

Digital Marketing Challenges in Traditional Markets: Developing Collaboration Models between Traders and Local SMEs in Banjarmasin City

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ABSTRACT

Like many other Indonesian cities, traditional markets in Banjarmasin City are grappling with significant challenges amid the rapidly evolving digital marketing landscape. With the exponential growth of e-commerce and online platforms, consumer behavior has undergone a seismic shift, presenting traditional markets with formidable obstacles to maintaining competitiveness. This study aims to develop a model of policy collaboration between traditional market traders and local SMEs to address the digital marketing challenges faced by Banjarmasin City. Employing a qualitative approach, in-depth interviews were conducted with traditional market traders and local SME owners in Banjarmasin City. Thematic analysis of the gathered data revealed the primary challenges confronting both parties and informed the development of an effective model of policy collaboration. Findings underscore the importance of collaboration between traditional market traders and local SMEs in navigating the digital marketing landscape. The proposed model of policy collaboration includes initiatives to bolster digital infrastructure in traditional markets, provide digital marketing training to traders and local SME owners, and foster collaboration between parties to devise effective marketing strategies. Establishing a model of policy collaboration between traditional market traders and local SMEs is pivotal in ensuring the sustainability and competitiveness of traditional markets in Banjarmasin City. This approach holds promise in fortifying the local business ecosystem and fostering sustainable economic growth at the grassroots level.

KEYWORDS

Traditional Markets; Digital Marketing Challenges; Policy Collaboration; Local SMEs; Economic Sustainability

1. INTRODUCTION

As delineated by Presidential Regulation of the Republic of Indonesia No. 112 Year 2007, traditional markets represent vibrant socio-economic ecosystems orchestrated by various stakeholders, including governmental bodies, private enterprises, state-owned entities, and cooperatives [1]. These bustling marketplaces serve as pivotal nodes where small to medium-sized traders partake in lively transactions characterized by direct bargaining and convivial interpersonal exchanges. However, their significance transcends mere economic utility, as traditional markets also function as living repositories of a region's social tapestry and cultural heritage [2], [3].

Indeed, traditional markets encapsulate a kaleidoscope of diverse behavioral expressions and community values, serving as reflective microcosms of the local populace's unique ethos and time-honored traditions. Their profound role in shaping and safeguarding national identity is central to their essence. Through the exhibition of indigenous products, culinary delicacies, and artisanal crafts peculiar to their locale, traditional markets contribute to the intricate mosaic of cultural heritage that constitutes the essence of a nation ([4]–[6]).

Furthermore, traditional markets serve as pivotal hubs of cultural exchange, where intergenerational wisdom and cherished customs are transmitted amidst a backdrop of bustling commerce and lively camaraderie [7]–[9]. Through their intricate nexus of vendors and patrons, these markets foster a profound sense of community

cohesion and solidarity, encapsulating the collective aspirations and values of the local populace.

Traditional markets represent economic entities and living embodiments of a society's collective memory, resilience, and ingenuity. They stand as bastions of cultural heritage, fostering a profound sense of belonging and continuity amidst the relentless march of modernization and globalization. As such, the preservation and revitalization of traditional markets emerge as imperatives not only for economic sustainability but also for safeguarding intangible cultural heritage and promoting sustainable development.

Micro, Small, and Medium Enterprises (MSMEs) drive economic growth and development in Indonesia. These enterprises constitute a significant portion of the country's business landscape and are recognized as engines of innovation, employment generation, and income redistribution [10]–[12]. Optimizing and harnessing the potential of MSMEs is essential for fostering inclusive and sustainable economic development, as they contribute significantly to poverty reduction, wealth creation, and social cohesion.

However, despite their potential contributions, MSMEs face many challenges that hinder their growth and sustainability. Traditional markets confront stiff competition from modern retail establishments offering sleeker, more sanitized, conveniently located facilities. The proliferation of modern stores close to residential areas further exacerbates this competition, as consumers are increasingly drawn to the allure of modern shopping conveniences [13]–[15]. Consequently, traditional markets grapple with declining foot traffic and dwindling sales, threatening their viability and long-term survival.

Moreover, technological advancements have catalyzed a seismic shift in retail dynamics, with consumers increasingly turning to online platforms for shopping [16], [17]. This transition from offline to online retail poses an existential threat to traditional markets as they struggle to adapt to the digital age and compete effectively in the virtual marketplace. The absence of robust digital infrastructure and the limited adoption of e-commerce technologies further compound traditional market traders' challenges, leaving them at a distinct disadvantage in the digital economy.

The ongoing disruption caused by digital marketing trends poses significant challenges for local Micro, Small, and Medium Enterprises (MSMEs). One fundamental challenge these enterprises face is the constraint on mobility, which hampers their ability to execute effective promotional and marketing strategies, consequently impacting their sales performance. Unlike large corporations with extensive resources and infrastructure, MSMEs often operate within limited geographic areas and have limited access to traditional marketing channels such as print media or physical storefronts [18], [19]. As a result, they face formidable obstacles in reaching and engaging with their target audience, constraining their growth and profitability.

To address these challenges, MSMEs are increasingly turning to online marketing through digital platforms as a viable solution [20]. By leveraging digital technologies and online platforms, MSMEs can transcend physical mobility limitations and expand their reach to a wider audience base [21]. Through social media marketing, search engine optimization, and e-commerce platforms, MSMEs can showcase their products and services to potential customers across geographical boundaries, diversifying their customer base and stimulating sales growth [22]. Additionally, digital marketing offers MSMEs the flexibility to tailor their marketing messages and campaigns to specific demographic segments, enhancing their effectiveness and relevance [23].

Moreover, digital marketing enables MSMEs to track and analyze customer behavior and engagement metrics in real-time, providing invaluable insights into consumer preferences and market trends [24]. By leveraging data analytics and customer relationship management (CRM) tools, MSMEs can refine their marketing strategies, personalize their offerings, and optimize their ROI [25]. Furthermore, digital marketing empowers MSMEs to engage in targeted advertising campaigns, maximizing the impact of their marketing expenditures and minimizing wastage [26].

The challenges traditional markets face in Banjarmasin City can be categorized into two main factors. Firstly, from the supply side, these issues encompass the location and physical condition of the traditional market buildings. Less strategic locations or suboptimal physical conditions of the market buildings can hinder attractiveness and accessibility for consumers. Secondly, from the demand side, these issues are related to changes in consumer purchasing power and shopping patterns, particularly with the increasing role of the millennial generation in shaping their shopping preferences.

The ongoing era of disruption, particularly in the digital age, has led to a paradigm shift in the retail market. Traditional markets face significant challenges due to consumer shifts from direct purchases to online platforms. Additionally, consumer demand has significantly changed, with preferences leaning more towards convenience and comfort in digital shopping experiences.

Furthermore, these changes also impact local Micro, Small, and Medium Enterprises (MSMEs) in Banjarmasin City. Limited mobility, in terms of promotion and marketing strategies, is one of the main barriers for local

MSMEs to increase their sales. To address these challenges, online marketing strategies through various digital platforms become crucial for business players. By leveraging social media, websites, and other digital channels, MSMEs can expand their market reach, enhance brand visibility, and significantly increase sales.

The research problem revolves around three central inquiries: how to regulate policy collaboration between traditional market traders and local MSMEs amidst the era of digital marketing in Banjarmasin City, what challenges traditional market traders face when collaborating with local MSMEs in the Digital Marketing Era, and what strategies traditional market traders can employ to collaborate effectively with local MSMEs in this digital era. The research objectives are multifaceted, aiming firstly to identify the regulatory framework for policy collaboration between traditional market traders and local MSMEs in Banjarmasin City's digital marketing era. Secondly, the study analyses the primary challenges faced by traditional market traders and local MSMEs in navigating the digital marketing era in Banjarmasin City. Lastly, it aims to determine efficient collaboration strategies for maintaining competitiveness amidst the digital marketing landscape in Banjarmasin City. This research holds significant importance as it is expected to contribute to the establishment of effective policy frameworks for collaboration between traditional market traders and local MSMEs in the digital marketing era in Banjarmasin City.

2. THEORETICAL FRAMEWORK

2.1. Traditional Markets: Cultural Significance and Economic Resilience

In the context of the socio-economic ecosystem, traditional markets serve as pivotal nodes, facilitating commercial transactions and acting as the nucleus of social and economic activities deeply intertwined with local culture. They function as bustling intersections where sellers and buyers converge, fostering active interpersonal interactions and the exchange of information. Moreover, traditional markets provide a fertile ground for economic empowerment, offering local traders a direct avenue to showcase their wares and bolstering the self-reliance of the local economy by promoting locally produced goods [27], [28].

Beyond their economic significance, traditional markets serve as vibrant communal spaces, embodying the essence of local community life. These markets serve as arenas for social gatherings, cultural exchanges, and commemorating age-old traditions [29], [30]. The vibrancy of activities within traditional markets reflects the social dynamics of the local community, nurturing a sense of unity and solidarity among its members [31].

Traditional markets are indispensable components of the socio-economic fabric, significantly contributing to local economic growth while shaping communities' identity and cultural sustainability [32]. They serve as dynamic cultural hubs where the intangible heritage of a community is vividly showcased and perpetuated. By providing a platform for exchanging indigenous products, culinary delights, and handicrafts unique to the region, traditional markets serve as living repositories of cultural heritage, actively contributing to the intergenerational transmission of cultural values and customs.

Moreover, traditional markets are vital in promoting cultural diversity and intercultural dialogue as melting pots of diverse cultural influences. These vibrant spaces foster encounters between individuals from different ethnicities, backgrounds, and traditions, fostering mutual understanding and respect for cultural differences [30].

In essence, traditional markets are not merely economic entities but multifaceted cultural landscapes that enrich the fabric of society. Their preservation and revitalization are paramount for economic development and safeguarding communities' cultural vitality and diversity. Thus, ensuring the sustainability of traditional markets is essential for promoting economic prosperity, cultural enrichment, and social cohesion within communities [33]–[35].

2.2. Micro, Small, and Medium Enterprises (MSMEs): Drivers of Economic Growth

Micro, Small, and Medium Enterprises (MSMEs) serve as pivotal drivers of economic growth in Indonesia, with their significance extending across various sectors of the economy. Despite their small scale, MSMEs collectively wield significant influence, contributing substantially to the nation's GDP and fostering innovation and competition in the market. Their entrepreneurial endeavors inject dynamism into the economy, leading to productivity gains and technological advancements that propel economic development [10], [36].

Beyond their economic contributions, MSMEs play a critical role in job creation and poverty reduction, particularly in regions with limited formal employment opportunities. By absorbing a significant portion of the labor force, MSMEs provide avenues for self-employment and income generation, thereby alleviating unemployment and lifting livelihoods. This role is especially pronounced in rural and urban areas, where MSMEs act as engines of economic activity and social mobility [12].

Moreover, MSMEs foster economic inclusivity by empowering marginalized groups, such as women, youth, and rural communities, to participate in economic activities. Through entrepreneurship programs and access to finance initiatives, MSMEs enable individuals from diverse backgrounds to overcome socio-economic barriers and

contribute actively to economic growth. This empowerment enhances individuals' economic well-being and promotes social cohesion and community development.

In addition to promoting social and economic inclusion, MSMEs are crucial in driving regional development and reducing geographical disparities. In Indonesia's diverse and decentralized economic landscape, MSMEs catalyze local economic growth by stimulating economic activity and fostering local value chains. By decentralizing economic activities and promoting rural enterprises, MSMEs contribute to more balanced and inclusive development across different regions of the country [37].

Furthermore, MSMEs enhance economic resilience and sustainability by their diversified nature and adaptability to changing market conditions. During economic uncertainty or global crises, MSMEs often display resilience by innovating and restructuring their operations to stay afloat. Their ability to weather uncertainties not only stabilizes local economies but also contributes to overall economic resilience at the national level.

Despite their immense contributions, MSMEs face numerous challenges that impede their growth and sustainability. Issues such as limited access to finance, inadequate market linkages, complex regulatory frameworks, and skills shortages hinder their ability to thrive in the competitive business environment [38], [39]. Bridging these gaps requires concerted efforts from various stakeholders, including governments, financial institutions, industry associations, and development organizations, to create an enabling environment for MSME development.

3. RESEARCH METHOD

This study adopts a qualitative research approach to explore the digital marketing challenges faced by traditional market traders and local SMEs in Banjarmasin City [40]. Qualitative methods allow in-depth exploration of participants' experiences, perceptions, and insights, providing rich data for analysis and interpretation.

The participants in this study will consist of traditional market traders and local SME owners operating in Banjarmasin City. A purposive sampling technique will be employed to select 60 participants from each group with firsthand experience and insights into the digital marketing landscape and its challenges.

Table 1. Demographic Distribution

Demographic Variable	Traditional Traders	Local SME Owners
Gender		
- Male	20	20
- Female	10	10
Age Range		
- 25-40	5	15
- 41-55	7	10
- 56 and above	18	5
Education Level		
- High School	20	5
- Diploma	7	10
- Bachelor's	3	10
- Master's	0	5
Years in Business		
- 1-5 years	5	15
- 6-10 years	10	10
- 11-15 years	5	5
- 16+ years	10	0

In-depth interviews will serve as the primary method of data collection. Semi-structured interview protocols will be developed to guide the interviews, covering participants' experiences with digital marketing, challenges encountered, strategies employed, and perceptions of collaboration opportunities. The interviews will be conducted face-to-face or virtually, depending on participant preferences and logistical considerations.

Thematic analysis will be utilized to analyze the qualitative data gathered from the interviews. This approach involves systematically identifying, analyzing, and interpreting patterns or themes within the data. The analysis will involve coding the data, identifying recurring themes, and examining relationships between different themes. This iterative process will enable a comprehensive understanding of the digital marketing challenges and collaboration opportunities identified by participants.

Measures such as member checking and triangulation will be employed to ensure the study findings' validity and reliability. Member checking involves sharing preliminary findings with participants to validate their accuracy

and completeness. Triangulation involves comparing and contrasting data from multiple sources or methods to corroborate findings and enhance the study's credibility.

4. RESULTS AND DISCUSSION

4.1. Digital Marketing Challenges Faced by Traditional Market Traders and Local SMEs

Traditional market traders and local SMEs encounter formidable obstacles in accessing essential digital infrastructure and resources for effective online engagement. Infrastructure limitations, such as unreliable internet connectivity and inadequate digital infrastructure in certain areas, impede businesses' ability to establish and maintain a robust online presence. Moreover, the high costs associated with acquiring and maintaining digital resources, such as e-commerce platforms and digital marketing tools, present additional challenges for businesses with limited financial resources. A pervasive lack of digital literacy and skills among traditional market traders and local SME owners poses a significant barrier to their successful adoption of digital marketing strategies.

Furthermore, traditional market traders and local SMEs face fierce competition from larger e-commerce platforms that wield substantial market power and resources. The transition to digital marketing also presents challenges for traditional businesses seeking to maintain their products' authenticity and unique selling points in an increasingly digitized marketplace.

Overall, the digital marketing landscape presents complex challenges for traditional market traders and local SMEs in Banjarmasin City. Addressing these challenges requires a multifaceted approach encompassing investment in digital infrastructure, provision of digital literacy training, strategic adaptation to competitive pressures, and preservation of authenticity in a digital marketplace characterized by rapid change and intense competition.

4.2. Model of Policy Collaboration

In response to the identified digital marketing challenges faced by traditional market traders and local SMEs in Banjarmasin City, a comprehensive model of policy collaboration has been developed. This model aims to foster cooperation between various stakeholders and enact strategies to mitigate the challenges the digital marketing landscape poses.

4.2.1. Description of the Developed Model

The model of policy collaboration serves as a framework for coordinating efforts among traditional market traders, local SMEs, government agencies, and other relevant stakeholders to address digital marketing challenges effectively. It emphasizes the importance of collective action and strategic collaboration in navigating the complexities of the digital marketplace.

4.2.2. Components of the Policy Collaboration Model

The model comprises several key components designed to target different facets of the digital marketing challenges:

- 1) **Digital Infrastructure Enhancement:** Initiatives to improve digital infrastructure in traditional markets, including upgrades to internet connectivity, provision of Wi-Fi hotspots, and development of digital amenities to facilitate online transactions.
- 2) **Digital Literacy Programs:** Implementing digital literacy programs aimed at enhancing the digital skills and knowledge of traditional market traders and local SME owners. These programs may include training workshops, online tutorials, and educational resources tailored to the specific needs of small businesses.
- 3) **Collaborative Marketing Strategies:** Promotion of collaborative marketing strategies that bring together traditional market traders and local SMEs to market their products and services online jointly. This may involve collective advertising campaigns, cross-promotional activities, and joint participation in e-commerce platforms.
- 4) **Government Support and Incentives:** Provision of government support and incentives to encourage digital adoption among traditional businesses. This may include subsidies for digital infrastructure investments, tax incentives for digital marketing expenditures, and grants for technology adoption.
- 5) **Capacity Building Initiatives:** Implement capacity-building initiatives to strengthen traditional market traders' and local SMEs' operational and managerial capabilities. This may involve entrepreneurship training, business development workshops, and mentorship programs to support business growth and sustainability.

4.2.3. Strategies to Address Digital Marketing Challenges

To address the digital marketing challenges identified in the study, the following strategies will be implemented:

- 1) **Enhancing Digital Infrastructure:** Collaborating with telecommunications providers and government agencies to improve internet connectivity and digital infrastructure in traditional markets.
- 2) **Providing Digital Literacy Training:** Partnering with educational institutions and industry experts to offer digital literacy programs tailored to the needs of traditional market traders and local SME owners.
- 3) **Facilitating Collaborative Marketing Initiatives:** Establishing platforms or networks that facilitate collaboration among traditional businesses for joint marketing and promotional activities.
- 4) **Advocating for Policy Reforms:** Engaging with policymakers and advocacy groups to advocate for reforms supporting digital adoption among traditional businesses, such as tax incentives and regulatory simplification.
- 5) **Supporting Capacity Building:** Investing in capacity-building initiatives, such as entrepreneurship training and skills development programs, to equip traditional market traders and local SMEs with the knowledge and skills needed to thrive in the digital economy.

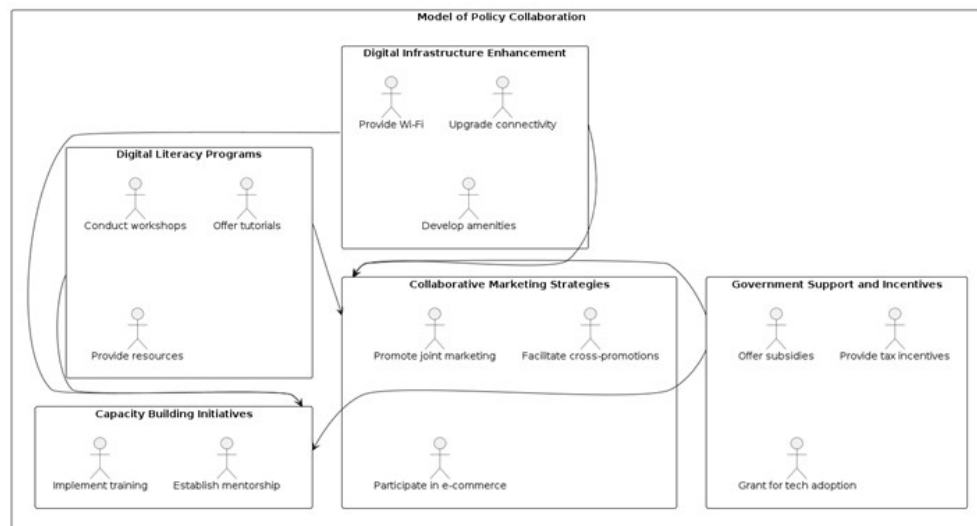


Figure 1. Model of Policy Collaboration

4.3. Policy Interventions to Support Traditional Markets and Local SMEs

In light of the identified digital marketing challenges faced by traditional market traders and local SMEs in Banjarmasin City, several policy interventions are recommended to support these businesses and enhance their competitiveness in the digital landscape.

4.3.1. Digital Infrastructure Enhancement

In response to the digital marketing challenges faced by traditional market traders and local SMEs in Banjarmasin City, policymakers must prioritize enhancing digital infrastructure. This entails initiatives to improve internet connectivity, provide Wi-Fi hotspots, and develop digital amenities within traditional markets.

Upgrading internet connectivity infrastructure is fundamental to ensuring businesses operating within traditional markets have reliable access to online platforms. Many traditional markets currently suffer from inadequate internet infrastructure, resulting in slow and unreliable connections. By investing in enhancing internet connectivity, policymakers can address this issue and provide businesses with the digital infrastructure to engage effectively in online marketing and e-commerce activities.

Providing Wi-Fi hotspots within traditional markets can significantly enhance the digital experience for both businesses and consumers. These hotspots enable businesses to offer customers free internet access, allowing them to browse products, make purchases, and interact with vendors online. By making Wi-Fi readily available in traditional markets, policymakers can encourage greater digital engagement among businesses and facilitate the transition to online sales channels.

In addition to improving connectivity, policymakers should consider the development of digital amenities within traditional markets. These amenities may include online payment systems, digital signage, and interactive kiosks, all of which enhance the online shopping experience for consumers and businesses. By investing in digital amenities, policymakers can modernize traditional markets, making them more attractive and convenient for shoppers and vendors.

Enhancing digital infrastructure within traditional markets has far-reaching implications for the competitiveness and sustainability of local businesses. By providing businesses with reliable internet access, Wi-Fi hotspots, and digital amenities, policymakers can empower them to embrace digital technologies and expand their online presence. This, in turn, opens up new opportunities for businesses to reach customers beyond their immediate geographical area and tap into the growing digital marketplace.

Digital infrastructure enhancement initiatives are essential for supporting the growth and adaptation of traditional market traders and local SMEs in Banjarmasin City. By prioritizing these initiatives, policymakers can create an enabling environment for businesses to thrive in the digital age, driving economic growth and fostering innovation within the local community.

4.3.2. *Digital Literacy Programs*

Policymakers should prioritize investments in tailored digital literacy programs to address the digital literacy gap among traditional market traders and local SME owners. These programs should encompass a range of initiatives, including training workshops, online tutorials, and educational resources designed to enhance participants' digital skills and knowledge.

Training workshops represent a cornerstone of digital literacy programs, providing participants with hands-on experience and practical guidance on using digital marketing tools. Workshops may cover social media marketing, search engine optimization (SEO), and email marketing, equipping participants with the skills needed to navigate and utilize various online platforms effectively.

In addition to workshops, online tutorials offer flexible and accessible learning opportunities for traditional market traders and local SME owners. These tutorials can be accessed remotely, allowing participants to learn at their own pace and revisit materials as needed. Online tutorials may cover a wide range of topics, from basic computer skills to advanced digital marketing techniques, catering to the diverse learning needs of participants.

Furthermore, policymakers should provide educational resources to supplement digital literacy programs and support continuous learning. These resources may include online guides, instructional videos, and educational articles covering topics relevant to digital marketing and e-commerce. By curating and disseminating educational resources, policymakers can ensure that participants can access up-to-date information and practical guidance on navigating the digital landscape.

Investing in digital literacy programs tailored to the needs of traditional market traders and local SME owners has significant implications for their ability to thrive in the digital marketplace. By equipping businesses with the knowledge and skills needed to leverage digital marketing tools effectively, policymakers can empower them to develop and implement innovative marketing strategies. This, in turn, enhances their competitiveness, expands their customer reach, and drives business growth in the digital age.

Digital literacy programs are crucial in bridging the digital divide and empowering traditional market traders and local SME owners to succeed in the digital marketplace. By investing in these programs, policymakers can foster a digitally skilled workforce, stimulate innovation, and promote economic development within Banjarmasin City.

4.3.3. *Collaborative Marketing Strategies*

Collaborative marketing strategies represent a promising avenue for traditional market traders and local SMEs to enhance their competitiveness in the digital marketplace. Policymakers should prioritize supporting these initiatives through targeted government interventions to foster collaboration among businesses.

By promoting collaborative marketing initiatives, policymakers can facilitate partnerships between traditional market traders and local SMEs, enabling them to market their products and services online jointly. These initiatives may include collective advertising campaigns, cross-promotional activities, and joint participation in e-commerce platforms, allowing businesses to leverage each other's strengths and resources.

One key policy recommendation is to provide financial incentives or grants to encourage businesses to participate in collaborative marketing efforts. Financial support can help offset the costs associated with collaborative marketing activities, making them more accessible and attractive to businesses, particularly small-scale enterprises with limited financial resources.

Moreover, policymakers should create platforms or networks that facilitate collaboration and partnership among traditional market traders and local SMEs. These platforms can serve as hubs for businesses to connect, share insights, and coordinate joint marketing initiatives, fostering a collaborative ecosystem that drives collective growth and success.

The implications of promoting collaborative marketing strategies are significant for traditional market traders and local SMEs. By working together, businesses can pool their resources, expertise, and customer networks, enabling them to reach a broader audience and compete more effectively with larger e-commerce platforms. Collaborative marketing strategies also promote knowledge sharing and innovation, allowing businesses to learn from each other and adapt more quickly to changing market dynamics.

Collaborative marketing strategies offer a promising approach to enhancing the competitiveness of traditional market traders and local SMEs in the digital marketplace. By supporting these initiatives through targeted policy interventions, policymakers can empower businesses to leverage collective strengths, expand their market presence, and thrive in the digital age.

4.3.4. *Government Support and Incentives*

Government support and incentives are crucial in facilitating the digital transformation of traditional market traders and local SMEs. Policymakers should prioritize introducing supportive measures to lower the barriers to digital adoption and foster a conducive environment for businesses to thrive in the digital economy.

One key policy recommendation is to offer subsidies or financial assistance for digital infrastructure investments. These subsidies can help offset the costs associated with upgrading internet connectivity, purchasing digital equipment, and implementing digital amenities in traditional markets. By providing financial support for digital infrastructure development, policymakers can ensure that businesses can access the necessary tools and resources to engage effectively in online marketing activities.

Additionally, policymakers should consider implementing tax incentives for digital marketing expenditures. Tax incentives, such as deductions or credits for digital advertising expenses, can incentivize businesses to allocate more resources towards digital marketing efforts. This, in turn, can help businesses enhance their online visibility, attract more customers, and drive sales growth in the digital marketplace.

Furthermore, grants or funding programs for technology adoption can encourage businesses to invest in digital solutions and innovative technologies. These grants can subsidize the costs of purchasing digital tools, software applications, and e-commerce platforms, enabling businesses to streamline operations, improve efficiency, and enhance customer experiences.

The implications of implementing government support and incentives for traditional businesses are significant. By lowering the financial barriers to digital adoption, policymakers can stimulate investment in digital infrastructure, marketing capabilities, and technology solutions among traditional market traders and local SMEs. This can lead to increased competitiveness, innovation, and resilience within the traditional market sector, ultimately driving economic growth and development.

Government support and incentives are essential for facilitating the digital transformation of traditional businesses and empowering them to thrive in the digital economy. By implementing supportive measures such as subsidies, tax incentives, and grants, policymakers can create an enabling environment that encourages businesses to embrace digital technologies, adapt to changing market dynamics, and seize opportunities for growth and success.

4.3.5. *Capacity Building Initiatives*

Capacity-building initiatives are instrumental in empowering traditional market traders and local SMEs to navigate the complexities of the digital economy and seize opportunities for growth and sustainability. Policymakers should prioritize implementing capacity-building programs to strengthen businesses' operational and managerial capabilities, equipping them with the necessary skills and resources to thrive in the digital marketplace.

One key policy recommendation is to prioritize entrepreneurship training programs tailored to the needs of traditional market traders and local SME owners. These training programs can cover essential topics such as digital marketing strategies, online sales techniques, financial management, and business planning. By providing entrepreneurs with the knowledge and skills needed to leverage digital technologies effectively, policymakers can empower them to adapt to changing market dynamics, identify new opportunities, and drive business growth.

Additionally, policymakers should consider organizing business development workshops focusing on specific areas of digital business operations. These workshops can provide practical insights and guidance on website development, e-commerce platform optimization, social media marketing, and data analytics. By equipping businesses with practical tools and strategies for enhancing their online presence and marketing effectiveness, policymakers can help them attract more customers, increase sales, and expand market reach.

Furthermore, mentorship programs can be crucial in supporting traditional market traders and local SMEs on their digital transformation journey. Pairing entrepreneurs with experienced mentors with expertise in digital marketing, e-commerce, and business management can provide valuable guidance, advice, and support.

Mentorship programs can help entrepreneurs navigate challenges, overcome obstacles, and capitalize on opportunities, fostering innovation, growth, and sustainability.

The implications of implementing capacity-building initiatives for traditional businesses are profound. By enhancing entrepreneurs' knowledge, skills, and resources, policymakers can empower them to thrive in the digital economy, drive innovation, and achieve long-term sustainability. Capacity-building initiatives can enable businesses to adapt to changing market dynamics, capitalize on emerging trends, and remain competitive in the rapidly evolving digital marketplace.

Capacity-building initiatives are essential for empowering traditional market traders and local SMEs to succeed in the digital economy. By prioritizing entrepreneurship training, business development workshops, and mentorship programs, policymakers can equip businesses with the knowledge, skills, and resources needed to thrive in the digital marketplace, driving innovation, growth, and sustainability.

5. CONCLUSION

In navigating the dynamic digital marketing landscape, traditional market traders and local SMEs in Banjarmasin City face formidable challenges that threaten their competitiveness and sustainability. However, this study unveils a beacon of hope in the form of a model of policy collaboration tailored to address these challenges head-on. Crafted through meticulous research and analysis, this comprehensive model advocates for collective action and strategic stakeholder collaboration.

From enhancing digital infrastructure to fostering collaborative marketing strategies, each component of this model offers a pathway to success in the digital arena. Traditional businesses can unlock their full potential and thrive in the digital economy by embracing digital literacy programs, government support, and capacity-building initiatives. As this study charts a course towards a digitally empowered future, the significance of policy interventions cannot be overstated.

By heeding the recommendations outlined in this study, policymakers can catalyze a paradigm shift that revitalizes traditional markets, fosters innovation, and drives sustainable economic growth. While this model offers promising avenues for addressing digital marketing challenges, it has limitations. One limitation is the focus on Banjarmasin City, which may limit the generalizability of the findings to other contexts.

Additionally, the qualitative nature of this research may restrict the depth of analysis compared to quantitative studies. Further research could explore the long-term effectiveness of policy interventions in supporting traditional businesses' digital transformation. Moreover, comparative studies across different regions or countries could provide valuable insights into the transferability of policy models.

Furthermore, examining the role of emerging technologies such as artificial intelligence and blockchain in traditional markets presents an exciting avenue for future inquiry. In essence, this model of policy collaboration is not just a roadmap—it's a testament to the resilience and adaptability of traditional businesses. By forging partnerships, harnessing digital tools, and embracing change, these businesses can transcend the challenges of the digital age and emerge stronger than ever.

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8. Declaration of Competing Interest

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