

Conference Paper

Developing Regional Market Based on Local Commodity: (Case Study on Regional Market in Pasuruan Regency)

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Abstract

The term of "folk market" is used to indicate where local trade takes place, thus containing indigenous traits that have been going on for a very long time. Focal point of the folk market can be observed from its influence on the fulfillment of the livelihood of small communities. That is why the folk market can be a pillar of people's economy. The purpose of this study is to formulate the strategy of development of Regional Market in Pasuruan to improve the economy of the community.

The result of internal factor analysis hence can be known that some factor become strength and weakness of traditional market in Pasuruan regency. The most prominent strength factor is that all markets sampled in this study lie in a strategic location. This means that the community is quite easy to reach the market location, because it is attached to public transportation. In addition, the market location is not located in areas prone to disasters, such as floods or landslides. As for the most prominent weakness factors, the existence of inadequate sanitation. The regional government of Pasuruan Regency needs to revitalize the traditional market, which is the improvement (renovation) of the physical building of the market and is accompanied by institutional building such as developing organizational development of traditional market managers and builders, including the development of market management system along with human resources (SDM) involved and market traders..To improve the marketing of local products of Pasuruan regency, it can be done through: providing adequate parking and loading facilities, provide special agricultural storage facilities, improve hygiene, because superior local agricultural products with premium quality requires post-harvest handling and good storage techniques, building adequate mechanical electric facilities and enabling market participants to operate cooling machines to maintain product quality, organize superior product displays to make them more attractive, complete facilities, promotion of informative products, enhancing the ability of market participants to understand the principles of service-oriented consumer satisfaction.

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1. INTRODUCTION

Regional market is meant to be a traditional market which according to Permendagri No. 37 / M-DAG / PER / 5/2017 which now turns into Folk Market is a certain area where buyers and sellers meet, either directly or indirectly with the process of buying and selling various types of consumer goods Through bargaining which is also a market built and managed by the Regional Government of the Regency or City in Indonesia. The term "folk market" is used to indicate where local trade takes place, thus containing indigenous traits that have been going on for a very long time. Focal point of the Folk Market can be observed from its influence on the fulfillment of the livelihood of small communities. That is why the folk market becomes a pillar of people's economy.

One of the advantages of the Folk Market compared to modern retail is the warmth of interaction in the transaction process. Consumers get a warm, intimate and humanist direct service from merchants in an exciting bargain process. In traditional market stalls, such fragments are beautifully presented in the sincerity of the soul and the nuances of a strong brotherhood. Most of the economic actors in the Folk Market are Small and Medium Micro Enterprises (MSMEs). The existence of SME in supporting the national economy has been proven. This fact implicitly represents how the market people have great potential as an agent of change, especially the empowerment of society.

Pasuruan regency administratively consists of 24 districts. It has 7 rivers that flows along its territory, Pasuruan is very conducive to the agricultural area of food crops. No wonder Pasuruan Regency has quite a lot of excellent commodities. Pasuruan is known as a rice production center. In addition to rice, potato commodity is also one of the leading horticulture of Pasuruan Regency. The varieties are Granola, Granola Kembang, Atlantic and others. Another type of vegetable that is dominant in Pasuruan is Cabbage.

Pasuruan Regency also has floriculture commodities such as Chrysanthemum Flower and Sedap Malam. Horticulture of fruits that are seeded in Pasuruan Regency are Mango and Durian Fruits. In addition, the superior commodity of Pasuruan Regency planted with agroforestry system is coffee. Pasuruan regency currently also has a large number of home industries that are starting to appear offering a variety of excellent products. One of these home industry is the industry of handicraft embroidery thread and wood craft industry. Formation of the business sector in Pasuruan Regency both the agricultural and industrial sectors is the potential inflow for trading activities through the Regional Market. If the supply side in all these sectors can be traded in

the Regional Market, it can be imagined how large the value chain can be created. Pasuruan Regency has many Regional Markets. Fourteen of them are potential market of Bangil, Gempol Market, Pandaan Market, Grati Market, Warungdowo Market, Wonorejo Market, Purwosari Market, Sukorejo Market, Pasrepan Market, Nguling Market, Ngempit Market, Prigen Market, Gondangwetan Market, Winongan Market. In addition to the Pasar Daerah, there are also potential village markets, namely Wonosari Village - Tukur, Trewung - Grati, Kejaman - Gempol, Ngopak - Grati, Beji Market, These markets sell a variety of agricultural commodities, animal husbandry, fishery and processed products. Not to forget, the industrial products both large industries and home-based creative industries also traded.

The initial identification of this study begins with the observation of the reality that in the long run will be less profitable for Pasuruan. First, the Pasuruan agrokompleks product is mostly not marketed in Pasuruan itself but more brought out of Pasuruan area through merchant collectors. Local excellent products such as mango Klon 21 has been hunted by middlemen even long before the harvest time. Similarly, fishery products, fisheries and industry. The result of this phenomena is that Pasuruan mango is better known as Probolinggo mango, Apple Nongko Jajar already has a market chain in Malang, Batu and surrounding areas.

The superior local product of Pasuruan Regency has not been able to become a regional market characteristic. This is of course very unfortunate. In order for local products to be masters in Pasuruan District Market need to be improved quality of service and management of market management. The objective of efforts to improve the quality of services and market governance is so that the performance of the Regional Market or traditional markets can at least offset the competition with the increasingly sharp modern retail. In order to develop the Folk Market, in fact the Government already has a legal umbrella as stipulated in Presidential Regulation No. 112 of 2007 on Structuring and Fostering of Traditional Markets, Shopping Centers and Modern Stores. The regulation states that the Government and the Regional Government, either individually or jointly in accordance with their respective duties, undertake the arrangement, guidance and supervision of traditional markets. Fundamentally, this regulation serves as a preliminary guide to various traditional market restructuring and revitalization programs in a number of ministries and non-ministries. In Pasuruan Regency itself, there is also a legal umbrella that can be used namely Pasuruan District Regulation No. 11 of 2013 on the Restoration of Market Services.

The current challenge is how to build and develop Folk Market to have a modern management but based on local wisdom owned by the local community. The development of the local wisdom-based folk market will take into account how to provide the comfort of the Folk Market visitors with a variety of unique and quality local products.

2. Research Purposes

1. To identify the existing condition of 14 Regional Markets and 5 Village Markets in Pasuruan Regency, including physical, economic, socio-cultural dimension, human resources (manager) and institutional (paguyuban merchant) and implementation of market management (governance).
2. Describing the local potential that can be developed in the Regional Market in Pasuruan Regency covering the potential of agro-complex sector (agriculture, plantation, livestock, fishery, agro-industry) and UMKM / Koperasi products.
3. Analyzing the characteristics and determinants of the development of local product marketing activities in the Pasuruan Regency Market
4. Describing the quality of potential local products Kabupten Pasuruan and solutions to improve the quality and competitiveness of local products Pasuruan
5. Describing the enhancement of regional market access solutions to improve the marketing of local products in Pasuruan District.
6. Identifying problems and obstacles faced in the management of Regional Market in Pasuruan Regency.
7. Developing a formulation of regional market development strategy in Pasuruan to improve the economy of the community. The formulation of this strategy is structured in a map format of market potentials based on commodity distribution flow and accessibility of both road and transportation modes.
8. Formulation of regional market development strategy based on the potential map in 7 points at the same time will be complemented with recommendation of revitalizing the development of Regional Market and Village Market based on priority scale.

3. Methodology

Based on the objectives, this type of research on local commodity based market development in Pasuruan Regency is a field research and using Quantitative Descriptive approach.

The research was conducted in 14 Regional Markets located in Pasuruan Regency Administration are Bangil Market, Gempol Market, Pandaan Market, Grati Market, Warungdowo Market, Wonorejo Market, Purwosari Market, Sukorejo Market, Pasrepan Market, Nguling Market, Pasar Ngempit, Prigen Market, Pasar Gondangwetan, and Winongan Market. In addition to the 14 Regional Markets as mentioned above, the research object also includes 5 Village Markets namely Beji Market, Wonosari-Tutur Market, Trewung-Grati Market, Kajapanan-Gempol Market, and Ngopak-Grati Market.

Data collection method in this research using 3 (three) kinds of technique that is literature study, field observation and Interview, and Forum Group Discussion (FGD). While the subjects of this study include the informants of the buyers, traders, people from the Government of Pasuruan District, Department of Industry and Commerce, Fisheries Department, Livestock Service Office, Agriculture Department, and Market Unit

Local Market Development Research Based on Local Commodities is using SWOT analysis method. SWOT analysis method is to identify various factors between Strength and Opportunities, Weakness and Threats / Treats systematically to formulate strategy.

4. Results

Determinants Factors for Local Product Development in Local Market

The local product of Pasuruan Regency is a totality of agrocomplex commodity-based products covering agricultural products, both food crops and horticulture, plantation crops, livestock, fisheries and agro-industries. The local food products of Pasuruan Regency that stand out are rice, corn and soybeans. Pasuruan regency excludes rice producing centers in East Java although there are 11 districts producing rice. Most of the rice commodities are marketed for local needs within Pasuruan itself. In addition, rice is also marketed in the area around Pasuruan that is Malang and Probolinggo. Local product of second food crop is corn. Pasuruan is also not the corn producing center in East Java province. Similarly, soybean commodity, Pasuruan Regency has 7

sub-districts producing soybean, yet soybean is not the main commodity of Pasuruan Regency.

In general, the superior local product of Pasuruan Regency is horticultural product. There are three types of superior horticulture Pasuruan fruits that is mango, durian and apple. While for vegetable horticulture Pasuruan has potatoes, cabbage, carrots and peppers. The main floriculture of Pasuruan Regency is the flower of the night Rara Anteng and Chrysanthemum.

The leading local agricultural product of Pasuruan Regency mango Gadung klon 21 has unique characteristics. This mango in kilo consists of only 2 mangoes. It feels supeer sweet and edible to peel the fruit flesh of the seeds make this mango is never short of enthusiasts. Mango Klon 21 are directly marketed from harvest with contract production contracting system. Wholesalers and distributors to obtain these mangoes have made purchases in bulk even before the mango harvested. So from farmers or farmer groups, mango gadung klon 21 products move to the middlemen and distributors who then market to the next market chain to consumers.

Durian even so. As known, East Java Province is the largest contributor of national durian (14.95%), while Pasuruan Regency supplies 53.47% of East Java production. The increase in durian prices over time indicates a high consumer preference for durian fruit. Mango and durian are local products of Pasuruan, some of which are still marketed locally through the mango and durian festival held by Pasuruan Regency Government according to the season in Cheng Hoo tourism market. The rest of this product is marketed outside Pasuruan because the market segment for premium products of these two commodities are in big cities.

Apple Nongkojajar is a favorite consumer tropical apple. This apple especially the type of Room Beauty, Anna and Manalagi became the main appeal of apple marketing packed with apple tour model of apple. In addition to apple picking tours, Pasuruan Regency Government also held an apple festival event. Nowadays agro-tourism has become the best practice sales of premium quality premium products. Market segments targeted as marketing targets are obvious because the product position has been steady both in terms of quality and continuity of supply quantities. Both mango, durian and apple Pasuruan have not become commodities in the folk markets.

The results of the study indicate that the customer segment served by the leading commodity market chain consists of several categories, including local, regional and national end consumers as well as consumers from the retail industry who subsequently undertake a number of marketing functions such as quality standardization,

labeling and packaging until the product gets to End consumers. The description of marketing area, production rating and contribution of market share of the local superior product of Pasuruan Regency are presented in the following table.

TABLE 1: Table of superior local product in Pasuruan Regency and its Marketing areas.

No	superior local product	Marketing Area	Production Rank	Estimated contribution
1	Mango	Pasuruan, Surabaya, Malang, Sidoarjo, Jakarta, Bali	1 st rank in East Java and Indonesia	36,25% of national mango harvest
2	Durian	Pasuruan, Surabaya, Malang	1 st rank in East Java and Indonesia	53,47% of total durian production in East Java
3	Apple	Batu, Malang, Surabaya, Bandung, Jakarta	1 st rank in East Java and Indonesia	Approximately 40-60% of apple production in Easy Java
4	Potato	Malang, Surabaya, Bandung, Jakarta, Sidoarjo, Semarang	1 st rank in East Java	
5	Cabbage	Malang, Surabaya, Sidoarjo	1 st rank in East Java	27,55% production of East Java
6	Sedap Malam	Malang, Surabaya, Bali, Bandung, Jakarta	1 st rank in Indonesia	
7	Chrysanthemum	Pasuruan, Malang, Surabaya, Jakarta, Bandung, Bali	1 st rank in East Java	56,90% production of East Java

5. The Quality of Potential Superior Product in Pasuruan Regency

Product quality is the overall ability of the attributes of a product or service to satisfy the needs of both the expressed and the implied consumer. In other words, a quality product is indicated by the product’s ability to meet or exceed customer expectations. Good product quality performance indicators can also be observed on repeated purchases of those products. Based on these two indicators, it seems that the potential local agro complex products of Pasuruan Regency are mango, durian, apple, potato, cabbage, Sedap Malam and chrysanthemum are products with good quality performance.

Product quality plays an important role to win the competition. David A. Garvin develops a quality product formulation in the following eight dimensions: Performance or performance, a quality dimension related to the main characteristics of the product, Features or features, refers to the supporting or auxiliary characteristics of the main

characteristics of the product, reliability, related to the possibility of a product can work satisfactorily at certain times and conditions, conformity, this dimension refers to the suitability of performance and product quality to the desired standard. Basically, each product has a predetermined standard or specification, durability, this dimension relates to the robustness of a product as measured by the lifespan or durability of a product, Service ability, ease of service associated with ease of handling product damage, Aesthetics or beauty, quality dimensions This is very closely related to the appearance, taste and aroma of a product and perceived quality, the impression of the quality of a product is a dimension related to consumer perceptions of product or brand quality. Prices on certain conditions can also be perceived quality elements.

Dimension of quality of local product agrokompleks Pasuruan as generally agricultural product, built since the process of cultivation, harvesting, handling and processing of crops. Most of the producer farmer groups that have been tied up in production contracts with distributors already accommodate the dimensions of product quality in accordance with the buyer's demand and adopt the relevant SNI.

Durian for example to meet the dimensions of conformity (conformance) has a standard SNI 01-4482-1998 as a reference. Nine points of SNI quality standard for this durian at once have included dimensions 1,2,3,5 and 7. Conditions of absence of damage and disability both in quality of 1.2 and 3 for durian are intended to meet product performance dimensions. The taste and aroma of durian Pasuruan offering diversity has fulfilled the feature and aesthetic dimensions. The hardness of the flesh and the hardness of the fruit becomes a guarantee of quality for the durability dimension. The hard outer skin keeps the soft durian flesh. Long durian durian is strongly influenced by this element of quality. The dimension of reliability for durian of Pasuruan is represented from uniformity of size for each type of durian fruit variant sold with certain price segment. Usually expensive durian price is not a problem for the consumer, because the high durian price is a perceived quality dimension. The higher the durian price, the consumer perceives the better the quality.

6. Local Market Access Improvement Solutions

Solutions to the problems of regional market access to improve the marketing of local products Pasuruan District consist of: 1) provide adequate parking and loading facilities, 2) provide special agricultural storage facilities, 3) Improve hygiene, for superior local agricultural products with premium quality requires Post-harvest handling and good

storage techniques; 4) Establishing sufficient mechanical electric facilities and enable market participants to operate refrigeration engines to maintain product quality; 5) Arranging superior product displays to be more attractive; 6) Complete informative product promotion facilities 7) Enhance the ability of market participants to understand the principles of service-oriented consumer satisfaction, 8) Implement a system of calibration or evaluation periodically as one element of the implementation of the dimension of reliability or reliability of transactions, and 9) The key of increasing Market Regional access to marketing prod Local uk local Pasuruan Regency is increasing the transaction capacity and the number of visitors. The more crowded and the higher the number of visitors to the Regional Market, especially if visitors come from other regions, not only the community around the area will be more open opportunities to market premium quality products, including fruit icon of Pasuruan.

7. SWOT Analysis of Regional Market Development

Based on the map of market health condition in Pasuruan regency as described above, the following is analyzed market development strategy through SWOT analysis. Analysis begins with identifying internal and external factors which will be given weight, rating and score. The results of the analysis will result in SWOT matrix coordinates reflecting the regional market development strategy in Pasuruan district.

Here are the results of internal and external factor analysis.

Based on the results of internal factor analysis as mentioned in the table above, it can be seen some factors that become strength and weakness of traditional market in Pasuruan regency. The most prominent strength factor is that all markets sampled in this study lie in a strategic location. This means that the community is quite easy to reach the market location, because it is attached to public transportation. In addition, the market location is not located in areas prone to disasters, such as floods or landslides. One thing to note on this strength factor is the possession of local commodity products that become the mainstay of East Java and even Indonesia mango and durian. Both of these fruit products by mango farmers are sold directly outside Pasuruan and not through traditional market channels. Such a market mechanism is reasonable, because demand for mango and durian more in demand by people outside of Pasuruan.

As for the most prominent weakness factors, the existence of inadequate sanitation (drainage is not functioning properly, bathroom and toilet conditions, clean water not all available, market disinfection has not been done, not free from vector / infectious

TABLE 2: Internal Factor Analysis (IFAS).

No	Intern Factor	Weight	Rating	Score
A	Strength			
1.	Quite strategic market location, does not located in disaster area	0.15	4	0.60
2.	All markets have their or market management	0.10	4	0.40
3.	The existence of rule in guiding traditional market empowerment	0.10	4	0.40
4.	The numerous of market has potential in running the economics activity locally.	0.10	4	0.40
5.	All markets have big number of potential customers	0.05	3	0.15
6.	Mango and Durian have become the main superior products in Pasuruan Regency	0.10	3	0.30
	Sub total	0.60		2.25
B	Weakness			
1.	The large number of markets has not been supported with adequate building conditions (construction, area arrangement not yet appropriate wet and dry commodities, live poultry and cutting)	0.05	1	0.05
2.	Sanitation is inadequate (drainage is not functioning properly, bathroom and toilet conditions, clean water not all available, market disinfection has not been done, not free from vector / infectious disease stars like flies, cockroaches, rats)	0.10	1	0.10
2.	Not yet available security facilities such as hydrant water for fire extinguishers with sufficient quantities	0.05	1	0.05
3.	Attitudes and behavior of merchants are less support the creation of a clean and healthy environment	0.05	2	0.10
4.	Not yet have information center which become communication media of local government with market trader. Eg for socialization PHBS (Clean and Healthy Lifestyle)	0.07	2	0.14
5.	Not all markets have worship facilities to increase the devotion of merchants to Allah SWT	0.03	2	0.06
6.	The number of employees managing the market is relatively small, each market has an average of only 2 people	0.02	2	0.04
7.	Most marketed products in Pasuruan market are from outside pasusuan	0.03	1	0.03
	Sub total	0.40		0.57
	Total	1		1.68

disease star like flies, cockroaches, rats). Conditions that do not work well drainage can not be separated with the attitude of traders who throw garbage carelessly. Ownership

of the information center is urgent to do to convey important information from the local government as well as a medium to educate the attitude of traders and market visitors. Separation of wet and dry waste will support the realization of cleanliness and minimize the emergence of infectious animals such as flies and rats. Market disinfection needs to be done periodically to eradicate animal transmitters. For that required cooperation with the local health department.

In addition to internal factors, also conducted an analysis of external factors. More can be seen in the following table.

TABLE 3: External Factor Analysis (EFAS).

No	Intern Factors	Weight	Rating	Score
A	Opportunity			
1.	Local governments have an opportunity to increase revenues from tax and lease stalls	0.30	4	1.20
2.	The number of agricultural products has the potential to attract investors to invest in Pasuruan regency	0.15	3	0.45
3.	Efforts to empower SMEs that produce processed products can cope with abundant crops	0.10	3	0.30
4.	The establishment of distribution channels such as agents, suppliers, retailers, and others can potentially absorb labor to tackle unemployment	0.05	3	0.15
	Sub total	0.60		2.10
B	Threats			
1.	If the condition of the building and sanitation is not immediately repaired, then potentially a source of disease	0.15	1	0.15
2.	Attitude of traders who do not support the creation of a clean and healthy environment also has the potential to cause illness	0.15	1	0.15
3.	The knowledge and skills of traders need to be improved so as not to be outdone by the modern market	0.05	2	0.10
4.	The adoption of modern market regulations needs to be enforced to protect traditional markets	0.05	1	0.05
	Sub total	0.40		0.45
	Total	1		1.65

Based on the results of external analysis, it can be seen the existence of several factors into opportunities and at the same time become a threat for the existence of traditional markets in Pasuruan district. Among the components of the opportunity factor, the most prominent is the opportunity of local governments to increase local revenue (PAD) from tax and lease kiosks. If the government provides a decent kiosk

for traders, it is actually an investment that will generate income for the long term. In addition, local governments also get input from the tax sector, both sales tax and vehicle parking.

In addition, the potential of agricultural products in the form of mangoes and durians are very large to be a special attraction for investors. It is not impossible investors will establish a manufactur company that produces processed products from fruits that are abundant in Pasuruan district to have added value for the consumers.

The most prominent threats are the condition of the building, sanitation and attitude of the traders. These three factors are interrelated, because the condition of the building and good sanitation without accompanied by changes in the attitude of a good trader, it will not work. Therefore, the addition of market facilities such as desks, lighting, bins, toilets, sanitation, etc. should consider the maintenance factor and changes in the attitude of traders.

After the IFAS and EFAS analysis, the next step is to create a SWOT matrix that is a combination of the components of strengths, weaknesses, opportunities and threats. For more details can be seen in the following diagram:

IFAS	STRENGTH	WEAKNESSES
EFAS	(Score IFAS > 2)	(Score IFAS ≤ 2)
OPPORTUNITY (Score EFAS > 2)	Strategy S - O	Strategy W - O
THREATS (Score EFAS ≤ 2)	Strategy S - T	Strategy W - T

Figure 1: SWOT Matrix

Based on the results of IFAS and EFAS analysis as shown in Tables 1 and 2 above, it can be seen that the IFAS score is 1.68, while the EFAS score is 1.65. Thus, the appropriate regional market development strategy for Pasuruan is to use quadrant 4, which is W - T (Weakness - Threats) strategy. This means that to develop regional markets can be done by minimizing the weakness factor in order to avoid the existence of various threats. Here is the development of regional markets in Pasuruan-based W-T (Weakness - Threats) strategy.

Based on the information in Table 3 above, it can be seen that some changes need to be done by the Regional Government of Pasuruan Regency to lead to the formation of a healthy regional market. The recommended strategy to make the changes is through the W - T (Weakness - Threats) strategy means that efforts to develop regional markets in Pasuruan district can be done by minimizing the weakness factor in order

TABLE 4: W - T Strategy for Regional Market Development in Pasuruan Regency.

No	Weakness	Risk Threat & Development Strategy
1.	The large number of markets has not been supported with adequate building conditions (construction, not appropriate area arrangement, wet and dry commodities, poultry and cutting)	To reduce the risk of disease outbreaks in the market environment, it is necessary to improve market buildings and structuring commodity areas
2.	Sanitation is inadequate (drainage is not functioning properly, bathroom and toilet conditions, clean water not all available, market disinfection has not been done, not free from vector / animal transmitting diseases such as flies, cockroaches, rats)	To reduce the risk of transmitting infectious diseases such as rodents, cockroaches, flies it is necessary to improve drainage, separation of male and female toilets, the provision of clean running water and disinfection at least once a year.
3.	Not yet available security facilities such as hydrant water for fire extinguishers with sufficient quantities	To prevent the risk of fire, it is necessary to provide adequate hydrant facilities
4.	Attitudes and behavior of merchants less support the creation of a clean and healthy environment	To prevent the risk of the emergence of various diseases and other health problems, it is necessary efforts to socialize clean and healthy lifestyle through the information center provided by market managers.
5.	Not yet have information center which become communication media of local government with market trader. Eg for socialization PHBS (Clean and Healthy Lifestyle)	To facilitate the delivery of information on PHBS, taxes, hygiene, and other information from LGs, it is necessary to seek loudspeakers for the media for the socialization of government programs.
6.	Not all markets have worship facilities to increase the devotion of merchants to God Almighty	In order to increase the taqwa of traders to the God Almighty, it is necessary to plan the construction of mosque

to avoid the existence of various threats. The threats referred to in the table are in the form of risks related to the health, safety and convenience of traders and market visitors. For example, the repair function of sanitation is not working properly. Behavior of traders who throw garbage carelessly will affect the mampetnya sanitation. Wet wastes produced by cleaning fish and poultry (chicken, duck, birds) will bring in flies and unpleasant smells. If this is left for days it will be a source of disease, in terms of the market is a gathering place for many people. So in addition to efforts to improve sanitation function, also needed efforts PHBS socialization to change attitudes and behavior (attitude) of traders. One more thing that is not less important with the improvement of market health is to conduct periodic disinfection. Therefore, it is necessary to cooperate with local health office to realize the activity.

8. Regional Market Development Strategy of Pasuruan Regency

The fact shows that the existence of traditional markets can not be utilized synergistically by the managers and traders of traditional markets. The weakening of the appreciation and pride of the community towards traditional items has begun to appear with the shift in shopping trends between different segments, from conventionally managed traditional markets to professionally managed modern markets. In fact, the unique traditional market attraction as part of a tourism object supported by local culture, can actually be seen as a promising opportunity as long as able to work on it synergistically all the potential possessed and in turn can improve the welfare of the community.

The development of traditional markets wisely by not leaving local wisdom, actually the more strategic position in strengthening the economy because it can create a field of business and employment by involving the livelihood of surrounding communities more. The field study shows that almost 60 percent of Pasuruan Regency still rely on traditional markets, where the number of middle to lower class workers is absorbed quite a lot. Thus, if the market is not empowered or revitalized and left to die due to the presence of modern markets and hypermarkets, it is certain that the potential for unemployment will continue to grow and in turn will impose the government.

If not immediately anticipated, various weaknesses that still exist today could have caused an increasingly uneven competition between the shopping centers of traditional markets and modern markets. In fact, when there is a change in people's behavior with a weakening of appreciation and pride in traditional markets, it may indirectly lead to structured impoverishment. Among the various weaknesses that exist are:

1. Weak market management including in formulating vision and mission. Still quite a lot of traditional market management does not even have a vision and mission, whereas every organization needs to have a vision and mission so that the organization has a clear direction in its operations towards the goal to be achieved. As Bart et al, 2001, once noted, says that the mission statement of an organization is the starting point of a major strategic planning initiative. In addition, an appropriate mission statement will have a positive effect on the achievement of organizational performance (Falsley, 1989); Maslen and Platts (1997); Kakbedse and Kakabadse (2001); Analoui and Karami (2002); And Bart

et al. (2001); And Darbi (2012). In addition to a low appreciation of the vision and mission statements.

2. Traditional market management also has a low understanding of the development of marketing systems, limited space in the narrow court, uncluttered merchandise, less clean environment, lack of waste deposit, and unavailability of market infrastructure facilities in form of ware house.
3. Low quality control of goods sold, can make the competitiveness to attract customers is very weak compared to the modern market.

However, behind the weakness is actually still there is a great power. Such strengths include:

1. The existence of traditional markets as part of traditional market tourism object
2. The offered price is cheaper
3. Freshness of traded products
4. Kinship between the seller and the buyer
5. Simplicity of payment process

Among the threats that exist, it turns out when more carefully considered there is a great hidden opportunity. This is where the necessary analysis of the environment both on the external and internal aspects. By analyzing the external and internal environment, traditional retail markets will certainly be able to formulate business strategy appropriately. The formulation of strategies based on external and internal environmental analysis was done by Ahmed and Almarri (2006), Evans and Wright (2009), Helms and Nixon (2010), and Antony (2012). With the formulation and implementation of the right business strategy will cause the existence of traditional markets will still exist in maintaining the stability of the regional economy, especially amid the proliferation of modern markets. In fact, if properly managed, this can create a specific uniqueness that can be an attraction, not only for regular buyers but also incidental buyers such as domestic tourists and foreign tourists, including inter island traders and even between countries based on local wisdom in an effort Winning competition in a hyper competitive global era. Therefore, it is necessary an innovative creative breakthrough through traditional market development strategies according to the needs of stakeholders in order to create competitive advantage, which in turn can improve the welfare of the community or alleviate poverty.

Basically, traditional markets can be managed with simple management whether it is the person or the technology. Human managers need to set the mechanism of recruitment. Management and financial management systems are made as clean as possible in order to always be monitored by traders and buyers. While the technology can simply use sufficient construction technology to provide building robustness, good sanitation, dry and non-slip floors, good air circulation, adequate lighting, and interstellar paths that allow shoppers to move from block to block. It needs to be added, and it is good to make a notice board containing a layout map of the blocks themselves.

Traditional markets can also manage billboards on the outside of their markets to promote a certain discounted price or a new product promoting. This promotion can be through a signing board or using loudspeaker technology. In the form of billboards, public service ads can be made about the importance of paying attention to commodities that meet health, nutrition and freshness standards by providing graphic socialization of such commodity features. In addition, many specific programs, either sourced from the village government or gapoktan to ride in the form of announcement or socialization through traditional markets. To increase the sense of ownership of legal entities of traditional markets need to be changed. Traditional markets are generally owned by local governments. Need to be encouraged for management by using a particular business model so that the market is also owned by traders in the market. The strategy is to form a merchant's cooperative, then traders are given shares in the management of the traditional market. This form of participatory business model will strengthen the sense of ownership of traders to improve the quality of the markets in which they trade. This business model will facilitate communication between local government and traders.

With such a business model, traders and local governments can jointly conduct selection for qualified market managers through elections. The proposed market manager is asked to present his program to advance the market in accordance with existing funds for the market. Managers are also required to conduct transparent financial reporting by providing a simple financial board that explains money in and out. Entrances can be earned from parking, billboards, fees, market merchants, non-profit agencies, recyclable waste sales, and APBD funds for market rehabilitation. While the money out is used for market care, wages for hygiene management, leaking roof problems, and other facility improvements. With a strong and clear relationship between the manager, the merchant, and the local government will enable the traditional market to advance.

9. Conclusions and recommendations

9.1. Conclusion

1. Excellent local agricultural product of Pasuruan Regency is Gadung mango Klon 21 which has unique characteristics. This mango in a kilo can consist of 2 mangoes. It feels legit and edible to peel the fruit flesh of the seeds make this mango is never short of enthusiasts. Mango Klon 21 are directly marketed from harvest with contract production contracting system. Wholesalers and distributors who obtain these mangoes have made purchases in bulk even before the mango harvested. Therefore, from farmers or farmer groups, mango gadung klon 21 products are collected by merchants and distributors who then market to the next market chain to consumers. Durian even so. As known, East Java Province is the largest contributor of national durian (14.95%), while Pasuruan Regency supplies 53.47% of East Java production. The increase in durian prices over time indicates a high consumer preference for durian fruit. Mango and durian are local products of Pasuruan, some of which are still marketed locally through the mango and durian festival held by Pasuruan Regency Government according to the season in Cheng Hoo tourism market. The rest of this product is marketed outside Pasuruan because the market segment for premium products of these two commodities are in big cities. Nongkojajar Apple is a favorite consumer tropical apple. This apple especially the type of Room Beauty, Anna and Manalagi became the main appeal of apple marketing packed with apple tour model of apple. In addition to apple picking tours, Pasuruan Regency Government also held an apple festival event. Nowadays agro-tourism has become the best practice sales of premium quality premium products. Market segments targeted as marketing targets are obvious because the product position has been steady both in terms of quality and continuity of supply quantities. Both mango, durian and apple Pasuruan have not become commodities in the folk markets.
2. The practice of marketing of agricultural products of this kind has become a common pattern. That is why the long market chain of agricultural products. The added value created along the supply chain node is also high. In turn, reaching the hands of the end consumer, marketing margins and price disparity between producer and consumer prices are quite large.

3. Result of internal factor analysis hence can be known some factor become strength and weakness of traditional market in Pasuruan regency. The most prominent strength factor is that all markets sampled in this study lie in a strategic location. This means that the community is quite easy to reach the market location, because it is attached to public transportation. In addition, the market location is not located in areas prone to disasters, such as floods or landslides. As for the most prominent weakness factors, the existence of inadequate sanitation (drainage is not functioning properly, bathroom and toilet conditions, clean water not all available, market disinfection has not been done, not free from vector / infectious disease star like flies, Cockroaches, rats). Conditions that do not work well drainage can not be separated with the attitude (attitude) of traders who throw garbage carelessly.

9.2. Suggestion

1. The local government of Pasuruan Regency needs to revitalize the traditional market, which is the improvement (renovation) of the physical building of the market and is accompanied by institutional building such as developing organizational development of traditional market managers and builders, including the development of market management system along with the source Human resources (HR) involved as well as market traders.
2. To improve the marketing of local products Pasuruan Regency include: provide adequate parking and loading facilities, provide special agricultural product storage facilities, improve hygiene, because superior local agricultural products with premium quality requires post-harvest handling and storage techniques are good, build Sufficient mechanical electric facilities and enable market operators to operate refrigeration engines to maintain product quality, organize superior product displays to be more attractive, complement informative product promotion facilities, enhance market participants' ability to understand customer service oriented service principles, implement calibration systems or Periodic evaluation of tera as one element of the implementation of the dimension of reliability or reliability of transactions The key of increasing the Regional Market access to the marketing of superior local product Pasuruan regency is to enlarge the capacity tra Nsaksi and number of visitors. The more crowded and the higher the number of visitors to the Regional Market, especially if visitors come from other regions, not only the

community around the area will be more open opportunities to market premium quality products, including the fruit icon Pasuruan.

3. Ownership of information centers is urgent to do to convey important information from the local government as well as a medium to educate the attitude of traders and market visitors. Separation of wet and dry waste will support the realization of cleanliness and minimize the emergence of infectious animals such as flies and rats. Market disinfection needs to be done periodically to eradicate animal transmitters. For that required cooperation with the local health department.
4. Opportunities, the most prominent is the opportunity of local government to increase local revenue (PAD) from tax and lease kiosk. If the government provides a decent kiosk for traders, it is actually an investment that will generate income for the long term. In addition, local governments also get input from the tax sector, both sales tax and parking vehicles. In addition, the potential of agricultural products in the form of mango fruit and a very large durian a special attraction for investors. It is not impossible investors will establish a manufactur company that produces processed products from fruits that are abundant in Pasuruan district to have added value for the consumers.