

Development of Small Scale Partnership Pattern To Improve Market Performance And Business Sustainability

Christina Whidya Utami¹

Departement of Management, Faculty of International Business Management, Ciputra University
Surabaya, Indonesia

Denny Bernardus²

Lecturer at Magister Management Post Graduate Program Ciputra University
Surabaya, Indonesia

Abstract

Retail business competition in Indonesia is complex to support the traditional retail sustainability efforts in Indonesia. So, it's necessary to develop the partnership pattern that is oriented in entrepreneurship and business ethics for the small business player to build the marketing performance and the sustainability in the retail business. This research is a qualitative descriptive research, that using the focus group discussion and interview with retailer respondent in the East Java. The result of this research are 1) the exploration result for the retail partnership pattern in East Java small market scale this time is running on the exclusive mutual pattern 2) market performance and sustainability of retail of small scale market in East Java is showing the sustainability aspect, with the income average per month/day is always increase. From The aspect of quantity and goods completeness, the total of good is increase from the quantity and variance. 3) creating a pattern of partnership-based on the entrepreneurship oriented and business ethics will be done by several ways: taking advantage of the existence of cooperative/association on creating relation with the supplier, gaining solidarity one another and aware the importance of unity between retailer to build the pattern that balance especially on determining the bargaining set position against the modern retail. Intensive giving the information to the retailer about the awareness of retail management based on entrepreneurship and business ethics.

Keywords: Entrepreneurship Orientation, Business Ethics, Marketing Performance and Sustainability
Retail Business

1. Introduction

Market section and retail business performance in Indonesia is tend to declining these days, but in the same ways the modern retail is increasing every year. The traditional market are giving the contribution of 69,9% in year of 2004, decreasing from a year before which is 73,7%. The opposite condition are happening to *Supermarket* and *Hypermarket*, they can give bigger and bigger contribution day by day.¹ In 2003 the contribution of modern market are 26,3% and increased in the next year, in 2004 by 30,1% (Anonymus, 2007). The declining performance of traditional market beside of the existence of modern market, is because traditional retailer are lacking of competitiveness (Harmanto, 2007). The condition of traditional market are not in the good position. Many of the traditional market building are not in a good condition so the clean and good condition of modern market is one of many reason why traditional market are no longer a consumer preference. A lot of other sources also said so, Paesoro (2009), Utami & Agustinus Riyadi (2013). Utami et.al, (2014) showed that the main reason why the traditional market are not the consumer choice anymore is because the traditional markets are lack of management and the having bad infrastructure. Not because of the existence of supermarket but it's because of the lack of business ethics and the sustainability of the traditional business retailer. Several research about the impact of modern retail that ever attempted in developing country, one of them is Reardon and Berdeque (2012), found the negative impact to the traditional retailer because of modern retailer. the less the number of small medium business and the traditional market as the impact of access closing or because the traditional market can't compete to the modern automatically reducing their contribution (Utami, 2012). According to that fact, the existence of traditional retailer must be maintained. But the traditional market has to aware about managing the need of society that hasn't been completed (unmet need) if they want to live in the society of business competition that getting sharpened by the time goes day by day (Utami, 2007). The changing and development of market condition is forcing the retail management to change the old paradigm and turns the old paradigm into the modern one. The traditional paradigm that saying the most important thing in retail business is running the

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