The Effectiveness of Minang Mart Partnership Pattern in Empowering Local Micro, Small, and Medium Enterprises in West Sumatra

Rendi Febria Putra*, Kismartini & Retno Sunu Astuti
Public Administration, Faculty of Social and Political Sciences, Universitas Diponegoro Semarang, Indonesia

Received: 07 December 2021; Reviewed: 07 December 2021; Published: 24 January 2022

* Corresponding Email: Rendifebriaputra@gmail.com

Abstract

This article aims to discuss the effectiveness of the Minang Mart partnership pattern in empowering local Micro, Small, and Medium Enterprises in Padang City, West Sumatra. The problem is focused on the realization of Minang Mart’s idea for empowerment and collaboration with local traders and MSMEs. Along with its development, Minang Mart has come out of the initial idea, namely the modernization and empowerment of local traders, and local Micro, Small, and Medium Enterprises have not been implemented until now. To approach this problem, Nugroho’s theoretical reference was used regarding the effectiveness of a policy which was put forward in four “right” ways, namely the right policy, the right implementer, the right target, and the right environment. The data were collected through observation and documentation techniques. This study was qualitative research with a descriptive approach and inductive analysis. This study concludes that based on the four "correct" policies in the effective study of policies, the West Sumatra government was not ready with what was announced and it was known that the policies regarding Minang Mart have not been implemented effectively. Minang Mart’s policy was the right policy and has not fulfilled the right implementation, right target, and environmental aspects. It is known that Minang Mart is currently managed by the private sector, Minang Mart’s partnership with local Micro, Small, and Medium Enterprises has not materialized, and there are no zoning regulations regarding the establishment of Minang Mart.

Keywords: Effectiveness; Partnership Patterns; Minang Mart; Local Micro, Small, and Medium Enterprises

INTRODUCTION

The development of the retail industry is divided into two, namely modern retail and traditional retail. Modern retail consists of Minimarket, Supermarket, Hypermarket, Indomaret, Alfamart, and others. Traditional retail consists of traders and grocery stalls. The high level of community mobility demands that everything be done quickly and effectively, more organized products, reasonable prices, security guarantees, the use of sophisticated technology, and easy-to-reach locations have made modern retail a favorite choice for people to fulfill their needs compared to traditional retail (Firmanda, 2017). The growth of modern networked retail that increasingly dominates shows that the other side of traditional markets is increasingly being displaced in the proportion of the retail sector in Indonesia. It is since modern networked retail has a larger capital capacity and allows them to expand their business intensively and provide competitive prices and services. The occurrence of unbalanced competition and threatening the position of traditional markets prompted a response from local governments to protect traditional markets and prevent the entry of networked modern retailers.

The existence of Indomaret and Alfamart has had a huge impact on grocery traders and traditional markets, even modern retail networks have brought misery to traditional traders and grocery stalls and even shut down their businesses. Ginting (2018) in his study in the Talang Kelapa area, Banyuasin Regency, South Sumatra found that so many problems faced by traditional traders and grocery stalls after the proliferation of several Indomaret and Alfamart outlets, which had killed small businesses. This condition was marked by a decrease in consumers who shop at traditional markets and grocery markets as well as narrowing opportunities for Micro, Small, and Medium Enterprises (MSMEs).

The decisions of the government of West Sumatra and several other regions are not in line with national policies although in different forms of implementation. At the national level, the government encourages the development of networked modern retail by issuing policies that are pro-retail liberalization, namely Presidential Decree (Keppres) No. 96 of 2000 and Presidential Decree No. 118 of 2000. The West Sumatra Regional Government acted by not granting permits to operate nationally networked modern retailers such as Indomaret and Alfamart entered West Sumatra. One important indication of the motive for the prohibition is related to the desire of the West Sumatran local government to prioritize regional interests rather than following policies pushed by the central government (Luong, 2004). There are indications of protection of local interests, in this case, the regional government of West Sumatra wants to see the development of trade at the regional level. The West Sumatra government firmly refuses to issue permits for the opening of modern retail networks with national networks such as Indomaret and Alfamart to protect traditional markets and grocery stores (Saeno, 2016). This decision, together with the district and city governments and supported by the provincial government, made West Sumatra the only province in Indonesia that did not have modern retail outlets with a national network (Loung, 2004).

Padang city 2016 has had a modern retail network initiated by the Regional Government of West Sumatra Province in the Regional Financial Access Acceleration Team (TPAKD) program, namely Minang Mart. Minang Mart is the embodiment of the idea of cooperating with small traders who already have stores to market under the name Minang Mart and get supplies of goods at lower prices. Minang Mart is planned to run under the synergy of three
Regional Owned Enterprises (BUMD) in West Sumatra, namely Nagari Bank, PT. Graphics, and Jamkrida (Antarasumbar, 2016). Implementation of the Minang Mart program, Nagari Bank is tasked with providing credit with a sharia margin of only 7%, PT. Graphics are in charge of managing or buying goods as well as supplying them to traders, and Jamkrida provides credit guarantees if they do not have collateral (Firmanda, 2017).

The presence of Minang Mart in the retail business in Padang City was initially accepted by local traders since of the concept and purpose of Minang Mart as an obstacle to the entry of nationally networked retail businesses such as Indomaret and Alfamart. Minang Mart is also intended to help develop local entrepreneurs (MSMEs) or modernize traditional retail by its motto "Basamo Mako Manjadi" (Bersama Maka Becomes), namely by embracing traditional retail by providing training on how to manage a retail business appropriately and assisting in terms of funding and maintaining market price stability (Firmanda, 2017). The development of Minang Mart has been criticized for departing from the initial idea, namely the modernization promised by Minang Mart has not been carried out until now. It can be seen from the ten units of Minang Mart owned by partners, that nine of them are completely new retail ventures, not the result of modernizing existing traditional retail. Based on the four research locations of Minang Mart, namely Gurun Laweh, Indarung, Kuranji, and Gunung Pangilun, the presence of Minang Mart in Padang City has an impact on decreasing sales turnover from traditional retail and grocery stalls, as a result, traditional retailers have difficulty managing finances since of the prices offered by Minang. Marts is cheaper than the prices offered by surrounding traditional retailers (Firmanda, 2017).

Judging from the substance of the Minang Mart policy, the average traditional retailer feels the negative impact of the presence of Minang Mart on their business. Members of Commission III DPRD West Sumatra asked the provincial government to review the technical operations of Minang Mart so that its existence does not kill small businesses in the surrounding. The populist economic program carried out by West Sumatra Provincial Government must take sides with the community, especially local retail entrepreneurs since the majority of the people of West Sumatra rely on the economy through trade (Mahfuzi, 2017). In line with this, several trading business organizations in West Sumatra objected and rejected the presence of Minang Mart, they demanded that Minang Mart returns to its original concept. According to the trading business organization, Minang Mart has deviated from its initial provisions, which required empowering MSMEs in West Sumatra by involving PT. Modern Minang Retail. Currently, Minang Mart is under the management of PT. Modern Minang Retail is a holding company with My-Jenedi Group which is also in the form of a limited liability company. They expected Minang Mart to return to the original plan managed by three BUMDs, namely Nagari Bank, Jamkrida, and Graphics (Secretariat DPRD West Sumatra, 2016).

The development of the retail business in Indonesia is so fast, that one of the efforts that are considered appropriate to support and balance the role of retail in economic growth and community welfare is through the implementation of partnerships. According to Article 1 of Law Number 20 of 2008 concerning Micro, Small, and Medium Enterprises, it is stated that partnership is cooperation in business linkages, either directly or indirectly based on the principle of mutual need, trust, strengthening, and benefit involving MSME actors with large businesses. Partnerships are built based on mutual need, benefit, and strengthening with functions and responsibilities by the capabilities and
proportions possessed by each party involved in the partnership. The development of Minang Mart in West Sumatra is still at the intermediate stage of development. One of the efforts that Minang Mart prioritizes is the development of local MSMEs and increasing the growth of new entrepreneurs.

The role of Minang Mart is expected to be able to increase the dignity of local MSMEs in West Sumatra, as well as to have a considerable influence on local MSMEs in developing and fostering future business. The concept of implementing Minang Mart is not a franchise concept that includes a business model with the principle of profit-sharing based on a win-win solution. In the concept of a partnership that will be implemented, Minang Mart must provide facilities and products to be sold to consumers, while local traders as outlet owners are more responsible for providing a place or building that will be used as a Minang Mart outlet. Based on this description, this article aims to discuss the effectiveness of the Minang Mart partnership pattern in empowering local MSMEs in the city of Padang, West Sumatra.

Effectiveness is a form of the word effective that comes from English, namely, effective means successful or something that is done successfully, or effectiveness is almost always associated with achieving targets or goals (Uha, 2014). Effectiveness is related to the relationship between the expected results and the results achieved (Mahmudi, 2013). In the implementation of activity of a public organization, effectiveness is related to the impact of output or output for service users, namely the community (Soleh and Suripto, 2011). Based on Nugroho (2014), about the effectiveness of a policy, four "rights" can be put forward so that a policy can be effective, namely:

1. Appropriate policies, judged by the extent to which existing policies contain matters in solving the problem to be solved;
2. Right implementer, the actor in implementing the policy is not only the government. Three institutions can be implemented, namely the government, cooperation between the government and the private sector, or the implementation of privatized policies;
3. Right on target, relating to whether the intervention target is as planned and whether the target is in a condition ready for intervention;
4. Appropriate environment, which includes the policy environment, interaction between policy-making institutions and policy implementers with other related institutions, as well as the external policy environment consisting of public opinion, namely public perceptions of policies and policy implementation.

Based on a previous study conducted by Nalien (2020), regarding the effectiveness of Minang Mart retail based on local wisdom according to Siagian such as clarity to be achieved, clarity of strategy to achieve goals, the process of analysis and policy formulation, careful planning, preparation of appropriate programs, available facilities and infrastructure support, as well as an educational supervision and control system. Among these indicators, the effectiveness of Minang Mart that has been going well is the availability of supporting facilities and infrastructure. In line with this, Satriadi (2018) describes a partnership cooperation relationship with PT. Minang Modern Retail with the owner of the Minang Mart outlet in Padang City. The results of the study show that the Minang Mart partnership creates a legal relationship between the parties in the form of an agreement, partnership pattern relationship, as well as rights and obligations. The main obstacle that occurs in the Minang Mart partnership is the slow process of fulfilling goods based on the requests of each outlet.

The study of the effectiveness of retail is not only in the city of Padang, Nurnawati
(2020) explains the effectiveness of the minimarket arrangement policy in Bandung Regency. The results of the analysis show that the minimarket arrangement policy in Cileunyi and Rancaekek sub-districts has not been effective. Many minimarkets do not have permits, do not comply with the provisions on the distance between outlets, and there has not been a partnership between minimarkets and MSME actors.

Minang Mart retail has its own retail business which is very strong and dominates compared to other retail businesses in Padang City, West Sumatra since the target outlets that will operate are quite large and wide. The concept and flow of implementing the business partnership pattern that is applied between the parties involved will facilitate the birth of new Minang Mart outlets. The question arises according to the conditions that occur whether the Minang Mart partnership has been carried out by existing regulatory provisions, namely by embracing traditional retail by providing training on how to manage the right retail business, assist with funding, and maintain market price stability, as well as how effective the Minang partnership pattern is in empowering local MSMEs in Padang City, West Sumatra. It will be a description and clarity of information on the presence of Minang Mart in the community that is useful for local entrepreneurs and local MSMEs in Padang City, West Sumatra.

RESEARCH METHODS

Research on the Minang Mart partnership pattern in empowering local traders in Padang city, West Sumatra, was conducted using a qualitative descriptive method. Descriptive research is research that aims to provide or describe a situation or phenomenon that is currently happening by using scientific procedures to answer actual problems (Sugiyono, 2017). Qualitative research requires the implementation of research-based on natural settings, so it is often referred to as the naturalistic method. Some characteristics of qualitative research include scientific, descriptive, research targets apply as research subjects, and data analysis was carried out inductively (Idrus, 2016). Inductive analysis was based on specific facts, then researched and finally found a solution to the problem of a general nature. Inductive is a way of thinking to draw general conclusions from various individual cases (Mardalis, 2014). The data as analysis material was collected through two techniques, namely, observation and documentation. Desk research techniques were also used to obtain the necessary data. These data were then analyzed qualitatively by using an interactive model. Analytical activities in the interactive model include data reduction, data display, and conclusion drawing/verification (Sugiyono, 2014).

RESULTS AND DISCUSSION

Minang Mart Partnership Pattern

Minang Mart is a modern shop that can be managed by the community. In May 2016, Minang Mart retail outlets officially opened in Padang City. Minang Mart is a program to revive the people’s economy by buying agricultural, plantation, fishery, and community handicrafts to be supplied to traders which are then resold to consumers at reasonable prices. Minang Mart will also provide benefits to the community as consumers and improve the welfare of MSMEs. Minang Mart is not a new building but is collaborating with traders who already have stores to make the Minang Mart brand, and get supplies at low prices. Minang Mart is under the management of PT. Modern Minang Retail is a holding company with My-Jenedi Group which is also in the form of a limited liability company.

Minang Mart is planned to not only be in the form of large retail but also cover small stalls. There are 4 levels of the retail division of Minang Mart, namely;
1. Minang Mart type A. This type is the same as modern retail which provides various needs and is open 24 hours;
2. Minang Mart type B. Items for sale and facilities are under Minang Mart type A, opening hours are less than 24 hours and only this type is available;
3. Minang Mart type C. This type is a class of stalls or stalls that previously existed, later they will be branded with Minang Mart, all goods needed, and Standard Operating Procedures (SOP) will be provided by Minang Mart;
4. Minang Mart type D. This type is the lowest level by using a cart or booth. They will also be given support in the form of capital by Bank Nagari (Antarasumbar, 2016).

Based on what Dasril (Director of PT. Grafika Jaya West Sumatra) stated that in its operations Minang Mart will not shut down grocery stalls in the surrounding since Minang Mart has a partnership pattern to revive local stalls and businesses. The stalls that partner with Minang Mart will be upgraded, management will be improved, and store design and service will be made to Minang Mart standards. The goods sold at Minang Mart were supplied by local distributors and sold at transparent prices according to market prices. Minang Mart also sold local MSME culinary products and agricultural products from West Sumatra. Specifically for the supply of agricultural products, PT. Graphics are bought directly to farmers through farming groups. Referring to the expectations of the local government.

Minang Mart’s short-term planning was to build two to three Minang Mart outlets within one month. There were as many as 19 regencies and cities in West Sumatra, with a target of at least 53 Minang Mart outlets, but the realization of this plan since the launch of 2016 Minang Mart seems to be running slowly or running in place, as evidenced by the number of Minang Mart only 23 outlets, of which 21 outlets were in Padang city and 2 outlets in other districts. Minang Mart also set the percentage of local MSME products at 30 percent, of which the number of local MSMEs in Padang City that had just joined was 156 MSMEs from 79 thousand local MSMEs in Padang City, West Sumatra (Nalien, 2020).

![Figure 1. Local MSME products at Minang Mart](image_url)
1. **Right Policy**

The importance of market position creates a tendency of resistance to parties or groups that have the potential to dominate and replace the market. Modern retail networks such as Indomaret and Alfamart in this case are considered parties that have the potential to dominate the market if they are allowed to enter so that there is encouragement from the community to local governments to protect and support the existence of traditional markets. The idea of the West Sumatra regional government to bring up Minang Mart as an alternative strategy was realized in 2016. Minang Mart was an issue that was busy being discussed by various groups, from government officials, businessmen, and traders to the general public in Padang City and all regions in West Sumatra.

The Minang Kabau community has a distinctive socio-cultural construction related to the market which also influenced the entry of networked modern retailers such as Indomaret and Alfamart to develop. An expression *petatah-petitih* Minangkabau shows that the market occupies an important position as an institution that must exist in the region/hamlet, "babalai bamusajik" (has a hall/market and mosque) (Damsar and Indrayani, 2016). Among the policy strategies carried out by the Provincial Government of West Sumatra regarding Minang Mart and refusing permission to enter modern retail networks such as Indomaret and Alfamart are as follows;

a) **Local Governments Conduct Negotiations with Networked Modern Retail Companies**

The City Government and Provincial Government were directly involved in the negotiation process or direct bargaining with networked modern retail companies. The negotiation process on inhibiting the entry of networked modern retail in Padang City went hand in hand with the licensing process. It was done by the City Government and the Provincial Government regarding what was the focus of the region so that investment made a positive and significant contribution to the regional economy. The purpose of the negotiation and bargaining process carried out by the City Government and the West Sumatra Provincial Government is to function as a medium to align the investment plans of networked retail companies with the will of the local government to protect small traders (Balqis, 2017).

In principle, if the networked modern retail company was willing to accommodate regional interests that were demanded by the government, then incentives from licensing can be given. Local governments can help modern retail companies network related to various facilities and infrastructure needs, if the company cannot meet these demands, there were at least two scenarios that will occur. First, the investment process for modern retail networks such as Indomaret and Alfamart had the potential to be delayed since companies need time to adjust to demands made by local governments; Second, the investment process did not continue since modern networked retail companies were unable or unwilling to meet the demands of local governments.

b) **Local Government Programs to Protect Traditional Markets**

The practice of government intervention can also be seen in the existence of local government programs in the development of traditional markets in all districts/cities in West Sumatra which were implemented to protect spatial space and marketing channels for traditional markets and MSMEs. Being understood in the *barrier-to-entry* study mechanism, these intervention practices provide benefits to local governments to maintain their spatial space and prevent the entry of new players into the same industrial sector. The city and provincial governments carried out the traditional market
development programs and develop MSMEs to protect spatial space and marketing channels for small traders. The traditional market development program focused on revitalizing existing markets and building new markets. The program targets that every sub-district in all regions in West Sumatra had a traditional market. Meanwhile, MSME development was carried out through a business capital loan assistance scheme through KJKS and assistance by professionals.

c) Licensing Requirements to Absorb Local Products

The application of licensing requirements by the West Sumatra Provincial Government intended to limit the opportunities for new entrepreneurs to enter the market. In the case of networked modern retail in Padang City, the licensing requirements in question are criteria for absorbing local MSME products. These criteria are not regulated in a written policy but originate from the intervention of the Padang City Government on the Regulation of the Minister of Trade (Permendag) Number 70 of 2013 concerning Guidelines for Structuring and Fostering Traditional Markets, Shopping Centers, and Modern Stores.

There are criteria related to the absorption of local MSME products into instruments that can hinder the entry of networked modern retailers such as Indomaret and Alfamart in Padang City, this is a consequence of modern retail which is managed by general trading patterns and franchising. The existence of Law Number 5 of 1999 concerning the Prohibition of Monopolistic Practices and Unfair Business Competition are signs and limitations in running a business fairly, including preventing the domination of a large market share, preventing the emergence of opportunities for new market players, and preventing the development of new players competing market. This also applies when Transmart enters Padang City, where Transmart is willing to market local MSME products including agricultural product patterns in their outlets.

Modern networked retail that was managed on a franchise basis was relatively more difficult to absorb local MSMEs since managers in the regions generally only had the status of franchise buyers (Nur and Muslimin, 2009). Franchise buyers did not have the authority to negotiate with local governments regarding partnerships to absorb local MSME products, since the goods supply mechanism has been determined by the franchisor. The involvement of the local government of West Sumatra in licensing and refusal of licenses, as well as requirements for the absorption of local MSME products to revive and improve the people’s economy, has resulted in the absence of networked modern retail outlets such as Indomaret and Alfamart in Padang City, West Sumatra.

d) License Disclaimer

The refusal of a license was a form of bureaucratic obstacle in the licensing application process for networked modern retailers such as Indomaret and Alfamart entering Padang, West Sumatra. The refusal of a license is a manifestation of the reduced efficiency of the new market entry process. The bureaucracy in its capacity as an institution that works to serve licensing matters is driven by the local government to prevent the entry of networked modern retailers such as Indomaret and Alfamart.
The local government as the holder of authority in the region can move the bureaucracy considering its nature as a hierarchical institution (Dwiyanto, 2011). The bureaucracy is an important instrument for the government to carry out its government agenda. The situation that caused the license delay for networked modern retail companies to enter the city of Padang was motivated by two things. First, the intensity of disputed claims between local governments and networked retail companies was quite high. This situation was shown when local governments seemed to be more considerate of the political risks that will be faced if they ignored the public’s encouragement to prioritize the small trade sector, compared to the interests of retail companies for ease of investment (Balqis, 2017).

Viewed from the right policy aspect, it can be stated that the West Sumatra Provincial Government’s policy to develop Minang Mart retail and inhibit the entry of networked retailers such as Indomaret and Alfamart in Padang City is the right step to anticipate and overcome unfair competition between business actors and local traders. It can be seen from several objectives of the policy, among others; 1) Protect and empower MSMEs, cooperatives, small traders, and traditional markets so that they can develop, compete, be tough, independent, advanced, and can improve the welfare of traders and society in general; 2). Empowerment of local traders so as not to harm and kill existing SMEs, cooperatives, grocery stalls, and traditional markets; 3). Ensure the implementation of partnerships between Minang Mart and MSME business actors, grocery stalls, and other local traders based on the principles of equality and fairness in running a business in the trade sector.

2. Exactly Executor

The Minang Mart program, which was initiated by West Sumatra Provincial Government, has been in the spotlight since its inception. The government initially intended to boost the community’s economy with the presence of Minang Mart, but there was no commitment to the concept of Minang Mart which has so far deviated from the initial concept and there is no special arrangement regarding the existence of retail businesses in Padang City which has the potential to kill local retail businesses and grocery stalls. which had stood before. Minang Mart’s initial commitment was not to build a new building for retail but to partner with existing community stalls, and the absorption of local MSME products by 30% has not been implemented. Minang Mart is a program of the West Sumatra Regional Financial Access Acceleration Team (TPAKD). TPAKD is a coordination forum between relevant agencies and stakeholders to increase the acceleration of financial access and encourage regional economic growth and realize community welfare. The various programs were structured to ensure the availability of broad access for the community, encourage the increased role of the financial services industry in regional economic growth, and seek breakthroughs in opening more productive access to finance for the community (TPAKD, 2018).

At the end of May 2016, the Minang Mart TPAKD program aimed to empower and improve the quality of MSMEs (TPAKD, 2018). Ideally, for the sake of implementing this, local governments can allocate funds to the Regional Revenue and Expenditure Budget (APBD), but in practice, Minang Mart did not use the budget from the APBD. It was stated by Dasril as Director of PT. Graphic Jaya West Sumatra with the excuse of avoiding political elements and interference from DPRD members. Minang Mart’s budget was purely from the capital of prospective partners and capital injections from Nagari Bank with a margin of 7% for KPUM. Since Minang Mart was launched, the government has set various strategies for implementing and achieving
goals. Among the collaborations of PT. Graphic Jaya, Bank Nagari, and PT.

It was found that in the field there was a decrease in the number of Minang Mart outlets in Padang City, confirming the evidence that the three BUMDs in question are not synergistic with each other, Minang Mart retail is only PT. Minang Modern Retail (RMM) without the intervention of 3 BUMD synergies. PT. This Modern Minang retail has been registered by existing legal rules, this can be proven by accessing the website of the Ministry of Law and Human Rights. The West Sumatra TPAKD rarely conducted monitoring and evaluation, MSME products were not accommodated properly and the public's low interest in shopping at Minang Mart retail. Local MSME products and the absorption of community agricultural products that were promised by Minang Mart of up to 30 percent were not widely realized in Minang Mart retail,

Based on the narrative of Guspardi Gaus (Chairman of the West Sumatra Entrepreneurs Association) "the initial concept of Minang Mart deserved thumbs up since it involved three BUMDs which were considered to be able to increase the dignity of local MSMEs in West Sumatra, as well as an extension of the local government to be able to intervene in market prices in case of turmoil. in the market. Currently, Minang Mart deviated far from the initial concept, as the owner of the program, the government must be honest with the community about who this third party is, namely PT. RMM". Director of PT. Graphic Jaya West Sumatra as the manager of Minang Mart said, "the involvement of an experienced third party (PT. RMM) is needed to accelerate the program so that it does not run in place".

Judging from the exact implementation aspect, it can be stated that the implementation of the West Sumatra Provincial Government’s policy to develop Minang Mart retail as empowerment of local traders and MSMEs in Padang City has not been implemented according to the concept that was planned at the beginning of its formation. The concept of Minang Mart can be concluded to deviate from the exact target of implementing the policy, which aims to provide guidance and empowerment to local traders and MSMEs, but this has not been realized. More specifically, the main target of Minang Mart was the lower-middle-class community by upgrading grocery stores to modern retail so that it did not burden potential partners, however, Minang Mart was mostly built with types B and C and there were no outlets built with type D as the lowest type with affordable capital.

3. Right on Target

One of the targets of Minang Mart as a West Sumatra TPAKD program is the empowerment of local traders and MSMEs through modern retail. Expectations were high when launching on November 18, 2016, that Minang Mart was able to penetrate the number of 1000 outlets throughout West Sumatra and during the socialization of Minang Mart on May 25, 2016, more than 300 potential Minang Mart partners throughout West Sumatra had registered. The number of retail outlets for Minang Mart until 2021 was only 26 outlets.

To the previous explanation, Minang Mart is targeted to build as many as 1000 outlets in nineteen city districts throughout West Sumatra. Starting from 2016 to 2021, It was known that there were only 26 outlets that were still active from the previous number, namely 46 outlets throughout West Sumatra with details of 23 outlets in Padang City and then one outlet each located in Agam Regency, Padang Panjang City, and Pesisir Selatan Regency. Of course, this figure is still very far from the target of 1000 outlets.

If the target was to establish 1000 outlets, if West Sumatra consists of nineteen regencies and cities then it is divided equally, at least each region has about 53 outlets. The city of Padang is the
capital of West Sumatra and has a fairly large area of 695 km², of course, more retail Minang Mart should be found, but only has 23 outlets, it can be calculated that when compared to the number of outlets that should have been established, the percentage of success is around 43% and when compared with a target of 1000 outlets, the percentage of success is only about 0.023%. From the point of view of the right target, it can be stated that the West Sumatra government’s alternative policy has not yet reached the planned target. It is known that retail or Minang Mart outlets still dominate in Padang city and have not been found in other districts and cities in West Sumatra. The target of establishing various types of Minang Mart outlets with various types, ranging from type A to type D, and making local traders or grocery stalls partners has not been fully realized.

4. Right Environment

Policy implementation requires internal and external coordination. Internal coordination is an interaction between the institutions involved as policy implementers, while external coordination tends to socialize and solicit public opinion or perception of the implemented policies. Analysis of the Minang Mart policy case, coordination between implementing agencies has not been fully established since the conceptualized partners have not been reached and the current management of Minang Mart is no longer by BUMD but by PT. Modern Minang Retail.

PT. Minang Modern retailers before setting up outlets conduct a survey first, if the location is in low traffic or not strategic and far from the crowds, the team recommended looking for another location or it was recommended to postpone it first since it was feared that it would be quiet and make a loss. As the initial decision was still in the hands of the partners, Minang Mart was still opened at that store. PT. Modern Minang retail opens up opportunities for people who want to become partners of Minang Mart and MSMEs to sell their products. Communities who become partners can register offline by taking care of permits at the Padang City Investment and One-Stop Integrated Service (DPMPTSP) and online by using the Sapo Rancak application.

Looking at the supervision of the West Sumatra TPAKD team towards Minang Mart, it has not been as expected by the TPAKD program guidelines. TPAKD West Sumatra was considered not to focus on encouraging Minang Martin to achieve its goals, while PT. Modern Minang retail has its way of measuring the success of the Minang Mart program, namely by Result Control, and also plans to set up mini-sized outlets that use containers so it is called Minang Mart Express. In terms of external coordination, the presence of Minang Martin Padang City, West Sumatra, has quite a negative impact on local traders and grocery stalls. The modernization promised by Minang Mart has not yet been fully implemented. It can be seen from the ten units of Minang Mart retail outlets owned by partners,

The other impact of the establishment of Minang Mart which has not been regulated regarding zoning has resulted in a decrease in turnover for small traders. The decline in turnover occurred since the price offered by Minang Mart was cheaper than the price offered by traditional retail (warung kelontong) in the surrounding, which was to the trends and culture of the people of Padang City, West Sumatra, which was sensitive to price so that people prefer to shop in large quantities. in a store that has a lower price.

Regulation of the Minister of Trade Number 70/M/DAG/PERS/12/2013 concerning Guidelines for Arrangement and Development of Traditional Markets, Shopping Centers, and Modern Stores and this regulation was amended by Regulation of the Minister of Trade of the Republic of Indonesia Number 56/M/DAG/PERS/9/2014 concerning Amendments to the
Regulation of the Minister of Trade Number 70/M/DAG/PER/12/2013 concerning Guidelines for the Arrangement and Development of Traditional Markets, Shopping Centers, and Modern Stores. Based on this new regulation, there was no longer any provision for prohibiting sales promotion at a price lower than the market price offered by modern retailers, even though the regulation was very supportive of the sustainability of traditional retail to create a competitive market price.

Taking into account these impacts, the community and traditional traders expect the local government to play a role in creating a conducive business climate in the aspect of business competition since the spearhead of modern retail regulation was the local government. Padang City already has Regional Regulation Number 4 of 2012 concerning the Spatial Planning of the City of Padang 2010-2030 but until now Padang city still does not have zoning regulations. Business establishments should also consider the density and population growth levels in each area so that there was no business competition between modern retailers and traditional traders.

CONCLUSION

The West Sumatra Regional Government was not ready with the planned program. Currently, Minang Mart is a business unit managed by PT. Pure Minang Modern Retail is a privately owned business. The local government should back up the presence of Minang Mart since the regional government as the spearhead must make regulations that can limit the movement of Minang Mart so as not to have a bad impact on local traders and MSMEs. The Minang Mart partnership pattern in empowering local MSMEs in Padang City, West Sumatra was known to have not been implemented effectively. Based on the analysis of the four aspects of policy effectiveness, according to Nugroho, Minang Mart's policy was known to have only reached the right policy aspect and has not met the right implementation, target, and environmental aspects.

REFERENCES


