLEX AREA,
BIRINGKANAYA SUB-DISTRICT, MAKASSAR CITY*

Asmirah¹

**¹Department of Sociology, Faculty of Social and Political Sciences,
University Bosowa Makassar City 90231**

asmirah@universitasbosowa.ac.id

Keyword:

*Mobility, Informal
Sector, Street
Vendors,
Socioeconomic,
Urban.*

Kata Kunci:

*Mobilitas, Sektor
Informal, Pedagang
Kaki Lima, Sosial
Ekonomi, Perkotaan.*

Abstract: *The population growth rate in a region has an impact on the growth rate of the workforce in that area. In such a situation, there is an increase in economic activities at the regional, national, and even global levels. Street vendors, also known as 'Pedagang Kaki Lima' (PKL), are one form of informal sector economic activity that is on the rise. There is a connection between population growth rate, labor force participation, and job availability. Job opportunities in the formal sector are not proportional to the number of job seekers, motivating them to create their own jobs as street vendors. This analysis focuses on the mobility of the urban informal sector: A socioeconomic analysis of street vendors in the GOR Sudiang area of Makassar City. The analysis specifically looks at the patterns of adaptation of street vendors in the digital era and the strategies employed by them for business sustainability. The research concentrates on street vendors operating on the outskirts of the GOR Sudiang area and employs a qualitative research approach. Informants for the research were selected using purposive sampling, with a total of five informants initially identified. A snowball sampling technique was also used, adding three more informants when certain questions required additional input. Data collection techniques included observation, in-depth interviews, and documentation. The research findings indicate that: 1) Street vendors have adopted online transaction technologies; 2) They have formed social groups with economic goals through 'arisan'*

activities. They are capable of adapting to new locations, new jobs, and meeting new people by maintaining a sense of togetherness, mutual assistance, and trust. They can conduct online transactions and collaborate with online transportation services. 'Arisan' groups are formed because they provide a flexible and adaptive platform for discussing various issues, including those related to street vending activities.

Abstrak: Laju pertumbuhan penduduk suatu wilayah akan memberi pengaruh terhadap laju pertumbuhan angkatan kerja di wilayah tersebut. Pada situasi demikian terjadi pula peningkatan usaha perekonomian di tingkat regional, nasional sampai pada peningkatan perekonomian secara global. Pedagang kaki lima (PKL) merupakan salah satu bentuk kegiatan ekonomi sektor informal yang semakin bertambah jumlahnya. Ada keterkaitan antara laju pertumbuhan penduduk, tingkat partisipasi angkatan kerja, serta ketersediaan lapangan kerja. Peluang kerja pada sektor formal belum sebanding jumlah pencari kerja. Sehingga memotivasi mereka menciptakan lapangan kerja sendiri sebagai pedagang kaki lima. Fakta yang dianalisis mengenai mobilitas sektor informal perkotaan: Analisis sosial ekonomi PKL di kawasan GOR Sudiang Kota Makassar. Fokus analisis ; pola adaptasi PKL di era digital, dan strategi PKL untuk keberlangsungan usaha. Fokus penelitian kepada PKL di pinggir jalan kawasan GOR Sudiang. Jenis penelitian menggunakan pendekatan kualitatif. Informan penelitian ditentukan secara purposive sampling. Jumlah informan ditetapkan sebanyak lima orang. Dilakukan teknik snowball sampling karena jawaban informan pada pertanyaan tertentu dianggap belum cukup sehingga ada penambahan 3(tiga) orang informan. Teknik pengumpulan data dilakukan secara observasi, wawancara mendalam, dan dokumentasi. Hasil penelitian menunjukkan bahwa;1) Mengadopsi teknologi bertransaksi secara online; 2) Membentuk kelompok sosial yang bertujuan ekonomi melalui kegiatan arisan. Mampu beradaptasi di tempat yang baru, pekerjaan yang baru, bertemu orang yang baru dengan cara menjaga kebersamaan, saling membantu, saling percaya. Dapat bertransaksi secara online dan bekerja sama dengan transportasi online. Arisan dibentuk karena merupakan kegiatan fleksibel dan adaptif dapat menjadi tempat membicarakan masalah termasuk masalah seputar kegiatan PKL.

Article Information : Accepted : 17-08-2023, Approved : 24-08-2023, Published : 05-09-2023

I. Introduction

Street vendors (PKL) can be found in every country around the world, both in developed and developing nations. In the process of economic development, whether in developing or developed countries, urbanization is a common phenomenon, although the processes of urbanization differ from one country to another. In developed countries, industrialization often precedes urbanization, absorbing migrant job seekers into the industrial sector. In contrast, in developing countries, urbanization doesn't always coincide with industrialization, resulting in what is often referred to as pseudo-urbanization. Urbanization brings about various challenges, especially in cities with high levels of migration (Cheng Xiaofu et al., 2022). Despite being typically undertaken by migrants, street vending serves as a lifeline, especially during economic downturns. Those with limited capital engage in activities with low initial investment and tend to show better performance (Hofmann Erik et al., 2022).

The reasons individuals choose to work as street vendors are not universally uniform. Street vending is one form of informal sector activity that complements the formal sector. Street vendors can be differentiated based on socioeconomic conditions, the level of profit, and income they earn (Martinez Lina and Short John, 2022). The informal sector provides goods needed by the formal sector, and there is compensation for these services. Street vending is popular because it serves as an economic safety valve, contributing as a primary source of income for certain households during challenging economic times.

In several countries, such as Indonesia, the Philippines, Vietnam, Cambodia, and Thailand, a significant portion of the population engages in street vending due to the economic support it offers to their families. However, street vendors are also highly vulnerable to debt due to their low incomes and the difficulty of escaping poverty (Martinez Lina and Short John, 2022). Street vendors are often seen as contributing to disorder in communities. It is essential to establish spatial planning for street vendors and public spaces, especially for street vendors (Peimani Nastaran and Kamalipour Hesam, 2022). Therefore, appropriate governance is needed to provide adequate space for street vendors. The reality is that not all the informants working as street vendors have the same or similar backgrounds. Some informants have sufficient capital to engage in larger-scale vending than the average street vendor.

Makassar is a metropolis with a significant population growth, and the population during the day differs from that at night, with more people present during the day. These individuals are typically migrants who come from the surrounding areas of Makassar, such as Gowa, Maros, and Pangkep. They are considered circular migrants as they do not permanently settle in Makassar. There should be appropriate consideration for long-term development planning regarding migrants in Makassar (Yudono Adipadang et al., 2023). Sustainable concepts are needed to ensure that economic actors have fair access to the

economy (Surya Batara et al., 2020). Mechanization in agriculture and a lack of job opportunities have led to an increasing number of migrants seeking employment in Makassar. The phenomenon of increased population mobility, especially from rural areas to Makassar, which is also referred to as urbanization, occurs because Makassar is becoming increasingly attractive to job-seeking migrants.

In general, migrants who come to the city are motivated by various reasons to work in the informal sector, such as to meet their family's economic needs, gain work experience, make friends, pass the time while waiting for the harvest season in their villages, self-actualization, and contributing to the family's economy. The income from street vending is sometimes underestimated, although it can be a primary economic support, especially during difficult times. Informal sector vending becomes crucial when managed well and capable of adapting to business dynamics and the local environment (Kamalipour Hesam and Peimani Nastaran, 2019). This type of work does not require specific education, special skills, or substantial capital.

Makassar is a destination for migrants because it offers opportunities for involvement in the informal sector, including street vending. Female migrants who seek livelihood opportunities do so not only for increased income but also for empowerment and as a form of gender equality, providing women the opportunity to make choices that enhance their income (Pickbourn Lynda, 2018). Many areas in Makassar are bustling with street vendors, including the Sudiang Sports Complex (GOR) area in Makassar. The GOR Sudiang area is highly strategic for informal sector entrepreneurs, especially street vendors who sell various foods and beverages to visitors. This area serves as a place for sports activities, relaxation, leisure, family gatherings, and culinary enjoyment, especially during Ramadan, when it becomes a place for breaking the fast with family. The comfortable and safe environment in this area, coupled with no entry fees, attracts many visitors. For long-term planning, the government should establish regulations that favor informal sector entrepreneurs, as they are widely appreciated by the community and provide solutions for those facing job difficulties. The central problems addressed in this writing are: 1) How do street vendors in the GOR Sudiang Makassar area adapt to the digital era?; 2) What are the strategies employed by street vendors in the GOR Sudiang Makassar area to sustain their businesses?

II. Conceptual Framework

The fundamental understanding of work is an activity aimed at sustaining life within a specific environment. How individuals work varies depending on the life experiences they have undergone. Professional work is characterized by precision, regularity, and consistency (Mikolajczyk Katarzyna, 2021) (Nilsson Kerstin, et al., 2023).

Working as a street vendor goes beyond economic exchange between vendors and consumers. The term "work" also carries the meaning of economic freedom and individual social empowerment in attaining human dignity, which is an essential part of human life.

Several factors influence how an individual works, including health, work environment, capital, motivation, knowledge, and skills (Nilsson Kerstin, et al., 2023).

Many theories proposed by experts describe the concept of the informal sector, which exhibits the following characteristics: individual enterprises, the absence of formal regulatory rules, small-scale operations, no special skill requirements, relatively high job mobility, and the motivation to support family needs. Over time, this concept has evolved gradually in response to societal changes and economic growth.

Abraham Maslow's Hierarchy of Needs theory explains that individuals are motivated to fulfill their needs. Maslow identifies five levels of needs, with each level building upon the previous one. Although Maslow's theory doesn't explicitly include spiritual needs, they can influence an individual's motivation (Adnan Noor, et al., 2022). Each higher level of need can only be satisfied once the lower-level needs are fulfilled. The first level pertains to basic physiological needs related to biological and physical requirements necessary for survival. The second level involves safety needs, both physical and emotional. According to Maslow, safety needs are more prevalent in children, and they require guidance from adults. The third level consists of social needs, which include the desire for love, affection, and the need to belong. People at this stage are motivated to form friendships, build families, and socialize within broader community groups. The fourth level is esteem needs, connected to an individual's self-confidence, motivating them to achieve recognition and prestige in society. The fifth and final level is self-actualization, where individuals desire to fulfill their personal potential and make autonomous decisions. Maslow suggests that someone who has met all these needs will be in a state of contentment because all their needs have been fulfilled.

The evolving reality in Indonesian society regarding the employment conditions of the productive age group indicates a declining interest in agricultural work. This is due to perceived low income, physical exhaustion, and limited prospects. Youth migration rates are higher compared to older individuals (Ngadi Ngadi, et al., 2023). The transformation from the agricultural sector to the non-agricultural sector has resulted in more job opportunities in urban areas, and this has led to various forms of migration, including circular, commuter, and permanent migration. Apart from employment opportunities, other motivations drive migration, such as the scarcity of jobs in rural areas and the allure of cities, where hopes for a decent standard of living can be realized, resulting in widespread social structural changes.

From a sociological perspective, rural-to-urban mobility involves not only geographical movement but also a transition between cultures, specifically from agrarian to industrial cultures. This interaction between rural and urban areas illustrates the contrast between traditional rural life and urban industrial development (Priatama Rista, et al., 2019). The shift from agrarian activities in villages to non-agrarian activities in cities brings about differences in values, norms, habits, and cultural symbols that shape work ethics and the ability to adapt to new environments. Achieving optimal achievement and high productivity is determined by the ability to adapt to a new environment. Adaptation is a time-dependent

process that cannot be predicted precisely and varies among individuals based on their capabilities (Priatama Rista, et al., 2019).

III. RESEARCH METHODS

3.1. Research Design

The research conducted employs a qualitative method with a phenomenological approach. What will be analyzed extensively and in-depth is the informal sector mobility in urban areas in the Gedung Olah Raga Sudiang district of Biringkanaya, Makassar City. Using a qualitative phenomenological approach means that the data obtained are findings from the field in the form of in-depth interviews, documentation, and observations of informants and the research location.

3.2 Research Location

The research takes place in the Gedung Olah Raga Sudiang area of the Biringkanaya District in Makassar City. The selection of the research location was deliberate because there are many street vendors trading in the Sudiang Sports Hall area, and their numbers have been increasing over time, offering a wide variety of food, beverages, and other essential items for sale.

3.3 Data Collection Method

The data collection techniques used in this research are observation, in-depth interviews, and documentation.

3.3.1. Observation

The observational data collection technique conducted by the researcher aims to understand the behavior of informants while they are in the research location. Throughout the research process, the researcher observes all events that occur, records them, and makes notes of all relevant occurrences related to the research. The data collection is not structured, and all data obtained in the field during the research process are recorded, documented, and photographed.

3.3.2. In-depth Interview

During the in-depth interviews, there was no fixed schedule agreed upon with the informants, and structured questions were not posed. The interview process flowed naturally and organically, and all the data collected in the field during the research process were recorded, documented, and sometimes photographed. In-depth interviews were conducted to gather information from informants regarding their ability to adapt to digital-era trading and their strategies for sustaining their businesses. The questions related to the core issues of the research were as follows: 1) Since when have you been trading at the research

location?; 2) Where do you come from?; 3) Why did you choose Makassar as your destination?; 4) Who did you migrate with?; 5) Who provided information about this job?; 6) Did anyone assist with the capital for the business?; 7) What type of business do you run?; 8) What are the prospects for your business?; 9) What challenges have you faced?; 10) Who helps you when you encounter problems in your work?; 11) Can the earnings from your work meet your family's needs? 12) Have you considered looking for another job?; 13) Do you feel comfortable with your job now?; 14) Besides material gains, is there anything else you gain from your work? In-depth interviews were conducted in person (face to face), through group interviews (focus group interviews) involving all informants, as well as through telecommunication tools.

3.3.3 Documentation

Documentation technique is carried out by the researcher to obtain data related to the research conducted through the Central Bureau of Statistics Office. Data collection is also done through voice recording devices or by using a camera.

3.4. Research Instruments

The research instrument in this study is the researcher themselves who directly go to the research location to obtain data and then explain the data that has been collected. The data obtained can be in the form of symbols, words, signs, or actions related to the research problem being conducted. The next step is data analysis and writing the research results. The researcher uses tools such as a camera, mobile phone, and writing tools. Before going to the research location, the researcher first prepares interview guidelines that will be used in open, in-depth, and unstructured interview processes. The researcher always keeps the following in mind: 1) Being sensitive to information found in the field; 2) Adapting to the research location; 3) Understanding the phenomenon at the research location as a system, not in isolation; 4) Processing the obtained data promptly when it is considered sufficient. Data that is still lacking will be clarified, corrected, or reinforced as needed.

3.5. Research Informant

The research informants are individuals who have migrant status and work as Street Vendors (Pedagang Kaki Lima or PKL) in the GOR Sudiang area. They were selected using purposive sampling and had to meet the following criteria: have worked as PKL in the GOR Sudiang area for at least the last 3 months, be migrants who have moved to the city of Makassar, and operate their businesses independently, not as employees or assistants of another PKL. Initially, there were 5 informants selected. However, because it was felt that the information was still insufficient, additional informants were recruited using Snowball Sampling until the data collected reached saturation. As a result, the total number of informants became 8 individuals.

IV. RESEARCH RESULTS AND DISCUSSION

1. Adaptation Patterns of Street Vendors in the Digital Era

The Emergence of Street Vendors around the Sudiang Sports Complex coincides with the existence of sports facilities built by the government for the general public in Makassar. In reality, these sports facilities can also be a place to earn a living, a place for recreation and relaxation with family. All the informants in this study are street vendors who are able to compete in the urban economy. A strong work ethic and resilience have enabled them to continue their businesses. The decision to work as street vendors is a rational choice supported by a strong entrepreneurial spirit. The empowerment of street vendors can be achieved because they have the independence to run their businesses. They do not burden the government and should be given space for their livelihoods. The empowerment of street vendors will increase further if awareness is raised to harness their potential and improve their quality. This can be done through persuasive approaches, counseling, or the dissemination of information through mass media. It would be even better if they can learn from successful entrepreneurs who started from scratch.

There are 4 (four) informants who were motivated to become street vendors due to economic necessity. There is 1 (one) informant who runs a street vending business mainly for the desire to socialize in a different environment and to actualize themselves in their community. Actualizing oneself means that basic needs have been met, so they want to showcase the best of themselves because they have the potential. According to Abraham Maslow, the need for self-actualization is one of the highest hierarchy of needs after the fulfillment of the other four needs: physical, safety, social, and esteem. The need for self-actualization is the need to maximize one's potential. They want to be something because they feel they have the potential to achieve their desires.

However, in reality, based on field findings, there is data that contradicts Maslow's concept of a hierarchy of needs consisting of five types of needs and their sequential levels. One informant who already wants to self-actualize also has to work to meet their basic needs.

Social change theories can be viewed from various perspectives, but in principle, experts agree that social change is related to the dynamics of society and culture that exist within a community. The tangible form of social change can be in the form of new discoveries of production equipment (discovery and invention), new ways of production processes, geographical conditions, population dynamics due to high population growth rates that are not accompanied by sufficient job opportunities, leading to high unemployment rates and possibly high crime rates, and many other examples.

In essence, adaptation can be done in two ways to achieve balance: by changing oneself according to what the environment desires and by changing the environment according to what the people around them desire. Street vendors will face many challenges

when they first arrive at a new destination for migration. They are required to adapt to the new place, the new job, and the new people they meet.

Based on field findings, all 5 (five) informants stated that when they first arrived at the trading location, they spent about a week studying the location, observing other vendors who either settle down or only trade from time to time, observing buyers, especially on Sundays or holidays when it is busier than usual, observing the items sold by other street vendors while thinking about strategies to compete with others and gain acceptance from consumers and other street vendors nearby. Furthermore, according to the informants, as newcomers in Makassar, they maintain a sense of togetherness, help each other, and trust each other.

The advancement of technology, especially the internet, has become one of the driving forces behind the growth of online buying and selling in society. The internet serves as a global network of connected computers that enables transactions between entrepreneurs and consumers, including street vendors whose trading activities have been touched by technology through online buying and selling. Informants have also formed partnerships with online transportation service providers that benefit both street vendors and online transportation service providers, as well as consumers who do not need to leave their homes to buy necessities.

2. Street Vendors' Strategies for Business Sustainability

Many writings about Street Vendors (PKL) describe them as marginalized business people whose presence is considered a problem, particularly in terms of urban disorder and congestion. However, formal and informal sector jobs complement each other.

The global COVID-19 pandemic has had a profound impact on people's behavior, encouraging them to live more orderly lives. This includes maintaining cleanliness, paying attention to nutrition, and adhering to social interactions, especially in public places and service areas. According to five informants, the COVID-19 pandemic has taught almost everyone about healthy living behaviors, regardless of their socioeconomic status. This also applies to street vendors operating in the Sudiang Sports Complex area in Makassar, especially the informants in this study, who all adhere to the health regulations set by health authorities.

Street vendors' businesses have transformed from being chaotic and unsanitary to more modern, emphasizing cleanliness, orderliness, safety, and comfort, benefiting both themselves and those in the research area where street vendors operate their businesses. The researcher obtained data about the strategies used by informants to sustain their businesses through in-depth interviews. Snowball sampling was conducted because the responses from the initial five informants were considered insufficient. The total number of informants increased to eight after adding three more.

One of the strategies involves collective action to maintain solidarity through weekly arisan (rotating savings and credit association) activities, where the contribution amount is affordable for all members. Arisan activities are particularly helpful during difficult times when there are fewer buyers, leading to reduced income. These arisan activities are flexible and adaptive, serving as a platform to discuss various issues, not limited to street vending activities alone.

Another strategy is cooperation among vendors. If a buyer requests an item that a vendor does not have, they will refer the buyer to another vendor who has the required item. This mutual support leads to increased sales and a sense of community, strengthening their resilience in facing life's challenges. Additionally, some vendors occasionally provide transportation services as motorcycle taxi drivers if the destination is not far from their vending location. Job diversification is not planned but rather conditional, driven by the unstable income they receive as street vendors. Therefore, diversifying their sources of income becomes a mutually supportive strategy for their street vending activities.

V. Conclusion

Basically, adaptation is done to achieve balance. Informants must be able to adapt to new places, new jobs, new people they encounter, maintain togetherness, help each other, and trust each other in working together. They adopt technology to support their businesses so that consumers can transact online. In the digital era, by conducting online buying and selling transactions, they create mutually beneficial cooperation between street vendors and online transportation businesses, as well as consumers who use the services of street vendors and online transportation businesses.

The strategies employed by the informants for the sustainability of their businesses include creating a contemporary business appearance, paying attention to cleanliness, order, security, and comfort, which attract consumers to transact. In addition, they organize themselves through flexible and adaptive savings groups, as it serves as a platform for solving the problems they face in their work as street vendors.

References

- Batara Surya, A. M. (2021). Economic Evaluation, Use of Renewable Energi, and Sustainable Urban Development Mamminasata Metropolitan, Indonesia. *MDPI*.
- Batara Surya, D. N. (2020). Land Use Change, Spatial Interaction, and Sustainable Development in the Metropolitan Urban Areas, South Sulawesi Province, Indonesia. *MDPI*.

- Batara Surya, H. S. (2020). Spatial Transformation of a New City in 2006-2020: Perspectives on the Spatial Dynamics, Environmental Quality Degradation, and Social-Economic Sustainability of Local Communities in Makassar City, Indonesia. *MDPI*.
- Cresswell, J. W. (2014). Metode Penelitian.
- Crush, J. (2023) Opportunity and Survival in the Urban Informal Food Sector of Namibia. *MDPI*.
- Erik Hosmann, J. T. (2022). Working Capital Behavior of Firms during an Economic. *MDPI*.
- Jonathan S. Crush, L. K. (2022) Opportunity and Survival in the Urban Informal Food Sector of Namibia. *MDPI*.
- Lina Martinez, J. R. (2022). The Informal City: Exploring the Variety of the Street Vending Economy. *MDPI*.
- Lu Zhang, Y. Z. (2021). Breaking the Vicious Cycle between Illness and Poverty: Empirical Actions on Land Use in an Oasis Agricultural Area. *MDPI*.
- Nahid Sultana, M. M. (2022). Informal Sector Employment and Economic Growth: Evidence from Developing Countries in SDG Perspective. *MDPI*.
- Nastaran Peiman, H. K. (2022). Informal Street Vending: A Systematic Review. *MDPI*.
- Ngadi Ngadi, A. A. (2023). Challenge of Agriculture Development in Indonesia: Rural Youth Mobility and Aging Workers in Agriculture Sector. *MDPI*.
- Qiuyi Huang Xioping Zheng, R. W. (2022). The Impact of the Accessibility of Transportation Infrastructure on the Non-Farm Employment Choices of Rural Laborers: Empirical Analysis Based on China's Micro Data. *MDPI*.
- Zhen Yang, W. G. (2020). Spatiotemporal Patterns of Population Mobility and Its Determinants in Chinese Cities Based on Travel Big Data. *MDPI*.
- Zhen Yang, Z. W. (2020). The Patterns of Population Mobility and Determinants Explored in This Paper can Provide a New Reference For the Balanced Development of Regional Economy. *MDPI*.