

Financial Management Principles of Traditional Market Traders in Increasing Profitability, Customer Satisfaction and Business Growth

Achmad Fattahurrozak, Wiyarni Wiyarni

Postgraduate STIE Malangkecewara, Indonesia

***Corresponding Author:** Wiyarni Wiyarni, Postgraduate STIE Malangkecewara, Indonesia

Abstract: The purpose of this study is to explore the financial management principles of traditional market traders in Sedati Village, Ngoro District, Mojokerto Regency. The geographical location of the market is very strategic, namely close to Ngoro Industri Persada, which means that the market is always busy and busy with buyers every day. Industrial development has had the effect of shifting the livelihoods of local residents to industry and services/commerce. Trade is the main livelihood in Ngoro District. The more market niches there are in the demographics of the Sedati market area, the more market traders are required to continue to innovate for sustainability, one of which is by increasing customer satisfaction, profitability and innovation for business growth. This research uses qualitative research methods with descriptive research type. The data collected is data related to traditional market traders in Sedati Village in increasing profitability, customer satisfaction and customer satisfaction. This research was conducted from June 2024 to July 2024. Data collection techniques were through interviews with market traders, observation and documentation followed by data analysis techniques using data reduction, data presentation and drawing conclusions. The results of the research show that the existence and simplicity of financial management for individual traditional market traders is based on the culture of the people at the Sedati Village Market. Decision making techniques applied by market traders to increase profitability, customer satisfaction and growth, namely 1) increasing net profit margin during the Holidays, 2) giving price discounts, 3) giving gifts to customers during the Eid Al-Fitr, 4) innovation in adding products based on needs customers and 5) customer personalization. There are three principles that are closely attached to the financial management process in traditional markets, namely the principles of determination, consistency and integrity.

Keywords: Traditional Market Traders, Financial Management, Determination, Consistency, Integrity.

1. INTRODUCTION

Traditional markets are markets that play an important role in advancing the economic growth of local communities. The existence of this traditional market really helps the community to fulfill their daily needs in trading activities. According to Halim (2018), a traditional market is a place where sellers and buyers can bargain directly and the goods being bought and sold are basic necessities such as herbs, spices, rice, vegetables, meat, fish, basic necessities and clothing needs. Traditional markets can be interpreted as places where sellers and buyers meet directly to carry out transactions in the form of goods or services in accordance with the culture and characteristics of the local community. The special characteristics of traditional markets are that there is a bargaining process before making transactions, traders do not have financial records and reports, they sell various local commodities, the prices of goods or services are cheaper.

According to Dewey (1962), researching peasant markets in Mojokerto, stated that the market in Mojokerto has been influenced by two external factors in the last two or three decades which have made this market very important or necessary in the local economy. The first factor was the decline in labor wages in agriculture during the Japanese economic and national depression which forced the population to depend more on marketing to earn income. The second factor is the growing population which has put pressure on residents to seek income from trading activities. One generalization is that

the market network system is stable and flexible, making it able to survive even when there were economic distortions during the colonial period.

In today's trade competition, for businesses to continue to grow and be sustainable, there needs to be a customer-oriented marketing strategy. A customer-oriented marketing strategy requires businesses to understand and fulfill both consumer behavior and needs. Traders in Traditional Markets really pay attention to consumer satisfaction because it will have an impact on sales performance. Based on the description, this study aims to explore the financial management principles of traditional market traders to increase profitability, customer satisfaction, and business growth. This study is conducted in traditional market traders in Sedati Village, Ngoro District, Mojokerto Regency.

According to Kartika's (2017) observations, the establishment of Ngoro Industri Persada caused the community's economic level to experience a significant increase. People who used to be farmers with unstable salaries now work as factory workers with monthly salaries. Apart from that, people who open stalls, catering or boarding houses have also experienced an increase in consumers since the founding of Ngoro Industri Persada. This causes society to be more consumptive so that the level of their needs increases. The number of industries in Ngoro District in 2021 is 993 companies. A total of 64 large-scale companies, 121 medium-scale companies, 808 small-scale companies, and the remaining 421 household crafts (data source BPS Ngoro District, Mojokerto Regency). All villages in Ngoro District have industries, but the most are in Ngoro Village which is the Ngoro Persada Industrial Area with up to 87 industries.

Trade is the main livelihood in Ngoro District. The more trading activity, the more business competition. Business actors are required to continue to innovate for sustainability, one of which is by increasing customer satisfaction, profitability and innovation for growth, as do traditional market traders in Sedati Village. Business actors who in this research choose traditional market traders certainly have a goal to achieve, namely obtaining maximum profits. To measure the success of an effective and efficient business in generating profits, it is not only seen from the size of the amount of profit obtained but can be seen from its profitability. For actors, profitability can be used as a benchmark to determine whether a business is successful or not. Profitability or what is called the company profit ratio is often used to assess a company in looking for or looking at company profits. This ratio also reflects the level of effectiveness of company management which can be seen from the profits generated through sales and investment. Therefore, this study focused on traditional market trader's view in increasing profitability, customer satisfaction and taking advantage of the opportunities for future business growth.

2. LITERATURE REVIEW

2.1. Financial Management

According to Sutrisno (2017), financial management is all company activities related to spending which consists of three businesses, namely: businesses obtain company funds at low costs, efforts to use this data efficiently, and the efficiency of allocating funds in business activities. The aim of financial management is to maximize profits and minimize costs to obtain maximum decision making in running a business towards development and ongoing business (Mulyanti, 2017). According to Hasan et al., (2022) there are at least three reasons why financial management is very important, namely: know your expenses, manage operational cash, and lower costs.

Knowing expenses, means that a financial manager's capital must manage where and for what capital is spent. This aims to ensure that business capital is used effectively. Such as purchasing priority assets that can become a source of income. The existence of operational cash is very important so that the business can continue to operate. Financial managers who are able to manage cash flow well can minimize the possibility of failing to pay obligations such as rent, insurance, employee salaries and so on. This also relates to operational cash management. If operational cash is managed well, financial management can also reduce costs and keep costs to a minimum. For example, reducing unnecessary electricity costs, to buying supplies in large quantities to get the lowest possible prices.

According to Wati et al., (2022), the principles of financial management within the company itself are divided into 7 principles that must be considered, including: consistency, accountability, transparency,

survival (viability), integrity, management (stewardship), and accounting standards. The organization's financial systems and policies must be consistent from time to time. This does not mean that the financial system should not be adjusted if changes occur in the organization. An inconsistent approach to financial management is a sign that there is manipulation in financial management. Accountability is a moral or legal obligation, attached to individuals, groups or organizations to explain how funds, equipment or authority provided by third parties have been used. NGOs have operational, moral and legal obligations to explain all decisions and actions they have taken. The organization must be able to explain how it has used its resources and what it has achieved as an accountability to stakeholders and beneficiaries. All stakeholders have the right to know how funds and authority are used.

The organization also must be open regarding its work, providing information regarding its plans and activities to stakeholders. This includes preparing financial reports that are accurate, complete and timely and can be easily accessed by stakeholders and beneficiaries. If an organization is not transparent, this indicates that it is hiding something. In order to maintain finances, organizational expenditure at the strategic and operational levels must be in line/adjusted with the funds received. Viability is a measure of the level of security and financial sustainability of an organization. Organization managers must prepare a financial plan that shows how the organization can implement its strategic plan and meet its financial needs. In carrying out operational activities, the individuals involved must have good integrity. Apart from that, the integrity of financial reports and records must also be maintained through the completeness and accuracy of financial records. Besides, the organization must be able to properly manage the funds that have been obtained and ensure that these funds are used to achieve the stated goals. In practice, organizations can manage their finances well by: being careful in strategic planning, identifying financial risks and creating control systems and financial systems that suit the organization. Finally, in order to manage the organization finance very well, the accounting and financial systems used by organizations must comply with generally accepted accounting principles and standards. This means that every accountant around the world can understand the systems the organization uses.

2.2. Traditional Market

The market is one of the facilities for these trading activities. The existence of a market in an area has always been a focus point which functions as a center for the exchange of goods which started from a group of traders in strategic locations who sold their merchandise in groups and then developed (Arianty, 2013). Based on type, the market is divided into traditional and modern markets. The existence of traditional markets and modern markets have become part of that inseparable from life urban society.

Traditional markets are places meeting of sellers and buyers characterized by direct transactions which usually begins with a price haggling process. Meanwhile, the modern market is an arena for urban economic practice colored by science and technology modern, both in terms of commodities and actors contained in it, even the process and the rules of the game are as stated determined by the manager. However, that has happened recently in the market. The emerging modern era is actually threatening existence of traditional markets. This matter because society tends to be more interest in shopping in modern markets, because higher level of comfort in compare traditional markets (Adinugroho, 2009).

In the midst of modernity, the existence of traditional markets as a current national culture tries to survive and develop yourself in orderable to compete amidst these currents. Increasingly liberalization of investment unstoppable has created traditional markets increasingly pressed by the emergence modern market that offers more advantages of commodities, prices as well comfort. This fact has made the Indonesian people turn away from the culture section and move on to practical modern life with minimal intensity of interaction. Traditional markets usually offer local goods with a few imported goods. The supply of goods in traditional markets is generally limited, adjusted to capital or consumer demand. Prices in traditional markets are often not fixed because they are determined by the profits desired by the business owner. In addition, prices in traditional markets can change, so using price labels is impractical because they need to be adjusted to changes in market

prices. Facing this challenges, traditional market traders need to create strategy to increase profitability, customer satisfaction, and taking advantage of the opportunities for future business growth.

Several researches have been conducted related with traditional market (Qomariah, 2022; Wiyarni et al., 2013; Akhir, 2021; Syahirussyihab, 2019; and Badaruddin, 2001). Qomariah (2022) found that trader resources have an influence on the income of Boyolangu Tulungagung market traders. In the accounting perspective, Wiyarni et al. (2013) stated that accounting exists for traditional market traders, but their form of accounting is simple. There are three values that underlie the accounting practices of traditional market traders, namely *nrimoingpandum*, *among roso*, and *sakmadya*. The research results of Akhir (2021) show that the existence of the shock market has a positive impact on society, such as making it easier to obtain daily necessities, the price of goods is cheaper, prices are still negotiable and all goods are available. Syahirussyihab (2019) shows that market revitalization is going well. This can be seen based on 3 stages of revitalization, which include: 1) Physical intervention at Tayu Market 2) Economic rehabilitation & 3) Institutional revitalization. The market is a social area used by individuals to establish social relationships. It can be interpreted that the market is a place where people are busy in economic relations in a social mechanism (Badaruddin, 2001).

2.3. Research Method

Based on the aim of this research, namely the Principles of Financial Management for Traders in the Sedati Village Traditional Market in increasing profitability, customer satisfaction and business growth, this type of research is qualitative research. Data sources were obtained from traditional market traders at Sedati Market taken through direct interviews and field observations. This research chose the right informants to determine maximum results for the research carried out, therefore the researchers chose spice and basic food traders to get information regarding the data needed in this research. Informants from this research chose 3 (three) spice and basic food traders at the traditional market in Sedati Village. The reason the researcher chose spice and basic food traders in the traditional market in Sedati Village was first, because spices and basic food products are basic kitchen ingredients that have a wide market segmentation reach. Second, because of the perception of people who come to traditional markets, the main goal is to buy spices and basic food products for the basic ingredients needed for food to be cooked and for processed food from street vendors. Third, because spices and basic necessities are local commodities.

Table 1 below is the topic for interviews with the informants.

Table1. *Topics of Chat with Informants*

1.	Is there financial management in trading activities on the market?
2.	What is the Sales Volume?
3.	How can merchants get more sales?
4.	What items do customers often buy?
5.	What customer wishes have you asked for?
6.	What innovations have been made for customer satisfaction?
7.	Is there debt capital for business development?
8.	Is there a desire for future business development?

In this research, data analysis took place in several stages: data reduction, data presentation, and drawing conclusions. Data reduction is the part of analysis that sharpens, categorizes, directs, removes unnecessary data, and organizes data in such a way that conclusions can finally be drawn and verified. With data reduction, qualitative data can be simplified and transformed in a variety of rigorous selection ways. After the researcher conducted research using interview, observation and documentation methods, the author summarized all the answers from traders at the traditional market in Sedati Village.

After the researcher summarized all the answers from the spice and spice traders at the traditional market in Sedati Village, the researcher presented the data. Presentation of data is a collection of information compiled from observations and connecting it with financial management theory. The

data is presented in the form of an explanation of the concepts, principles and culture of trader financial management and then connecting it with theory. Data presentation is used to further improve understanding of principles and as a reference for taking action based on understanding and analysis of data presentation.

Drawing conclusions is the essence of research findings which describes final opinions based on previous descriptions or decisions obtained based on inductive or deductive thinking methods. Conclusions are presented in the form of descriptive research objects guided by research studies (Gunawan, 2016). After the researcher summarizes and explains the data, the researcher then draws conclusions from the data that has been summarized and explained.

3. RESULTS AND DISCUSSIONS

3.1. Sedati Village Market Profile

The traditional market used in this research is the Sedati Village Market which is located at Jl. Raya Sedati Ps., Sedati, Kec. Ngoro, Mojokerto Regency, East Java 61385. Located at coordinates 006° 53' 97" South Latitude - 112° 61' 51" East Longitude at an altitude of 123 meters above sea level. Sedati Market is in the middle of the Ngoro District area with a distance of 1 km to the District Capital. The total land area of the traditional market is 2,500 m² (50 m x 50 m). Sedati Market operates every day from 02.00 a.m. to 12.00 a.m.

The number of traders at the Sedati Village Market consists of 68 level A traders, 65 level B traders, 193 level C traders for a total of 326 traders. The majority of traders at the Sedati Village Traditional Market live in the Ngoro District area. The daily levy that must be paid by Sedati Village Market traders is IDR. 3,000.00 is used by the market manager to pay for electricity operations, cleaning and security services. Sedati Market is the only market in Ngoro District. This market sells various local community commodities, especially agriculture. The commodities sold do not only come from Sedati Village but also from other villages in Ngoro District. Apart from agricultural products and basic commodities, Sedati Market also provides various needs that the community needs, such as: fruit, vegetables, fish, convection, pottery, gold, shoes, stationery, etc.

3.2. General Description of Trader Informants at the Sedati Village Market

Research activities carried out at the traditional market in Sedati Village selected 3 informants from traditional market traders in Sedati Village. Data was obtained through observation, interviews and related documentation regarding Financial Management Principles in an effort to increase profitability, customer satisfaction and business growth which was collected and categorized based on data collection techniques. The following are the profiles of research informants, namely 3 traders at the traditional market in Sedati Village:

Table2. *Profile of Research Informants*

No	Name	Age	Start Trading	Product	Kiosk Level
1.	Ms Ning	49	2005	Spices and basic necessities	A Level
2	Ms Farida	40	2012	Groceries, spices and powdered drinks	B Level
3.	Ms Seniti	52	2011	Groceries, spices and powdered drinks	C Level

3.3. Market Trader Strategy in Increasing Profitability

Based on the results of interviews with traditional market traders in Sedati Village, they carry out their business activities as traders in the market as the main source of income for their family's basic needs and to finance their children's school needs. The following are some expressions of traditional market traders which illustrate that they are seeking profit:

“I sell on the market as my main income. Every day I join in selling with my husband. Thank God, now I can save a little for my needs and send my children to school” (Ms. Ning).

“Thank God, my main source of income is from selling at the market” (Ms. Seniti).

“Not a side business, I sell at the market as my main income. I use the profits from sales for my family's needs” (Ms. Farida).

The statements from the three informants above implicitly illustrate that the traditional market traders in Sedati Village try to meet the needs of their families by getting optimal profits from selling at the market.

From the results of research conducted by researchers at the traditional market in Sedati Village, there is a community culture called by market traders Per Week (Big Days) where market visitors are more crowded and the quantity of shopping by buyers is greater. Seeing this phenomenon, the sales turnover of Sedati Village market traders has increased significantly, namely double the sales turnover on normal days. There are 5 holidays (Perweek) that occur in 1 year, namely the 1st day before the month of Ramadhan, the 1st day before Eid al-Fitr, the 3rd and 7th days of Eid al-Fitr and the 1st day before Eid al-Adha. The following is the difference between normal day sales turnover and Big Day sales turnover of Sedati Village market traders. Table 3 below show the sales volume of the informants.

Table3. Sales Volume

Traders	Sales Volume each day (around)	
	Regular Day (IDR)	Holiday (IDR)
MsNing	2.000.000 – 3.000.000	5.000.000 – 6.000.000
Ms Seniti	700.000 – 1.000.000	Around 2.000.000
Ms Farida	Around 1.500.000	2.500.000 – 3.000.000

The results of observations found by the researchers were that the reason for Ms. Ning's decision not to sell goods at wholesale prices was because on holidays the merchandise often ran out due to the large number of buyers who came. However, the decisions made by Mrs. Farida and Ms. Suniti were different. Ms. Farida and Ms. Suniti on the Big Day increase the selling price of merchandise to other than customers. This shows the phenomenon that the way traditional market traders in Sedati Village increase profitability with financial management techniques in decision making increases the net profit margin of the business.

Based on the results of interviews with three informants from traditional market traders in Sedati Village, profits from sales at the market were used to meet family needs. Some of the sales proceeds received by market traders are used to purchase merchandise, pay market levies and then the profits are set aside for basic family needs. During the big day, sales of the three market trader informants increased twice as much as on normal days. The phenomenon that occurred when the three informants at the traditional market in Sedati village took steps to increase their profits. The decision made by Ms. Ning on big days was not to sell at wholesale prices, while Ms. Farida and Ms. Seniti took steps to increase the selling price to buyers other than customers. The steps taken by the three market trader informants have the same goal, namely to increase profitability. Table 4 below describes the conclusion of interview results related with profitability.

Table4. Conclusion of Interview Results of Profitability

Questions	Informants			Conclusion
	Ms Ning	Ms Farida	Ms Seniti	
Business purpose	Primary Income	Primary Income	Primary Income	The three market trader informants used their profits for family needs.
When the sales increase?	Holiday	Holiday	Holiday	Market traders' sales volume on big days increases twice as much as sales on normal days.
Price decision in the holiday	Not selling at wholesale prices	Increase selling prices to non-customers	Increase selling prices to non-customers	The decision of the three market trader informants was to increase profits by increasing the net profit margin.

3.4. Market Trader Strategies in Increasing Customer Satisfaction

Based on the results of interviews, the three traditional market traders in Sedati Village who were chosen as informants each have different customers, but the market segmentation is almost not much different, namely housewives, grocery store traders and MSMEs. The customers of the three informants are mostly traders who usually buy goods from market traders for resale. The habits that buyers routinely carry out with market traders in terms of buying and selling interactions illustrate that there is a personal relationship between traders and customers. Ms. Ning has a way of building personal relationships with customers by giving gifts during holidays. Ms. Ning said that the gifts given were in the form of items that customers liked and needed, such as umbrellas, pans, sarongs, sugar or oil. Table 5 and 6 below describes the conclusion of interview results related with market segmented and customer satisfaction.

Table 5. Conclusion of Interview Results of Market Segmented

Traders	Items that customers frequently buy	Market Segmented
Ms Ning	Instant Spices, Petis and Basic Food	Grocery store traders, MSMEs (sellers of sempo, fried food, pentol etc.), caterers and housewives.
Ms Seniti	Drink Powder Packaging (Pop Ice, Marimas&Nutrisari) and Basic Food	Grocery store traders, MSMEs (school canteen traders, rice stalls, meatballs, etc.) as well as housewives.
Ms Farida	Ground Coffee Packaging (Kapal Api, White Coffee, etc.) and Basic Food Packages	Grocery store traders, MSMEs (coffee shop traders, rice stalls, meatballs, etc.) as well as housewives.

Table 6. Conclusion of Interview Results of Customer Satisfaction

Questions	Informants			Conclusion
	Ms Ning	Ms Farida	Ms Seniti	
Frequently requested customer wishes	Discounts	Discounts	Discounts	Customers often ask for discounts when buying goods from the three market trader informants
Techniques for increasing customer satisfaction	Provide discounts when customers buy goods in large quantities	Give discounts to customers when it is felt that the profits obtained are sufficient	Provide discounts with conditions	The three market trader informants provide discounts to increase customer satisfaction
Customer Personalization	Giving gifts during Eid al-Fitr to customers	Give privileges to customers	Show an honest personality in trading	The decision of the three market trader informants was to increase profits by increasing the net profit margin.

3.5. Market Trader Strategies in Increasing Business Growth

Market traders use internal capital to open businesses in the traditional market of Sedati Village. Ms. Farida and Ms. Seniti started a business in the market by buying the right to use a stall worth IDR. 15,000,000.00. Based on the results of the interview, in 2011 Ms. Seniti bought the right to use a stall in the market using her own capital. In 2012, Ms. Farida also bought the rights to use a stall in the market using her own capital. Meanwhile, Ms. Ning started selling at the Sedati Village Market in 2005, continuing the business of her mother-in-law. However, he also spent his own capital amounting to IDR 7,000,000 to complete and purchase merchandise.

The three market trader informants did not have additional business capital (debt) to develop their business. According to research results, business growth for traditional market traders in Sedati Village is relatively low. This is in line with research by Veronika et al., (2020), that the higher the

business capital structure, the higher the business growth. A high level of debt in a business will also result in high business growth. This happens because with a high level of debt, market traders will use this debt to invest in assets. Increased assets cause the amount or quantity of production to increase so that sales increase. Increased sales make business growth increase. Table 7 below describes the conclusion of interview results related with increasing business growth.

Table 7. *Conclusion of Interview Results of Business Growth*

Questions	Informants			Conclusion
	Ms Ning	Ms Farida	Ms Seniti	
Year of Starting Trading at Sedati Market	2005	2012	2011	MsNing started a business at the Sedati Village Market earlier than Ms Farida and Ms Seniti
Sources of Initial Capital	The stall is inherited from my mother-in-law, while I buy merchandise from internal capital	Internal Capital	Internal Capital	The three market trader informants started their businesses with internal capital
Additional debt capital for business development	No debt	No debt	No debt	The three market trader informants did not have additional business capital (debt) to develop their business.
Plans for business development or innovation	Add merchandise when there is a need for goods from buyers	There is a desire to develop the business	There is a desire to expand the business if customers increase	The three market trader informants have a strong desire for innovation and business development.

4. PRINCIPLES OF FINANCIAL MANAGEMENT FOR SEDATI VILLAGE MARKET TRADERS

Financial management practices in the traditional market of Sedati Village describe a market trader's decision-making process which aims to increase profits and reduce costs. There are three principles that are very closely attached to this process, namely the principles of determination, consistency, and integrity. These three principles certainly have implications for the use of concepts that are the basis for the financial management process. The following are financial management principles applied by market traders to increase profitability, customer satisfaction and business growth.

1. Determination

Their high work ethic coupled with their sincere intentions in trying hard to achieve a life worthy of family welfare illustrates the principle of determination of the traditional market traders in Sedati Village. The desire to fulfill family needs is a source of strength for market traders to continue doing business despite the existing obstacles. Strong motivation, perseverance, and the will to continue trying are the social capital possessed by market traders which are used as a basis for doing business. Social capital is a number of resources that an individual or group of individuals have because of their ability to have networks (Leksono, 2009). Leksono (2009) further explained that not all capital is valuable because of the economic value inherent in the capital itself. But there is capital which, because of certain social characteristics, gives rise to economic value.

2. Consistency

In the early morning before the sun rises, the traditional market in Sedati Village is very busy. Without coercion, the traders are always on time before the sun rises at 05.00 a.m. and have started their business arranging their merchandise. Without a standard system, they always carry out these activities every day. Market traders will never miss an opportunity to serve the needs of buyers in the market. Consistency of work providing appropriate and responsible service. This means that market traders will provide the right service to gain the trust of customers

(Aziz, 2012). As stated by Srimindarti (2004), company performance is a complete display of the condition of the company during a certain period of time, a result or achievement that is influenced by the company's operational activities in utilizing the resources it has. Performance is a general term used for some or all of the actions or activities of an organization in a period with reference to standard amounts such as past or projected costs, on the basis of efficiency, management responsibility or accountability and the like.

3. Integrity

Market traders in carrying out their business activities have individuals with good integrity. Sedati Village Market traders always prioritize honesty in selling, because honesty underlies an attitude of mutual trust and respect which is a basic requirement for carrying out buying and selling activities so that long-standing cooperative relationships are maintained well. The phenomenon when market traders find buyers' goods left in their stalls and are willing to return them shows that traders have high integrity. Good integrity will build customer trust. Customer trust will affect long-term sales. This is as stated by Coleman (2008) that trust in social capital is an obligation and expectation, if someone does something for another person then that person will believe that one day they will receive a reward in the future from that other person.

5. CONCLUSION

The principles of financial management in the traditional market of Sedati Village describe a market trader's decision-making process which aims to increase profitability, customer satisfaction and business growth. The research uses analysis using qualitative methods. The research results show that financial management exists among traditional market traders, but their form of financial management is simple. The existence and simplicity of financial management for individual traditional market traders is based on the culture of the people at the Sedati Village Market. Decision making techniques used by market traders to increase profitability, customer satisfaction and growth, namely 1) increasing net profit margin during the Holidays, 2) giving price discounts, 3) giving gifts to customers during the Holidays, 4) innovation in adding products based on needs customers and 5) customer personalization.

There are three principles that are closely attached to the financial management process in traditional markets, namely the principles of determination, consistency and integrity possessed by market traders. The principle of determination describes market traders carrying out their business with a high work ethic and a sincere intention to meet their family's needs. Every day market traders never miss out on serving customers' needs, this is the consistency principle of market traders. Honesty is the basic capital that every market trader strives to gain customer trust. These three principles underlie market traders in increasing profitability, customer satisfaction and business growth. The financial management implemented by market traders is based on the characteristics of their traditional culture. Market traders do not use their profits to increase business value but rather for economic needs and family welfare so that market traders' business growth is relatively static.

REFERENCES

- Akhir, Zainul. (2021). *Analisa Keberadaan Pasar Kaget Berdampak terhadap Pengelolaan Pasar Tradisional di Kota Pekanbaru Riau*. Tesis Magister Hukum Univ. Islam Riau. pp. 18.
- Dewey, A.G. (1962). *Pola Perdagangan dan Keuangan Dalam Pemasaran Tanidi Jawa dalam Sosiologi Pedesaan*, Sajogjo (ed.). Jogjakarta: GadjahMada University Press.
- Gunawan, Imam. (2016). *Metode Penelitian Kualitatif Toeri & Praktik*. Jakarta: PT. Bumi Aksara.
- Halim, A. M. (2018). *Teori Ekonomi Makro*, Edisi 3. Jakarta: Mitra Wacana Media.
- Hasan, Samsurijal et al., (2022). *Manajemen Keuangan*. Banyumas: CV. Pena Persada. pp. 226.
- Kartika, Sofia. (2017). *Pergeseran Nilai Sosial Di Desa Ngoro Kecamatan Ngoro Kabupaten Mojokerto Pasca Berdirinya Ngoro Industri Persada*. *Kajian Moral dan Kewarganegaraan*, 5 (01).

- Mulyanti, D. (2017). Manajemen keuangan perusahaan. Akurat| Jurnal Ilmiah Akuntansi FEUNIBBA, 8(2), 62–71.
- Qomariyah, Siti. (2022). Analisis Pengelolaan Pasar Tradisional Dan Sumber Daya Pedagang Terhadap Pendapatan Pedagang Pada Pasar Tradisional Boyolangu Kabupaten Tulungagung. J. Otonomi, 22(1), 12 – 23.
- Sutrisno. (2017). Manajemen Keuangan Teori, Konsep dan Aplikasi. Yogyakarta: Ekonesia.
- Veronika, Sera & Kadarusman. (2020). Struktur Modal dan Kinerja Perusahaan dengan Pertumbuhan Perusahaan sebagai Mediasi. JIM UPB, 8(2), 64 – 72.
- Wati, Tri A., H. P. Anjani, L. Rukmiati I.J., L. F. Sinaga., N. Minallah, L. Nirawati & A. Samsudin. (2022). Manajemen Keuangan dalam Perusahaan. J. Manajemen Bisnis, 5(1), 50 – 56.
- Wiyarni, Triuwono, I., Ludigdo, U., & Djahuri, A. (2013). Javanese Traditional Market Cultural Value in Accounting World. IOSR Journal of Business and Management, 10(5), 9–16. doi:10.9790/487X-1050916

Citation: Achmad Fattahurrozak & Wiyarni Wiyarni. "Financial Management Principles of Traditional Market Traders in Increasing Profitability, Customer Satisfaction and Business Growth" *International Journal of Managerial Studies and Research (IJMSR)*, vol 12, no.9, 2024, pp. 24-33. DOI: <https://doi.org/10.20431/2349-0349.1209003>.

Copyright: © 2024 Authors. This is an open-access article distributed under the terms of the Creative Commons Attribution License, which permits unrestricted use, distribution, and reproduction in any medium, provided the original author and source are credited.