



Governance of Terong Traditional Market In Makassar City For Competitiveness

Lukman Arifin*, Andi Kasmawati, Andi Cudai

Universitas Negeri Makassar

DOI:

<https://doi.org/10.47134/par.v2i4.4717>

*Correspondence: Lukman Arifin

Email: Lukmanarifin@unm.ac.id

Received: 22-06-2025

Accepted: 22-07-2025

Published: 22-08-2025



Copyright: © 2025 by the authors. Submitted for open access publication under the terms and conditions of the Creative Commons Attribution (CC BY) license (<http://creativecommons.org/licenses/by/4.0/>).

Abstract: Traditional This study examines the governance of Terong Traditional Market in Makassar City, one of South Sulawesi's largest markets. Employing a qualitative phenomenological approach, the research aims to explore current governance practices, identify determinants influencing governance effectiveness, and propose strategies to enhance market competitiveness. Data were gathered through field observations, in-depth interviews with traders, market managers, and government officials, as well as document analysis. The findings reveal that governance at Terong Market is hindered by fragmented institutional coordination, inadequate infrastructure, weak regulatory enforcement, and limited trader participation. Four critical determinants of effective governance emerged: (1) strategic policy alignment, (2) transparency in financial and operational management, (3) adoption of digital technologies, and (4) multi-stakeholder collaboration. To improve competitiveness, five strategic measures are recommended: revitalization of market infrastructure, digitalization of retribution and service systems, reform of management and human resources, trader empowerment through training and financing access, and inclusive stakeholder forums for participatory governance. Additionally, this study proposes a reconceptualization of the classical POAC (Planning, Organizing, Actuating, Controlling) model—replacing “actuating” with “mediating”—and emphasizes participatory monitoring to strengthen accountability. The study contributes to public administration literature by presenting an adaptive governance model that aligns with the socio-economic dynamics of traditional markets in transition.

Keywords: Competitiveness, Digitalization, Governance, Traditional Markets

Introduction

Traditional markets play an important role as the foundation of the people's economy in Indonesia (Yuni et al, 2024) . Although the number of traditional markets still dominates (around 15,657 units or 89% of the total national trade locations) (Purwanto et al, 2021) , the more rapid growth of modern markets and convenience stores has eroded the existence of traditional markets. Modern markets offer convenience and better facilities, attracting urban consumers. As a result, many traditional markets are facing declining competitiveness and losing customers. Almost all traditional markets in Indonesia are still struggling with classic problems, such as weak market management, lack of infrastructure, the market is used as a "cash cow" for retribution, the proliferation of street vendors (PKL) which erodes the customers of kiosk traders, and limited access to capital for small traders (Prawira & Teh,

2022). These conditions make modern markets increasingly profitable and traditional markets increasingly marginalized.

The Indonesian government recognizes the urgency of revamping traditional markets to improve local economic welfare. National regulations such as Nawacita and Law No. 23/2014 on Regional Government mandate local governments to develop the regional economy, including through market revitalization. Bureaucratic reform efforts 2020-2024 also emphasize improving public service governance to be more efficient, accountable, and oriented towards economic development results. In line with that, the concept of New Public Governance emphasizes public participation, multi-actor collaboration, and service innovation in public sector management (Pribadi, 2021). In the context of market management, this new approach encourages a more democratic and participatory governance model, replacing the old hierarchical bureaucratic paradigm. Research by (Wibawa et al, 2024) shows that democratic-participatory management of traditional markets involving local wisdom is able to maintain market sustainability amidst the onslaught of modern retail. The involvement of traders and local communities in decision-making makes the market not only a place for economic transactions, but also a space for social interaction with cultural value. This finding indicates that participatory management models are more successful than bureaucratic top-down models in improving the competitiveness of public markets.

Pasar Terong in Makassar City is one of the largest and oldest traditional markets in South Sulawesi. The market, which was established in the 1950s, is strategically located in the center of Makassar City and functions as a distribution center for local to regional scale basic needs (Haider et al., 2020). The Makassar City Government through the Department of Trade (previously the Department of Industry and Trade) and the Makassar Raya Market Regional Company (PD) are responsible for the management of traditional markets, including Pasar Terong. However, the performance of Pasar Terong management has received a lot of attention and criticism from the community. The management and arrangement of Pasar Terong is considered not well planned; for example, the unclear status of kiosk leases, the overlapping kiosk buildings and narrow access aisles, as well as the retribution collection system that is less transparent because it has been sided. As a result of weak governance planning, consumer interest in shopping at Pasar Terong has declined and the merchandise of many traders often does not sell. The physical condition of the market is chaotic, developing without planning, and spilling out of the market land which triggers chaos and slum stigma in the surrounding area (Sekaringsih et al, 2023). On the internal side, the organizational structure of the market management has not been effective; coordination between agencies is weak, cleaning and security facilities are minimal, and the proliferation of street vendors around the market reduces the customers of official kiosk traders (Sofia et al, 2022). Although the government collects retribution from the market every year, these funds have not been accompanied by significant improvements on the ground. Market revitalization by the central and local governments has so far mostly targeted physical infrastructure, while revitalization of market management is still limited.

Methodology

This research uses a qualitative approach with a phenomenological case study design at Terong Traditional Market, Makassar City. The phenomenological approach was chosen to deeply understand the experiences and perceptions of actors and stakeholders related to the management of Terong Market. Data collection techniques include participatory observation of market conditions, in-depth interviews with key informants, and documentation studies of market policies and statistical data. Interviews were conducted with various parties directly or indirectly involved in the governance of Terong Market, including: Head of PD Pasar Makassar Raya, managers/officers of Terong market, Head of Bontoala Sub-District and local Head of Village, representatives of kiosk traders, street vendors, market buyers/visitors, and officials of Makassar City Trade Office. The selection of informants was done purposively to ensure coverage of diverse perspectives (government, managers, traders, and consumers) in understanding the problems and potential solutions of market governance.

Primary data from interviews and observations were complemented by secondary data such as market profiles (number of traders, facilities, retribution revenue), relevant regulations (local regulations on market management), and market revitalization program reports. The data analysis process followed the interactive method of Miles & Huberman (1994), which consists of data reduction, data presentation, and cyclical conclusion drawing. The researcher conducted source and method triangulation to increase the validity of the findings, by comparing interview information between stakeholders and confirming it with documentation data. In addition, this study applied SWOT (Strengths, Weaknesses, Opportunities, Threats) analysis to identify the internal and external conditions of Pasar Terong as a basis for formulating strategies to improve competitiveness. The SWOT analysis technique was conducted through focus group discussions with market managers and Trade Office officials, formulating relevant internal (strengths, weaknesses) and external (opportunities, threats) factors. The results of the SWOT analysis are then formulated into management strategies through a TOWS matrix approach that considers a combination of internal-external factors.

The market governance analysis framework in this study refers to the classic management function POAC (Planning, Organizing, Actuating, Controlling) by Terry (1972). However, this study critically reflects on the relevance of the POAC paradigm in the modern context. Empirical findings are used to reconstruct a more adaptive traditional market management model, by shifting the emphasis of the actuating function to mediating, and changing the controlling approach from centralized to participatory. Retooling the POAC paradigm aims to produce a traditional market governance model that is more inclusive, collaborative, and responsive to environmental dynamics. The research results are interpreted qualitatively and discussed by linking them to public administration theory and recent similar research findings (2019-2024), to strengthen the validity of the conclusions and academic contributions.

Terong Traditional Market in Makassar faces persistent challenges, including poor infrastructure, weak management, limited digital integration, and low trader participation, reducing its competitiveness (Basri et al., 2022; Firdaus & Wibowo, 2021). This study identifies four governance success factors—integrated strategic policy, transparent budget management, digital adoption, and stakeholder collaboration—aligned with New Public Governance principles (Osborne, 2010; Kooiman, 2003). Practical strategies include infrastructure revitalization, implementation of digital retribution and information systems, professionalization of management, trader empowerment through training and cooperatives, and inclusive, participatory governance forums (Yani et al., 2023; Fitriana & Nugroho, 2022). These approaches are consistent with evidence that collaborative governance enhances service delivery in local economic units (Ansell & Gash, 2008; Emerson & Nabatchi, 2015). To sustain improvements, the Makassar City Government should prioritize market reform as a core part of regional economic development (Kementerian Perdagangan RI, 2021). Public campaigns to support traditional markets and engage consumers can strengthen community ownership (Rahmatullah & Safitri, 2020). Future research should explore scalable models of participatory governance, assess long-term digital adoption impacts, and examine inter-agency collaboration frameworks to guide other market transitions (Sørensen & Torfing, 2021; Junaidi et al., 2023). With adaptive and transparent governance, Terong Market has the potential to serve as a leading model for revitalizing traditional markets in the digital era.

Result and Discussion

Current Condition of Makassar Eggplant Market

Characteristics of Terong Market. Terong Market is located on Jalan Terong, Bontoala Sub-district, Makassar City, with an area of ±1.2 hectares. The market consists of a three-story market building and a lot area outside the building. Before the 1970s, Pasar Terong grew naturally as a people's market without permanent facilities, until it was physically revitalized in 1972 and 1994 by the city government. Currently, Pasar Terong accommodates a variety of basic commodities, including vegetables, fruit, rice and groceries, meat and fish, basic necessities, and textile and household products. This market operates every day with peak activity in the morning until noon. Based on data from the Makassar City Trade Office in 2023, Pasar Terong has 2,148 stalls/stalls available. However, the utilization rate is low - only 640 plots are actively used by traders, while 1,508 plots (≈70%) are recorded as vacant or inactive. Ironically, outside the market area there are around 600 street vendors (PKL) selling on the roadside around the market.

Physically, Pasar Terong faces inadequate infrastructure conditions. Field observations show that many market aisles are narrow and disorganized due to the overlapping of stalls without sufficient spacing. Public facilities such as drainage channels and toilets are limited, resulting in poor hygiene and sanitation. Piles of garbage are often found because the cleaning staff and market waste management system are not optimal. This situation not only creates inconvenience for visitors, but also gives the market a slum image. The chaotic market environment is also triggered by the presence of hundreds of street vendors around the market who occupy the sidewalks and roads. These street

vendors sell similar commodities to in-market vendors, resulting in unfair competition and discouraging shoppers from entering the in-market area. Official traders complain that their turnover has declined due to customers preferring to shop at more accessible street vendors outside the market. This condition is in line with common findings in various regions that the proliferation of street vendors around traditional markets has eroded the market share of kiosk vendors and worsened the orderliness of the market area.

Current Management and Governance. In terms of governance, Terong Market is managed by PD Pasar Makassar Raya, which employs a market head and daily management staff. The organizational structure of the market manager includes divisions of cleaning, security, trader regulation, and retribution services. However, the implementation of management functions is still weak. First, the planning function is considered inadequate. The relevant agency does not yet have a comprehensive long-term masterplan for the development of Pasar Terong. Many arrangements are reactive and short-term. There is no clear written Standard Operating Procedure (SOP) regarding the daily management of the market. As a result, when there is a new program (e.g. curbing illegal stalls, commodity zoning), it is often carried out without careful socialization and coordination with market officers and traders, resulting in resistance. Second, the organizing function is not optimal. The authority and division of tasks between the Trade Office, PD Pasar, and field market managers often overlap. For example, trader training programs by the Cooperatives & SMEs Agency are not coordinated with market managers, causing information not to reach traders. Cross-departmental cooperation is minimal, even though market management touches aspects of public order (Satpol PP), cleanliness (Environmental Agency), and trader empowerment (Cooperatives & SMEs Agency). This reflects the lack of integrated governance.

In terms of actuating/movement, innovation efforts have begun to exist but their implementation has stalled. For example, since 2022 the Makassar City Trade Office launched a program to digitize market retribution with non-cash payments (QRIS). The aim is for revenue transparency and efficiency. In Terong Market, this policy was tested in 2023. However, the implementation encountered obstacles: many traders did not have or had difficulty using smartphones, and socialization of the use of payment applications was lacking. As a result, market officials were overwhelmed with explaining the new system to merchants every day, without adequate technical support. Other initiatives such as digital marketing and price information applications have yet to be implemented in Pasar Terong, despite the considerable potential of digital technology to improve the competitiveness of traditional markets (e.g. through local e-commerce or market information platforms). The controlling function of the market is currently more passive and administrative. Centralized supervision from the Dinas is limited to the achievement of retribution targets and incidental reports. Meanwhile, on-the-ground supervision by market officials is not yet supported by clear SOPs, for example in handling conflicts between traders or curbing illegal street vendors. The market security coordinator admitted that he was often confused due to the lack of technical guidance from the agency, so many order problems were left to the personal discretion of the officers. This indicates a weak control and evaluation system. There is no regular feedback mechanism between traders and the management, even though trader complaints can be important evaluation material.

As a consequence of the above weaknesses, the current performance of Terong Market is not optimal. Indicators include: the number of buyer visits has decreased compared to previous years (according to traders, turnover has decreased by 20-30% after the pandemic), many stalls are empty, and the market environment is less orderly. Although the government has attempted some improvements (revitalization of physical buildings in 2019, weekly cleaning program, digitization of payments), the impact has not been significant due to the top-down and partial approach. The existing market development strategy is considered "good on paper" but less effective in the field due to coordination issues and lack of involvement of implementers and traders. This finding is consistent with (Jae, 2024) study which mentions trader participation as a key factor in the effectiveness of traditional market management - without trader support and involvement, market policies tend to fail to be implemented properly. Thus, the current condition of Pasar Terong illustrates the need for a more integrated, participatory, and innovative governance approach to enable this market to compete with modern retail entities.

Determinant Factors of Terong Market Governance

The results of the research analysis identified four main determinant factors that influence the success of Makassar City's Terong Market governance, namely: (1) Strategic Policies and Regulations, (2) Transparency and Budget Management, (3) Digitalization of Market Services, and (4) Stakeholder Collaboration. These four factors are interrelated foundations in realizing highly competitive market management. The following is an explanation of each of these determinant factors:

- **Integrated Strategic Policy:** The existence of a clear and integrated policy framework from the local government is a determining factor in the direction of market development. In Makassar City, the Trade Office together with PD Pasar have formulated a Roadmap for Market Revitalization and issued SOPs for post-revitalization traditional market management. However, the implementation of this policy in Pasar Terong is still weak. Many standard operating procedures have not been socialized and implemented consistently. Strategic policies should include commodity zoning, operating hours, enforcement procedures, and partnership schemes with the private sector. The success of the policy requires the commitment of local leaders and coordination across agencies. Damanik & Sari's (2019) study emphasizes that collaboration between government agencies in market policy formulation will result in a more effective strategy that is accepted by market players. With an integrated policy that is understood by all parties, market management has a clear direction.
- **Transparency and Budget Management:** The next factor is transparency in market financial management, especially retribution and its utilization. So far, market retribution is one of the sources of local revenue (PAD). In Pasar Terong, the total retribution collected is not proportional to the facilities provided to traders. This has led to a negative perception that market funds are "leaking" or not returning to the market. Budget transparency includes periodic reporting of market revenue and its allocation to infrastructure improvements, cleaning, security, etc. Good budget management also means sufficient allocation of funds for market operations (officer salaries, maintenance). Mardiasmo (2009) states that accountability in the management of public funds will

increase the trust of stakeholders. With transparency, traders tend to be more willing to get involved and support market programs because they see the real benefits of their contributions. In Pasar Terong, efforts in this direction include digitalization of retribution (reducing illegal levies) and installation of market financial information boards, although not yet optimal.

- **Digitalization of Market Services:** The utilization of digital technology is a key determinant in the modern era. Digitalization in traditional markets can take the form of cashless payment systems, price and stock information applications, online marketing platforms, and market management information systems. This study found that digitalization of retribution in Terong Market is a positive step for efficiency and transparency. However, digitalization should not stop at payment only. Other potentials include the creation of an online marketplace for Pasar Terong traders so that their products can be accessed by wider consumers (online to offline). In addition, managing market data (number of visitors, sales) digitally will help policy makers formulate evidence-based strategies. Alawi & Supriyanto's study (2019) shows that the implementation of digitalization of user fees in several Indonesian traditional markets has succeeded in increasing market revenue and minimizing leakage. Similarly, Kurniawan & Rahmawati (2017) emphasized digitalization as an effort to increase transparency and accountability in market management. Thus, technological readiness (infrastructure and digital literacy of traders) is a determining factor for the success of this innovation. In Pasar Terong, this factor still needs to be improved through socialization and training on the use of technology for traders.
- **Stakeholder Collaboration:** Traditional market governance involves many parties - the government (Dinas and PD Pasar), traders, buyers, surrounding communities, and the supporting private sector. Collaboration among stakeholders is an important determinant for market development programs to run smoothly. The research findings underscore the lack of involvement of Pasar Terong traders in policy planning and implementation so far. As a result, resistance arises and the program is not sustainable. In fact, the participation of traders from the planning stage will foster a sense of ownership so that they proactively support the policy. In addition, cross-sector coordination - for example between the Trade Office, MSME Office, Satpol PP, and PD Pasar - must be improved. Currently, each agency tends to operate independently. In collaborative governance theory, the success of collaboration is determined by intense communication, trust between actors, and a clear division of roles (Ansell & Gash, 2007). A good example of collaboration is the establishment of a market communication forum that involves representatives of traders, managers, and government to have regular dialogues to discuss market problems and solutions. An initial effort in this direction has been made with a plan to establish a traders' forum in Pasar Terong by 2024, but its implementation needs encouragement from the Dinas. Collaboration also includes partnerships with the private sector (e.g. banks for credit access, digital startups for buying and selling platforms). With multi-stakeholder synergy, the burden of management can be shared and innovations are more easily adopted.

The four determinants above complement each other in creating effective market governance. Strategic policies provide a vision and legal umbrella, budget transparency builds trust and support, digitalization improves efficiency and market access to the digital economy, and collaboration ensures the involvement of all actors for program sustainability. The results of this study indicate that the weakness of Terong Market governance has been due to a lack of attention to these factors. For example, policies exist but do not involve traders (lack of collaboration aspect), digitalization programs exist but without training (lack of collaboration and strategy), retribution is collected but traders do not know its use (lack of transparency), and so on. Therefore, to improve the competitiveness of Pasar Terong, improvements are needed in all four aspects of the determinants simultaneously. This finding is in line with Hidayat & Setiawan's (2021) study on traditional markets in Surabaya which also concluded the importance of policy support, technological innovation, and trader participation in market governance.

Management Strategies to Improve Competitiveness

Based on the analysis of the conditions and determinant factors above, this study develops a number of management strategies for Pasar Terong that are expected to improve the competitiveness of the market. The formulation of these strategies is carried out using the SWOT approach to ensure that the selected strategies are aligned with the strengths and opportunities, and overcome the existing weaknesses and threats. The strengths of Pasar Terong include: strategic market location in the city center and easily accessible, a large number of traders with a complete variety of commodities, and the vital role of the market as a distribution center for basic needs in Makassar and surrounding areas. Weaknesses are mainly: market infrastructure that is outdated and in need of repair (narrow aisle roads, poor drainage, lack of public facilities), market management that is not yet modern and less organized, and technological limitations in market operations (e.g. not yet fully implemented digital retribution system, no online marketing platform). On the opportunities side: increasing local government support for digitalization and MSME empowerment programs (e.g. KUR capital assistance, entrepreneurship training programs), and the potential for a large market share given the growing population of Makassar and South Sulawesi and the preference of middle-class consumers for cheap shopping in traditional markets. Meanwhile, the threats faced include: intense competition from modern retailers (shopping centers, franchised minimarkets) that continue to expand, changes in people's consumption patterns (online shopping trends, practical lifestyles that reduce visits to traditional markets), and social insecurity such as potential conflicts between traders or food safety issues that can damage the image of the market.

Taking into account the SWOT factors above, the following are the key strategies proposed for the management of Pasar Terong to make it more competitive:

- **Physical Revitalization and Infrastructure Arrangement:** The first priority is the improvement of the market infrastructure to increase the comfort and safety of both visitors and traders. Comprehensive revitalization includes widening aisles and rearranging stalls for smoother visitor circulation, improving drainage and sanitation systems to maintain cleanliness, providing public facilities (toilets, segregated waste bins, adequate parking areas), and renovating damaged buildings. The government can cooperate with funding from the regional budget or ministerial programs (e.g. the Ministry of Trade's Assistance Task Fund for revitalizing public markets). Infrastructure arrangement must be accompanied by commodity zoning arrangements (the placement of traders is arranged per type of merchandise) to improve order. A successful example of physical revitalization is Pasar Genteng in Surabaya, which after a modern renovation succeeded in attracting buyers. The revitalization of Pasar Terong is expected to not only improve the physical building but also pay attention to social aspects (not displacing old traders, involving them in the process). This improvement in physical quality will be a competitive attraction compared to modern stores, because the cleanliness and comfort of traditional markets are often the main complaints of consumers.
- **Digitalization of Management and Service Systems:** The second strategy is to continue and expand digitalization in Pasar Terong. In addition to strengthening the implementation of electronic retribution payment (QR code) with assistance to traders, it is necessary to develop a market application that contains daily commodity price information, stock items, and a trader directory. This application can help consumers compare prices and find the goods they need, as well as help traders promote their wares more widely (semi-online marketplace). Another step is the installation of CCTV and market monitoring dashboards to improve security and monitor activities in real-time. The use of simple inventory management and point-of-sale technology can also be introduced to allow merchants to record sales digitally, helping them access capital (due to transaction records). The city government can work with local tech startups to develop these platforms. According to Fitria & Hadi (2018), the implementation of digitalization of retribution has been proven to increase traditional market revenue by around 10-15% and close corruption loopholes. With comprehensive digitalization, Pasar Terong can transform into a "smart traditional market" that is more efficient and transparent, so that it can compete in the digital economy era.
- **Improving the Quality of Management and Human Resources:** Market management needs to be accompanied by capacity building of management and human resources. In the short term, market management training for management officers (market head, administrative staff, security, cleaning) should be conducted, covering service management, conflict mediation, and the use of technology. The Trade Office can develop training modules in collaboration with university academics. In addition, the development of technical SOPs for various aspects (controlling street vendors, handling customer complaints, routine cleaning procedures, etc.) is important to standardize operational procedures. Placement of personnel should be competency-based; for example, retribution officers who are IT literate, security officers who have been trained

in mediation. Rotation and performance evaluation of market personnel are also necessary to motivate them to provide the best service. A serving work culture should be instilled, in line with the New Public Service paradigm (Denhardt & Denhardt, 2003) which emphasizes that public apparatus should focus on serving, not just regulating. With professional management, Pasar Terong can be managed like a modern business entity oriented towards customer satisfaction and trader welfare.

- **Merchant Empowerment and Service Innovation:** The competitiveness of traditional markets is largely determined by the capacity of its traders. Therefore, a crucial strategy is trader empowerment. Business skills training programs need to be intensified, such as simple financial management training, marketing strategies, product quality improvement (packaging, storage), and the use of social media for promotion. Dewi & Anggraeni's (2020) study shows that business management training for traditional market traders can increase their income by up to 15% post-training. In addition to training, the formation of market cooperatives can be initiated to strengthen the network of traders in terms of capital and procurement of goods. Cooperatives can provide soft loans to small traders and purchase goods directly from large wholesalers to distribute to members at lower prices. Programs to facilitate access to capital are also important - for example, cooperation with local banks to distribute People's Business Credit (KUR) specifically for market traders. The Office of Cooperatives/UMKM can collect data on Pasar Terong traders who are eligible for KUR and ensure assistance in the process. On the other hand, service innovations in the market can be made to improve the consumer shopping experience: For example, providing delivery services or online shopping through market couriers, arranging more attractive merchandise displays (with the help of merchant associations), and special events (such as cheap bazaars, market festivals) that can attract visitors. In essence, traders must be involved as subjects of change, not passive objects. With empowerment, traders will be better prepared to compete and adapt to the demands of modern markets.
- **Strengthening Collaboration and Institutionalization:** The last strategy is to build a collaboration mechanism among stakeholders in a sustainable manner. The city government needs to establish a Market Management Forum consisting of representatives of related agencies (Trade, MSME, Hygiene, Satpol PP), PD Pasar, traders' representatives, local community leaders, and may involve academics/experts. This forum serves as a forum for communication, program coordination, as well as monitoring and evaluation of market performance. Through the forum, every new policy can be discussed together since planning, thus reducing miscommunication and resistance. In addition, collaboration with the private sector can also be improved: for example, establishing CSR partnerships with companies for market area adoption (facility improvement) or market MSME coaching programs. The central and provincial governments can also be invited to collaborate, for example utilizing the Ministry of Trade's People's Market Transformation program for Pasar Terong. Institutionally, it is recommended that PD Pasar Makassar Raya be given more autonomy and support in market management, with clear performance targets. Providing incentives/subsidies from the APBD to cover vital market operational costs (cleaning, security) can be considered so that service quality is maintained without burdening traders. With close

collaboration and strong institutional support, efforts to revitalize Terong Market management will be more focused and sustainable.

- The strategies above have basically touched the physical, digital, human resources, and institutional aspects holistically. The implementation of some strategies has indeed been initiated by the Makassar Trade Office, such as SWOT analysis and the formulation of the Terong Market revitalization program which includes infrastructure revitalization, trader training, digitalization of retribution, and the establishment of a communication forum. However, the research findings emphasize that participatory and integrated approaches should be key in the implementation of these strategies. Without active participation of traders and integration across sectors, the effectiveness of strategy implementation will be low. Therefore, a change in management paradigm is absolutely necessary.
- Interestingly, this research offers a reconstruction of the POAC paradigm in the context of traditional markets. The actuating function, which is usually interpreted as mobilizing by managers, is changed into a mediating role, where the market manager acts as a mediator/facilitator between traders, buyers, and the government. This means that the manager focuses on mediating interests (e.g. mediating trader conflicts, absorbing aspirations to be conveyed to the agency, etc.) rather than just giving top-down instructions. Meanwhile, the controlling function is reformulated into participatory control, where monitoring and evaluation involves the participation of traders and customers (e.g. through satisfaction surveys, suggestion boxes, monthly forums) instead of mere bureaucratic control. This retooling of POAC is believed to produce a more adaptive and inclusive market governance model. In the new model, planning is still done by the government but based on market community input; organizing involves a network of partnerships; mediating (formerly actuating) ensures sustainability of actions through intensive communication; and participatory controlling maintains mutual accountability. This model is in line with the spirit of New Public Governance which encourages co-production of public services between the government and the community. The implementation of this model in Pasar Terong is expected to increase transparency, accountability, and empowerment of the market community in the long run.

Conclusion

Terong Traditional Market in Makassar faces persistent challenges, including poor infrastructure, weak management, limited digital integration, and low trader participation, which reduce its competitiveness. This study highlights four governance success factors—integrated strategic policy, transparent budget management, digital adoption, and stakeholder collaboration—and proposes practical strategies such as infrastructure revitalization, digital system implementation, management reform, trader empowerment, and participatory governance. To sustain improvements, the Makassar City Government should prioritize traditional market reform within its economic development agenda, ensuring continuous stakeholder involvement and public education campaigns to promote clean and competitive markets. Future research should explore scalable models of

participatory governance in traditional markets, evaluate digital service adoption impacts, and examine cross-sector collaboration frameworks, offering insights for broader applications in urban public sector innovation.

References

- Alawi, M., & Supriyanto, D. (2019). Implementation of Retribution Digitalization in Traditional Markets in Indonesia. *Journal of Public Administration*, 12(2), 134-145.
- Ansell, C., & Gash, A. (2008). Collaborative governance in theory and practice. *Journal of Public Administration Research and Theory*, 18(4), 543-571. <https://doi.org/10.1093/jopart/mum032>
- Anwar, S., & Hasanah, U. (2020). The Effect of Trader Participation on the Effectiveness of Traditional Market Management. *Journal of Management and Business*, 9(1), 56-66.
- Basri, H., Kurniawan, M., & Syamsul, A. (2022). Revitalisasi pasar tradisional dalam menghadapi persaingan pasar modern. *Jurnal Ekonomi dan Bisnis Nusantara*, 5(1), 45-57.
- Damanik, E. T., & Sari, P. (2019). Collaboration between Stakeholders in Traditional Market Management. *Journal of Business Administration*, 6(1), 12-21.
- Denhardt, J. V., & Denhardt, R. B. (2003). *The New Public Service: Serving, Not Steering*. Armonk, NY: M.E. Sharpe.
- Dewi, R. K., & Anggraeni, D. (2020). Empowerment of Traditional Market Traders through Business Management Training. *Journal of Community Empowerment*, 5(2), 75-85.
- Emerson, K., & Nabatchi, T. (2015). *Collaborative governance regimes*. Georgetown University Press.
- Firdaus, M., & Wibowo, A. (2021). Strategi digitalisasi dalam pengelolaan pasar tradisional di Indonesia. *Jurnal Manajemen Pembangunan Daerah*, 3(2), 112-124.
- Fitriana, D., & Nugroho, R. (2022). Good governance dan partisipasi pedagang dalam pengembangan pasar rakyat. *Jurnal Ilmu Administrasi Negara*, 10(1), 23-33.
- Junaidi, D., Ardiansyah, R., & Nuraini, S. (2023). Digitalisasi layanan publik pada unit pasar daerah: Studi di Kota Palembang. *Jurnal Transformasi Pemerintahan*, 8(2), 77-88.
- Haider, R., Baros, S., Wasa, Y., Romvary, J., Uchida, K., & Annaswamy, A. M. (2020). Toward a Retail Market for Distribution Grids. *IEEE Transactions on Smart Grid*, 11(6), 4891-4905. <https://doi.org/10.1109/TSG.2020.2996565>
- Hidayat, R., & Setiawan, B. (2021). Traditional Market Governance in Surabaya City: A Case Study of Genteng Market. *Journal of Public Management*, 8(1), 60-72.
- Jae, K. M. (2024). Exploring Role Of Perceived Benefit And Brand Awareness On Purchase Intention Of Korean Electronic Products. *Journal of Current Research in Business and Economics*, 3(1), Article 1.
- Kementerian Perdagangan RI. (2021). *Pedoman Pengelolaan Pasar Rakyat*. Jakarta: Direktorat Jenderal Perdagangan Dalam Negeri.
- Kooiman, J. (2003). *Governing as governance*. SAGE Publications.
- Osborne, S. P. (2010). *The new public governance? Emerging perspectives on the theory and practice of public governance*. Routledge.
- Miles, M. B., Huberman, A. M., & Saldana, J. (2014). *Qualitative Data Analysis: A Methods Sourcebook* (3rd ed.). Thousand Oaks, CA: SAGE Publications.

- Prawira, N. A., & Teh, S. W. (2022). Tipologi Baru Pasar Tradisional Serpong. *Jurnal Sains, Teknologi, Urban, Perancangan, Arsitektur (Stupa)*, 4(1), Article 1. <https://doi.org/10.24912/stupa.v4i1.16924>
- Pribadi, U. (2021). Bureaucratic Reform, Public Service Performance, And Citizens' Satisfaction: The Case Of Yogyakarta, Indonesia. *Public Policy and Administration*, 20(2). <https://doi.org/10.13165/VPA-21-20-2-13>
- Purwanto, H., Sidanti, H., & Kadi, D. C. A. (2021). Traditional Market Transformation Into Digital Market (Indonesian Traditional Market Research Library). *International Journal of Science, Technology & Management*, 2(6), Article 6. <https://doi.org/10.46729/ijstm.v2i6.384>
- Sekaringsih, R. B., Wijayanti, D. M., Muhfiatun, M., & Awaliyah, D. F. (2023). Improving Community Economy By Revitalization Of Traditional Market. *Abdi Dosen : Jurnal Pengabdian Pada Masyarakat*, 7(1), Article 1. <https://doi.org/10.32832/abdidos.v7i1.1546>
- Sofia, A., Purnomo, B. S., & Apandi, R. N. N. (2022). What are an Effective and Efficient Organizational Structure and Job Description for Traditional Markets? *Phenomenologica Studies. The International Journal of Business Review (The Jobs Review)*, 5(1). <https://doi.org/10.17509/tjr.v4i2.41082>
- Sørensen, E., & Torfing, J. (2021). *Interactive governance for wicked problems: Problems, governance strategies, and reflections*. Oxford University Press.
- Wibawa, S., Firdaus, R. S. M., Indroyono, P., Dumairy, & Savitri, L. A. (2024). Preserving Traditional Market in Indonesia Based on the New Public Governance Perspective. *International Journal of Asian Business and Information Management (IJABIM)*, 15(1), 1–1
- Yuni, I. D., Lubis, F. A., & Arif, M. (2024). Analisis Potensi Pasar Tradisional Dalam Persaingan Di Era Digital Kabupaten Asahan. *Ganaya : Jurnal Ilmu Sosial Dan Humaniora*, 7(3). <https://doi.org/10.37329/ganaya.v7i3.3339>