Influence of the Presence of Modern Market Lembang and Its Impact on Dynamics of Traditional Markets: A Perspective on Community Perceptions

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ABSTRACT

Modern markets in various regions often create challenges for traditional markets, including in the Lembang area. This study aims to examine the influence of Modern Market Lembang on the dynamics of traditional markets. Using a quantitative approach supported by a structured survey distributed to local residents and market participants, this study found that Modern Market Lembang exerts a moderate influence on the sustainability of traditional markets. Although modern markets are preferred for their convenience, product quality, standardized pricing, and attractive promotional strategies, traditional markets continue to hold significance within the community due to their warm social interactions, price flexibility, personalized service, and strong consumer loyalty. Furthermore, the research identifies key factors influencing consumer behavior shifts, including perceived value, accessibility, and cultural attachment to traditional shopping experiences. The findings suggest that rather than being purely competitive, modern and traditional markets have the potential to complement each other by offering diversified shopping experiences that cater to different consumer needs. Strategic initiatives such as service innovation, infrastructure improvement, and collaborative promotional efforts are critical for enhancing the competitiveness of traditional markets. In conclusion, strengthening the synergy between modern and traditional markets is essential for ensuring balanced market dynamics, preserving local cultural identity, and fostering sustainable economic growth in the Lembang region.

Keywords: Market; Modern Market; Traditional Market; Public Perception

INTRODUCTION

For the past 50 years or so, traditional markets in Indonesia have been the main location for people to fulfill their daily needs, especially in rural areas and small towns. Traditional markets are familiar places for consumers, as they offer direct interaction between producers (sellers) and consumers (buyers), negotiable prices, and the availability of local products (Muzdalifah, 2019). Pasar Beringharjo in Yogyakarta is an example of a traditional market that continues to exist amidst the development of modern markets, offering local products such as batik, spices, and agricultural products, allowing buyers and sellers to negotiate directly in a family atmosphere. However, in the last decade, infrastructure development and people's lifestyles have begun to change. Consumers now demand more convenience, cleanliness and ease of shopping, which traditional markets often lack. This change has led to the emergence of modern markets that offer cleaner environments, better facilities, and more quality-assured products.

In the midst of evolving market dynamics, the existence of modern markets has become one of the most important factors in shaping the economic landscape. The Ministry of Trade (MoT) revealed that there are currently 23,000 modern markets across Indonesia. "There are 23,000 modern markets and of that number as many as 14,000 more of them are minimarket business groups, while the rest are supermarkets," said Director General of Domestic Trade Ministry of Trade, Srie Agustina in Jakarta, Thursday (7/8/2014). The number has increased by 14 percent in the last three years (Yoga, 2016). Meanwhile, according to the Central Bureau of Statistics, traditional markets in Indonesia number 14,182 units and still dominate compared to modern stores of 1,131 units and shopping centers of 708 units (Databoks, 2019).

Table 1. Total Number of Markets in Indonesia by 2019

38 Provinces	Distribution of Markets and Trade Centers by Classification			
	Traditional Market	Shopping Center	Self-service Store	Total
	2019			
Aceh	478	7	12	497
North Sumatra	858	23	18	899
West Sumatra	491	12	30	533
Riau	690	17	36	743
Jambi	378	8	21	407
South Sumatra	833	13	17	863
Bengkulu	225	3	14	242
Lampung	639	11	37	687
Bangka Belitung Islands	78	4	30	112
Riau Island	70	15	55	140
DKI Jakarta	213	88	17	318
West Java	817	121	173	1.111
Central Java	1.910	56	193	2.159
DI Yogyakarta	357	14	87	458
East Java	2.249	79	119	2.447
Banten	213	37	30	280
Bali	415	21	24	460
West Nusa Tenggara	228	5	27	260
East Nusa Tenggara	528	4	37	569
West Kalimantan	219	8	35	262
Central Kalimantan	494	4	19	517
South Kalimantan	468	5	9	482
East Kalimantan	246	20	80	346
North Kalimantan	69	5	6	80

North Sulawesi	150	13	24	187
Central Sulawesi	429	6	13	448
South Sulawesi	768	20	23	811
Southeast Sulawesi	421	5	20	446
Gorontalo	129	5	11	145
West Sulawesi	184	1	11	196
Maluku	90	5	26	121
North Maluku	106	3	9	118
West Papua	73	3	2	78
Southwest Papua	-	-	-	-
Papua	141	9	14	164
South Papua	-	-	-	-
Central Papua	-	-	-	-
Papua Mountains	-	-	-	-
Indonesia	15.657	650	1.279	17.586

The role of modern markets in Indonesia is increasing day by day and is expected to eventually displace traditional markets. The presence of modern markets threatens the sustainability of traditional markets in Indonesia, especially in terms of decreasing turnover and consumer appeal. One of the biggest impacts is the reduction in the number of consumers visiting traditional markets. Modern markets provide more competitive prices, a greater variety of products, and higher convenience, making consumers shop less often in traditional markets.

Lembang, as one of the popular tourist attractions located in West Java, has also felt the impact of these changes. The opening of tourism access and the increasing purchasing power of local people and tourists create opportunities for modern markets. In September 2024, Modern Market Lembang was officially opened as a result of collaboration between the local government and local entrepreneurs that aims to provide a modern, clean and comfortable shopping place.

According to market manager Totoh Gunawan, Modern Market Lembang was established as a place for vegetable traders who are not accommodated in traditional markets. "There are about 400 stalls. The establishment of this vegetable center began with our concern. Earlier it was mentioned that agricultural land has been shifted by tourism. It's not like in the past when the harvest was abundant. Now it's only 10 to 20 kilograms, so they have trouble marketing. Therefore, we accommodate them here." Totoh said. With Modern Market Lembang, farmers and local traders get a new opportunity to market their products directly to consumers, eliminating dependence on middlemen. This direct marketing system is expected to increase farmers' income due to more competitive selling prices (Yusuf, 2024). According to research by Arimawa (2018), modern markets often offer facilities such as free parking lots, neat product arrangement, and ATMs that attract consumers. This shows an important role in increasing market attractiveness. Research by Guspul (2015) notes that although modern markets have an advantage in convenience facilities, traditional markets remain consumers' top choice for fresh produce. This shows the importance of traditional markets in meeting certain needs of consumers (Chaniago et al., 2020).

However, behind the benefits of the presence of modern markets, there are concerns that there will be a shift in people's shopping preferences from traditional markets to modern markets, which could ultimately threaten the sustainability of traditional markets. In addition, Lembang Modern Market has the potential to change the distribution patterns and prices of agricultural products in the region, which have been highly dependent on traditional markets. Understanding these impacts is important so that they can be anticipated early, especially to maintain the balance of the local economy and

ensure that small businesses remain competitive. With the emergence of Modern Market Lembang, the question arises as to how people in the Lembang area perceive the impact of this modern market on traditional markets. Will traditional markets still be able to survive and compete, or will they be marginalized due to the presence of modern shopping facilities that are more attractive to consumers?

Traditional markets have been the backbone of the economy for most rural communities and micro businesses. The presence of modern markets, which are more structured and tend to operate with higher standards, has the potential to suppress the existence of traditional markets. Therefore, this research is important to identify how people perceive these changes, especially regarding the competitiveness and sustainability of traditional markets amidst the onslaught of modern markets. By knowing the community's perceptions, the findings of this study are expected to be useful in informing more equitable and balanced economic policies, especially in supporting the sustainability of the local economic sector that relies on traditional markets. The importance of government policy interventions, such as distance restrictions between modern and traditional markets, to maintain the sustainability of both types of markets in order to create a fair and competitive environment (Masyhuri, 2017).

LITERATURE REVIEW

Market

A market can be explained as the location or place where goods, services, or assets are traded between sellers and buyers. In microeconomics, a market is a location where there is supply and demand for a particular good or service. A market involves the relationship between the supply and demand for a good or service and the consumers who want to buy that good or service. The price in the market is set by the bargaining stage between sellers and buyers. From a macroeconomic point of view, markets are where all aggregate supply and demand meet in an economy. This includes various types of markets such as markets for goods and services, capital, labor, and finance. In this context, the price mechanism is crucial in regulating the distribution of resources and influencing overall economic activity.

In economics, the concept of a market is broader than just a location where sellers and buyers transact. A market does not always have to be associated with a physical location known as a market in the general sense. "Markets include all demand and supply, as well as all contacts between sellers and buyers to exchange goods and services" (Rita Hanafie, 2010: 176). According to the Dictionary of Economics & Business "The market is a place where supply and demand interactions occur between sellers who want to exchange their goods for money and buyers who want to exchange their money for goods or services" (Hadi & Hastuti, 2011: 364-365).

By considering various opinions, it can be concluded that the market is a place where demand and supply of goods and services occur. The market includes the entire process of economic transactions between sellers and buyers, not just physical goods. Its main function is as a link that connects the two parties involved in economic transactions.

Modern Market

Modern markets tend to have a more organized and clean environment, as well as more formal transactions such as the use of cashiers and digital payment systems. Modern markets usually offer more diverse and certified products, thus ensuring better quality goods. According to Wijaya (2021), modern markets are often offered as an alternative

for consumers who want convenience, safety, and speed in shopping, especially in urban areas or tourist destinations. According to Robert A. G. Monks and Nell Minow (2008), modern markets focus on efficiency and effectiveness in trading activities. These markets represent a more modern economic system, where there are developments in technology, management, and enterprise management aimed at improving the quality of products and services (Chaniago, 2020; Efawati, 2016). According to Solomon (2018), modern markets appeal to middle and upper class consumers who seek convenience and time efficiency. In addition, consumers with high purchasing power often attract products sold in modern markets, especially those that are imported or of premium quality. Based on Nielsen's (2005) research, Indonesia's modern markets are growing at 31.4% per year, while traditional markets are declining at 8% per year. Around 1.6 million small traders traded in 13,450 traditional markets in 2020 (Korenkova, 2020).

Traditional Market

Traditional markets are generally characterized by more informal transactions, simpler premises, and direct engagement between sellers and buyers. According to a study by Andriana (2019), traditional markets play an important role in the distribution of local goods, especially agricultural produce and basic necessities. They often offer more varied and negotiable prices, which is one of their main attractions for consumers with lower purchasing power. According to Nasution (2020), traditional markets remain as the main choice for most low- and middle-income Indonesians, especially in rural areas and small towns. This is due to the relatively more affordable prices and direct links between producers, traders, and consumers.

According to Presidential Regulation No. 112 of 2007 article 1 paragraph 2, traditional markets are markets built and managed by the Government, Regional Governments, Private Sector, State-Owned Enterprises, and Regional-Owned Enterprises, including cooperation with the private sector. This market has places such as kiosks, shops, los, and tents that are owned or managed by small, medium-sized traders, self-help communities, or cooperatives, with small business sizes and the buying and selling process carried out when bargaining with each other.

Effect of Modern Market on Traditional Market

As consumers begin to shift to modern markets, merchants in traditional markets often experience a significant drop in sales. However, research also shows that synergies between modern and traditional markets can be created through product and service diversification. For example, if modern markets focus on premium products, traditional markets can stay afloat by offering more affordable and varied products.

Public interest in shopping in both types of markets, both traditional and supermarkets, is high. The choice of consumers in selecting the goods purchased reflects differences in preferences. Traditional markets are more often chosen for daily needs that run out quickly, such as vegetables, meat, chicken, fish, eggs, seasonings, and rice. On the other hand, supermarkets are preferred for household goods and durable staples, such as toiletries, detergents, coffee, sugar, milk, tea, snacks, fruits and home furnishings. Sulistyowati notes that competition between traditional markets and supermarkets is intense, especially in terms of market segments, commodities and market share. Although the control of traditional markets in the trade of daily goods began to decline due to the presence of supermarkets, supermarkets have not completely taken over the function of traditional markets.

Research by Gunawan (2017) shows that in some areas, the presence of modern markets actually encourages traditional markets to innovate, for example by improving hygiene, adopting payment technology, or working with the government for infrastructure improvements.

Public Perception of Modern Markets on Traditional Markets

Public perception is a subjective picture formed through direct or indirect experience and interaction with certain objects. In this context, people's perception of modern and traditional markets will be strongly influenced by several factors such as price, product quality, accessibility and shopping experience. Perceptions of modern markets are usually more positive in terms of convenience and cleanliness, while traditional markets are more valued in terms of warm interactions and more affordable prices.

People's perceptions of modern and traditional markets are often based on several factors such as price, product quality, convenience and service. People who prioritize low prices and social relationships tend to prefer traditional markets, while people who want comfort and convenience in shopping prefer modern markets.

Framework

This research contains two main variables, namely the independent variable and the dependent variable. The independent variable of this research is the presence of Modern Market Lembang, while the dependent variable is the dynamics of traditional markets. The presence of Modern Market is influenced by several factors, namely these factors have the potential to affect the dynamics of traditional markets, especially traditional markets in the Lembang area. The presence of Modern Market Lembang is considered an external factor that can affect the dynamics of existing traditional markets. Public perception will be analyzed based on factors such as price, product quality, accessibility, and convenience in shopping.
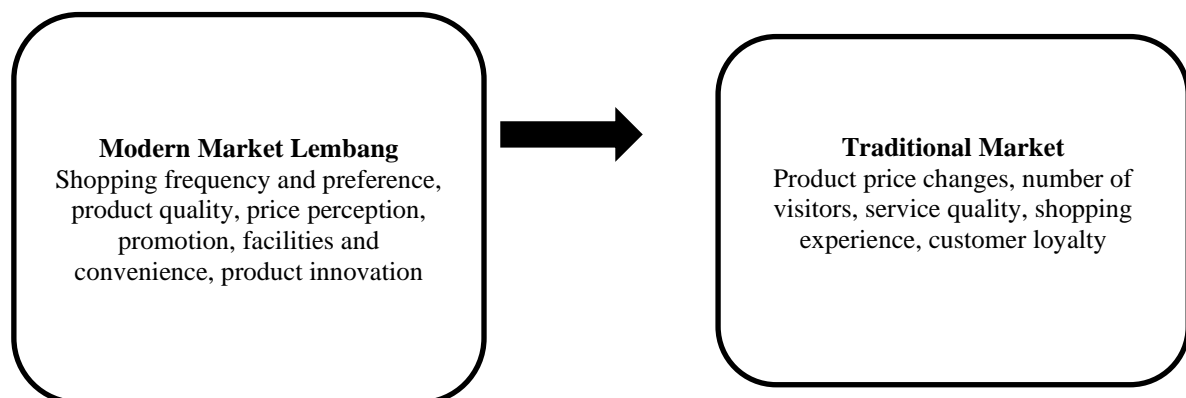
Modern Market Lembang
Shopping frequency and preference, product quality, price perception, promotion, facilities and convenience, product innovation

Traditional Market
Product price changes, number of visitors, service quality, shopping experience, customer loyalty

Figure 1. Framework
Source: Own compilation

Table 2. Previous research

No	Researcher, year	Research title, research results and research location	Similarity	Difference
1.	Palupi, R., Nawarcono, W., & Ekowati, D. (2023)	Analisis Dampak Keberadaan Pasar Modern Terhadap Pasar Tradisional	Variables, research methods	Research subject, Location

2.	Wibowo, F., Khasanah, A. U., & Putra, F. I. F. S. (2022)	Analisis Dampak Kehadiran Pasar Modern terhadap Kinerja Pemasaran Pasar Tradisional Berbasis Perspektif Pedagang dan Konsumen di Kabupaten Wonogiri	Independent variable	Research method, dependent variable, location
3.	Arimawa, P. S., & Leasiwal, F. (2018)	Dampak Keberadaan Pasar Modern Terhadap Eksistensi Pasar Tradisional Di Kota Tobelo Kabupaten Halmahera Utara	Variable	Research method, location
4.	Masyhuri, M., & Utomo, S. W. (2017)	Analisis Dampak Keberadaan Pasar Modern Terhadap Pasar Tradisional Sleko Di Kota Madiun	Research subjects, variables	Research method, location
5.	Guspul, A. (2015)	Persepsi Konsumen Terhadap Pasar Tradisional Dan Pasar Modern: Marketing Mix (Studi Kasus Pada Pasar Tradisional "Pasar Induk Wonosobo" Dan Pasar Modern "Rita Pasar Raya Wonosobo"	Variable, research subjects	Location
6.	Widiandra, D. O., & Sasana, H. (2013)	Analisis Dampak Keberadaan Pasar Modern Terhadap Keuntungan Usaha Pedagang Pasar Tradisional (Studi Kasus di Pasar Tradisional Kecamatan Banyumanik Kota Semarang)	Research method, independent variable	Location, dependent variable

Source: Own compilation

The hypothesis of the influence of the presence of Modern Market Lembang and its impact on the dynamics of traditional markets: perspectives from community perceptions is formulated as follows.

1. Null Hypothesis
   (Ho): The presence of Modern Market Lembang does not affect the presence and existence of traditional markets in Lembang.
2. Alternative hypothesis
   (Ha): The presence of Modern Market Lembang affects the existence and existence of traditional markets in Lembang.

Researchers propose a research hypothesis that there is an influence between variable X on variable Y. It can also be said that researchers accept the alternative hypothesis (Ha) and reject the null hypothesis (Ho).

RESEARCH METHOD

This research applies a quantitative approach with a descriptive approach. With two variables, namely the presence of Modern Market Lembang as the independent variable (X) and the dynamics of traditional markets as the dependent variable (Y). The population in this study are people who have shopped in both types of markets at least twice in each market, and live in Lembang or surrounding areas in West Bandung Regency. The population of this study was selected from people who have shopped in modern and traditional markets at least twice to ensure that respondents have sufficient experience and deep understanding in comparing the two types of markets. With shopping experience in both places, respondents are expected to be able to provide objective assessments regarding aspects such as product quality, price, convenience, and service. This

population was also selected in accordance with the focus of the study, which aims to assess the public's perception of the impact of modern markets on the dynamics of traditional markets. Experience in both types of markets will allow respondents to provide more relevant and accurate information about differences in preference or changes in perception between the two. In addition, the criterion of domicile in Lembang or the surrounding area in West Bandung Regency makes the research results more contextual, as respondents living in the area have a direct link to the presence of the Lembang modern market. The determination of these criteria also aims to reduce bias from respondents who are only familiar with one type of market, so that the resulting perceptions reflect a balanced shopping experience in both types of markets.

This study draws a sample, namely 99 respondents who have the criteria to have shopped at the Lembang Modern Market and the Lembang traditional market at least twice in each market and live in Lembang or its surroundings. The sampling technique applied was nonprobability sampling with a purposive sampling method. According to Chaniago et al. (2023), purposive sampling is a sampling method in which subjects are selected because of certain relevant criteria based on research objectives. This method allows researchers to select subjects selectively who are considered relevant and important in answering research questions or achieving research objectives. The data collection tool used is a Likert scale-based questionnaire (Google form), by distributing questionnaires using social media. Then the data analysis technique uses descriptive statistics of simple regression tests with the help of SPSS and SmartPLS software. The data was processed using SPSS software and data analysis was carried out using descriptive analysis, which aims to determine how people's perceptions of the presence of modern markets and their impact on traditional markets. The results of this analysis will provide a clear picture of the relationship between the two types of markets, as well as the factors that influence changes in people's shopping behavior in Lembang. Additional interviews were conducted with several traditional market traders to gain further understanding of the impact of modern markets on their businesses. Secondary data was taken from various sources, such as local government reports, academic journals, literature, and previous studies related to modern markets and traditional markets. This data was used to complement the survey results and provide a broader context of the phenomenon under study.

RESEARCH RESULTS

Validity and Reliability Test

To ensure that the questionnaire really measures the aspects that should be measured, we first conducted a trial to 24 respondents before distributing it to the main respondents. According to Chaniago et al. (2023), the validity test can be said to be valid if the total correlation is> 0.3. Based on the results of the trial, no statements were found that had a total correlation of less than 0.3. Therefore, the questionnaire was distributed directly to respondents online using social media instagram and whatsapp to expand the reach of respondents.

The reliability test is carried out to determine whether the data that has been collected is suitable for further analysis, provided that if the Cronbach Alpha value is > 0.6 - 0.7 the data from the respondent is suitable for use (Chaniago et al., 2023). In our data, the reliability test results show 0.903 for the Lembang Modern Market variable and 0.804 for the Traditional Market variable, which means that the data obtained from respondents is suitable for use in this study.

Respondent Profile

Table 3. Respondent profile

Description	Demographics	Frequency	Percentage
Gender	Male	28	28,2%
	Female	71	71,8%
Age	<20 year	57	57,6%
	21-30 year	15	15,2%
	31-40 year	15	15,2%
	41-50 year	6	6%
	>50 year	6	6%
Duration of Resident	<1 year	15	15,2%
	1-10 year	23	23,2%
	>10 year	61	61,6%
Last Education	Primary/Equivalent	5	5%
	Junior High School/ Equivalent	7	7,1%
	High School/ Equivalent	72	72,8%
	3-year Diploma (D3)	6	6%
	Bachelor (S1/D4)	8	8,1%
	Master (S2)	1	1%
Shopping Frequency at Modern Market Lembang	2 times	65	65,7%
	3-5 times	16	16,1%
	>5 times	18	18,2%
Shopping Frequency at Traditional Market	2 times	15	15,1%
	3-5 times	12	12,1%
	>5 times	72	72,8%

Source: Own compilation

A total of 99 respondents were taken, consisting of 28 men (28.2%) and 71 women (71.8%). Respondents came from various age groups, namely 57 people with ages under 20 years (57.6%) 15 people with ages between 21-30 years (15.2%), 15 people with ages between 31-40 years (15.2%), 6 people with ages between 41-50 years (6%), and 6 people with ages above 50 years (6%). The average length of domicile of respondents in the Lembang area is 61 people who have lived for more than 10 years (61.6%), 15 people less than 1 year (15.2%) and 23 people between 1-10 years (23.2%). The last education of the respondents consisted of 72 high school graduates / equivalent (72.8%), 8 D4 / S1 graduates (8.1%), 7 junior high school graduates / equivalent (7.1%), 6 D3 graduates (6%) 5 elementary school graduates (5%), and 1 graduate (1%).

The frequency of shopping at the Lembang Modern Market shows that 65 people have only shopped twice (65.7%), 18 people have shopped more than 5 times (18.2%), and 16 people have shopped between 3-5 times (16.1%). Meanwhile, for the Lembang traditional market, 72 people have shopped more than 5 times (72.8%), 15 people have shopped twice (15.1%) and 12 people between 3-5 times (12.1%).

Result of Simple Regression Test

Convergent Validity

Convergent validity of formative measurement items is evaluated through redundancy analysis by considering the path coefficient value or the correlation between the formative measurement items and one or more reflective items. The desired path coefficient value

is at least 0.7 (Yamin, 2020). The following figure shows the outer model analysis of this research.
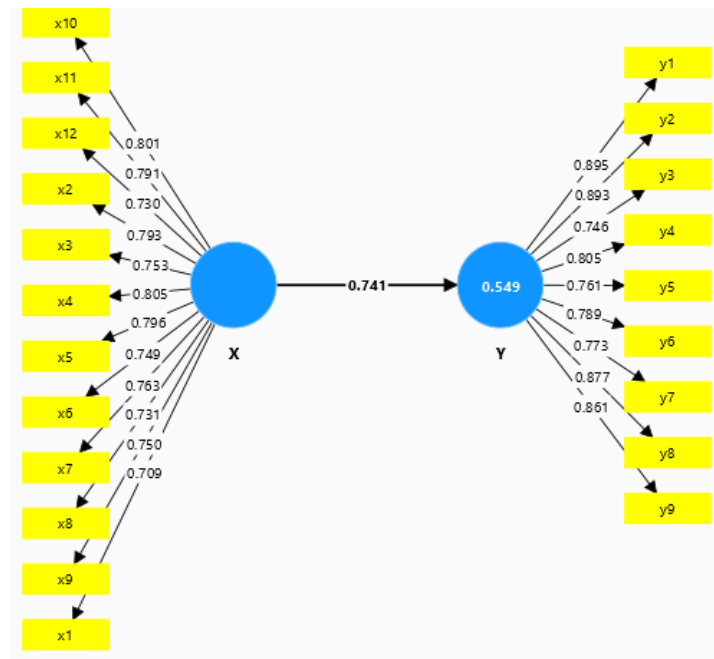

Figure 2. Research Method Results
Source: Own compilation

In the image above, it can be seen that all indicators in this study, both the indicators on the variable of the presence of Modern Market Lembang (X) and the indicators on the variable of traditional market dynamics (Y), have an outer loading value >0.7, which is stated to meet the validity criteria. This condition proves that the research model can proceed to the next stage of analysis.

Average Variance Extracted (AVE) is the value used when testing convergent validity. According to Hair et al. (2021), the AVE value must be >0.5. AVE in this study is presented in the table below:

Table 4. *Average Variance Extracted (AVE)* Results

Variable	Average Variance Extracted (AVE)
Modern Market Lembang (X)	0.585
Dynamics of Traditional Market (Y)	0.679

Source: Own compilation

In the variable Modern Market Lembang (X) it is 0.585 and in the variable Dynamics of Traditional Markets (Y) it is 0.679, both of which have values >0.5. Therefore, there is no problem with convergent validity, so the next test can be conducted to identify issues related to discriminant validity.

Discriminant Validity

The validity test can be fulfilled if the correlation between the variables is higher than the correlation between the variable and other variables. If the Cross Loading values of each variable and the other variables meet the discriminant validity test, then the item is considered valid (Supriyati, 2021). The Cross Loading results in this study show above > 0.70, which means that in this study, each indicator has good discriminant validity.

Composite Reliability

To ensure that the measurements are free from issues, the next step is to test the unidimensionality of the research model. Reliability testing is conducted using two approaches, namely evaluating the Cronbach's Alpha value and Composite Reliability. A variable is declared reliable if the Cronbach's Alpha value is >0.6 and Composite Reliability is >0.7.

Table 5. *Composite reliability* results

Variable	Cronbach's Alpha	Composite Reliability
Modern Market Lembang (X)	0.935	0.944
Dynamics of Traditional Market (Y)	0.940	0.950

Source: Own compilation

Based on the table above, it is known that the Cronbach's Alpha and Composite Reliability values for each variable have met and even exceeded the established criteria, namely Cronbach's Alpha >0.6 and Composite Reliability >0.7. Therefore, it can be concluded that all variables in this study have good reliability.

Inner Model

The evaluation of the inner model or structural model is conducted to analyze the relationships between constructs, significance levels, and R-Square values in the research model. The assessment of the structural model includes the use of R-Square for dependent constructs, the Stone-Geisser Q-square test to measure predictive relevance, and t-testing and significance on the structural path coefficient parameters. In this inner model stage, there are 2 calculations that will be performed, namely calculating the R^2 dan Q^2 values. According to Hair et al. (2022), it is stated that 0.75 = strong, 0.50 = moderate, and 0.25 = weak for the variables. Additionally, to have different values, such as 0.02 = small, 0.15 = moderate, and 0.35 = large for certain variables. Here are the results of the R^2 and Q^2 calculations in this study.

Table 6. Calculation results R^2 and Q^2

Variable	R^2 Value	Q^2 Value
Dynamics of Traditional Market	0.549	1.217

Source: Own compilation

The R^2 calculation result for the traditional market dynamics variable is 0.549. This indicates that the dynamics of the traditional market are influenced by 54.9% by the presence of the Modern Market Lembang. The remaining 45.1% is influenced by other variables not included in the research model. The R^2 value for the traditional market dynamics variable falls into the moderate category because its value is >0.50. Additionally, the Q^2 value for the traditional market dynamics reaches 1.217, indicating that the traditional market dynamics are classified as strong because its value exceeds 0.35.

Hypothesis Testing

In this study, hypothesis testing utilized PLS SEM with the bootstrapping resampling method developed by Geisser and Stone. The test used is the t-test statistic, where the confidence level is 95%, meaning α = 5% or 0.05. The t-table value at α = 0.05 with a

sample size of (n) - 2, which is 99-2 = 97, is 1.984. The hypothesis test is considered significant if the t-statistic > t-table value (1.984) and the P-Values < 0.05.

Table 7. Hypothesis testing

	T-Statistics	P-Values
X-> Y	14,008	0,000

Source: Own compilation

The table shows that the presence of the Modern Market in Lembang has a moderate positive influence on the dynamics of the traditional market in Lembang. This is indicated by the t-statistic value of 14.008 (>1.984) and the P-Values <0.05, which is 0.000 (<0.05).

DISCUSSION

This study proves that the presence of Modern Market Lembang affects the dynamics of traditional markets based on public perception. Based on data analysis, 54.9% of the dynamics of traditional markets are influenced by the presence of Modern Market Lembang with factors such as shopping frequency and preference, product quality, price perception, promotion, facilities and comfort, as well as product innovation. Meanwhile, the remaining 45.1% is influenced by other factors outside the scope of this research model, with the assumption that other indicators may also affect the dynamics of traditional markets. The hypothesis test findings prove a t-statistic value of 14.008 (above the t-table value of 1.984) and a P-Value of 0.000 (below 0.05), which demonstrates that the influence of the presence of Modern Market Lembang on the dynamics of the traditional market is significant and moderate.

However, the people of Lembang still prefer shopping at traditional markets. Factors such as long-established customer loyalty and social ties with traditional market vendors play an important role. Traditional markets have strong social value because they involve warmer interactions between sellers and buyers. The presence of Modern Market Lembang has not yet fully changed the shopping habits of the community because this market is still relatively new. Over time, there is a possibility that changes in consumer preferences will occur, but traditional markets still hold a special market share that is difficult to replace by modern markets. This research supports the view that these two types of markets can complement each other, with the Modern Market providing high-quality products and a more convenient shopping experience, while traditional markets offer social warmth and price flexibility. The presence of these two types of markets has the potential to create a balance in the shopping choices of the community, as well as to encourage local economic growth in Lembang.

CONCLUSIONS

This study shows that the presence of the Modern Market in Lembang has a positive and moderate impact on the dynamics of the traditional market, based on a sample of 99 respondents. This influence encompasses various aspects such as shopping frequency and preferences, product quality, price perception, promotions, facilities and comfort, as well as product innovation, which overall affect 54.9% of the dynamics of the traditional market. Meanwhile, 45.1% is influenced by other factors.

The hypothesis test findings provide a t-statistic value of 14.008 and a P-Value of 0.000, which proves that the relationship between the presence of the Modern Market

Lembang and market dynamics is real and moderate. However, most people still tend to shop at traditional markets due to factors such as long-established loyalty to traders, strong social relationships, and a more familiar shopping atmosphere. Overall, this research supports the view that the presence of modern markets, in this case, Modern Market Lembang, offers high-quality products and more comfortable facilities, while traditional markets provide warm social interactions and opportunities for price negotiation. The presence of these two types of markets has the potential to create a balance in the shopping choices of the community and contribute to local economic growth in Lembang. By understanding public perception, the findings of this research can provide input for local economic policies that rely on traditional markets.

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