

Relocation Preferences of Street Vendors at Pasar Sore Tanjung Selor: An Analysis of Environmental and Economic Aspects

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Abstract: This study examines the relocation preferences of street vendors (Pedagang Kaki Lima, PKL) at Pasar Sore Tanjung Selor, with a focus on environmental and economic aspects. The research employed a mixed-methods approach, combining quantitative surveys of 37 street vendors and qualitative interviews with consumers, community leaders, and local government officials. Quantitative data were analyzed using Likert scales to measure perceptions of environmental conditions, comfort, safety, and economic opportunities at two potential relocation sites: Pasar Induk and Pasar Subuh. The findings indicate that both environmental and economic aspects were rated positively, with total scores of 74% and 72%, respectively. Overall, 81% of respondents preferred Pasar Subuh as the relocation site due to its accessibility, comfort, and economic potential, while 19% favored Pasar Induk for compliance with government regulations and space management. The study highlights the importance of considering both environmental and economic factors in relocation planning and provides practical insights for policymakers aiming to improve the organization and sustainability of local markets.

Keywords: Street Vendors, Relocation, Perception, Environmental Aspect, Economic Aspect

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INTRODUCTION

Urbanization and the expansion of urban economic activities have contributed to the rapid growth of the informal sector in many developing countries. One of the most visible forms of informal economic activity is the presence of street vendors, who provide affordable goods and services while creating employment opportunities for low-income communities (Filia Hanum et al., 2024). Despite their contribution to local economies, street vendors are frequently associated with urban management challenges, including traffic congestion, environmental degradation, public space occupation, and irregular land use patterns (Maharani Abdul, 2022; Ramdhani Harahap, 2013). Urbanization in developing countries has expanded informal economic activities, such as street vending, which are shaped by social and economic structures (David Hulme & M. Turner, 1990)

In Indonesia, the management of street vendors remains a complex policy issue. Local governments often implement relocation programs as a strategy to improve urban order, enhance environmental quality, and optimize the use of public spaces (Adrian Sutedi, 2008). However, relocation policies frequently generate diverse responses from vendors and other stakeholders because relocation may affect business performance, customer accessibility, operating costs, and social interactions (Nur Atika Pratiwi et al., 2018; Ramdani, 2019). Consequently, the success of relocation programs depends not only on administrative considerations but also on stakeholders' perceptions of the proposed relocation sites.

Previous studies have reported mixed findings regarding street vendor relocation policies. Similar challenges regarding vendor relocation and market accessibility have been reported in African cities, where informal traders face constraints in securing suitable trading locations (Mitullah, 2003). Research conducted in Bitung City found that most vendors opposed relocation because the new market location was considered less strategic and difficult to access (Sakul, 2014). Similar findings were reported in Metro City and Jambi, where vendors expressed concerns about declining customer numbers, inadequate facilities, and reduced business opportunities after relocation (Nur Atika Pratiwi et al., 2018; Soraya, 2015). On the other hand, some studies have shown that relocation can be accepted when the new location provides better infrastructure, accessibility, and business prospects (Arifin A & Charin, 2022). These findings indicate that perceptions of relocation are strongly influenced by environmental and economic conditions at the destination site.

Tanjung Selor, the capital of Bulungan Regency and North Kalimantan Province, faces similar challenges in managing street vendors. Street vendors operating in Pasar Sore Tanjung Selor conduct their activities along sidewalks and public spaces, creating concerns related to traffic flow, pedestrian mobility, environmental cleanliness, and urban aesthetics. In response, the local government has proposed relocating these vendors to alternative market locations. Two potential relocation sites have been identified: Pasar Induk Tanjung Selor, the main traditional market managed by the government, and Pasar Subuh Tanjung Selor, a privately managed market. Urban informality theory suggests that location and accessibility are crucial determinants for informal economic activities (Roy, 2005).

The proposed relocation has generated differing opinions among vendors, consumers, community representatives, and government officials. While government authorities tend to prioritize administrative control, market organization, and revenue management, vendors and consumers are more likely to evaluate relocation options based on accessibility, comfort, customer flow, and business sustainability (Ramdani, 2019). These differences highlight the need for empirical evidence regarding stakeholder preferences toward relocation alternatives.

Although numerous studies have examined street vendor relocation in Indonesia, most have focused on acceptance or rejection of relocation policies. Limited attention has been given to comparing alternative relocation sites based on both environmental and economic considerations (Arifin A & Charin, 2022; Soraya, 2015). Furthermore, empirical evidence from small and medium-sized urban centers, particularly in eastern Indonesia, remains scarce. This study addresses these gaps by examining relocation preferences for street vendors in Pasar Sore Tanjung Selor through the assessment of environmental and economic aspects.

Therefore, this study aims to analyze stakeholders' perceptions of street vendor relocation based on environmental and economic considerations and to identify the preferred relocation site between Pasar Induk and Pasar Subuh. The findings are expected to contribute to the literature on informal sector management and provide practical recommendations for

policymakers in designing relocation programs that balance urban order, environmental quality, and economic sustainability.

METHOD

Research Design

This study employed a descriptive research design using a mixed-methods approach, combining quantitative surveys with qualitative interviews. The quantitative component was aimed at capturing the perceptions of street vendors (PKL) regarding environmental and economic aspects of two potential relocation sites. The qualitative component explored deeper insights from other stakeholders, including consumers, community leaders, and government officials.

Population and Sample

The population included street vendors at Pasar Sore Tanjung Selor, market consumers, local community representatives, and relevant government agencies. The quantitative survey targeted 37 PKL selected through simple random sampling from a population of 41 vendors. For consumers, 12 respondents were selected using incidental sampling based on their availability at the market during data collection. Key community figures (3 respondents) and a government official (1 respondent) were purposively selected, resulting in a total of 53 respondents across both methods

Data Collection Instruments

Quantitative data were collected through structured questionnaires based on indicators derived from environmental and economic aspects. Responses were measured using a 4-point Likert scale (1 = Strongly Disagree, 4 = Strongly Agree). The environmental indicators included physical conditions, comfort, safety, and aesthetics of the relocation sites. Economic indicators covered accessibility, income potential, operational costs, business opportunities, and access to suppliers or markets. Qualitative data were obtained through semi-structured interviews with consumers, community leaders, and government officials to capture reasons behind site preferences and perceived advantages or concerns.

Data Analysis

Quantitative data were analyzed using descriptive statistical techniques. The analysis began by tabulating respondents' answers from the questionnaire based on a four-point Likert scale, where each response was assigned a numerical score: 4 for strongly agree, 3 for agree, 2 for disagree, and 1 for strongly disagree. The scores for each item were then summed to obtain the total score for each indicator within the environmental and economic aspects. The percentage score for each aspect was calculated by comparing the obtained score with the maximum possible score. The formula used was:

$$P = \frac{F}{N} \times 100\% \dots \dots \dots (1)$$

where P represents the percentage score, F is the obtained score, and N is the maximum possible score. The percentage results were then interpreted using predetermined criteria: 78–100% was categorized as strongly agree, 52–77% as agree, 26–51% as disagree, and 0–25% as strongly disagree. This classification was used to determine the overall perception level of respondents toward the proposed relocation sites.

Before interpreting the main results, the questionnaire items were tested for validity and reliability. The validity test was conducted using Pearson's product-moment correlation by comparing the calculated correlation coefficient (r-value) with the critical value of the r-table. An

item was considered valid when the calculated r-value was higher than the r-table value at a 5% significance level. The reliability test was conducted using Cronbach's Alpha to examine the internal consistency of the questionnaire. An instrument was considered reliable when the Cronbach's Alpha value was greater than 0.60.

For the qualitative data, interview responses from consumers, community representatives, and government officials were analyzed using thematic analysis. The analysis involved identifying repeated themes in respondents' explanations, particularly regarding accessibility, comfort, market order, administrative control, business continuity, and economic potential. These themes were then grouped according to the two main relocation alternatives, namely Pasar Induk and Pasar Subuh.

Finally, quantitative and qualitative findings were integrated to determine the preferred relocation site. The quantitative results showed the level of agreement toward environmental and economic aspects, while the qualitative findings explained the reasons behind respondents' preferences. This integration allowed the study to provide a more comprehensive interpretation of relocation preferences among street vendors and other stakeholders.

RESULTS AND DISCUSSION

Research Results

Respondent Characteristics

A total of 53 respondents participated in this study, consisting of 37 street vendors, 12 consumers, 3 community representatives, and 1 government representative. The respondents represented multiple stakeholder groups directly or indirectly affected by the proposed relocation policy. This diversity was intended to provide a comprehensive understanding of relocation preferences from different perspectives.

Table 1. Respondent Characteristics

Category	Subcategory	Frequency	Percentage (%)
Age	20–29	8	15
	30–39	9	17
	40–49	17	32
	50–59	15	28
	60–73	4	8
Gender	Female	35	66
	Male	18	34
Ethnicity	Dayak	17	32
	Bulungan	16	30
	Jawa	14	26
	Tidung	3	6
	Bugis	3	6

Source: Questionnaire results, processed (2026)

The age distribution indicates that most respondents were within the productive age group. Respondents aged 40–49 years constituted the largest proportion (32%), followed by those aged 50–59 years (28%), 30–39 years (17%), 20–29 years (15%), and 60–73 years (8%). The dominance of middle-aged respondents suggests that most participants possessed substantial experience in trading activities and local market dynamics. In terms of gender, female respondents accounted for 66% of the total sample, while male respondents represented 34%.

This finding reflects the important role of women in informal market activities, particularly in the sale of vegetables, fruits, and household necessities. Regarding ethnic composition, the majority of respondents belonged to the Dayak (32%), Bulungan (30%), and Javanese (26%) ethnic groups, indicating that the study captured perspectives from the main demographic groups residing in Tanjung Selor.

The demographic composition is important because perceptions regarding relocation are often shaped by socioeconomic experiences, length of market participation, and community attachment. Therefore, understanding respondent characteristics provides useful context for interpreting relocation preferences.

Validity Test

The validity test was conducted using Pearson Product-Moment Correlation by comparing the calculated correlation coefficient (r-value) with the critical value of the correlation table (r-table). With a sample size of 37 respondents, the degree of freedom was calculated as $n-2=35$, resulting in an r-table value of 0.325 at the 5% significance level. The results showed that all items in the economic aspect had r-values greater than 0.325, indicating that all items were valid. For the environmental aspect, five items (items 1, 3, 4, 5, and 6) were found to be valid, with r-values ranging from 0.732 to 0.890. However, item 2 could not be statistically tested because all respondents provided the same response, resulting in a constant variable. Consequently, the item was excluded from further analysis because its correlation coefficient could not be calculated

Table 2. Validity Test Results

Variable	Item	r-value	r-table	Result
Environmental Aspect	1	0.890	0.325	Valid
Environmental Aspect	3	0.732	0.325	Valid
Environmental Aspect	4	0.885	0.325	Valid
Environmental Aspect	5	0.749	0.325	Valid
Environmental Aspect	6	0.840	0.325	Valid
Economic Aspect	1	0.635	0.325	Valid
Economic Aspect	2	0.737	0.325	Valid
Economic Aspect	3	0.681	0.325	Valid
Economic Aspect	4	0.394	0.325	Valid
Economic Aspect	5	0.700	0.325	Valid
Economic Aspect	6	0.626	0.325	Valid

Source: Processed Data, 2026

Reliability Test

The reliability test was performed using Cronbach's Alpha to evaluate the internal consistency of the questionnaire. A Cronbach's Alpha value greater than 0.60 indicates that the instrument is reliable. The results showed that the environmental aspect achieved a Cronbach's Alpha value of 0.855, while the economic aspect obtained a value of 0.661. Since both values exceeded the minimum threshold of 0.60, the questionnaire was considered reliable and suitable for measuring respondents' perceptions regarding the proposed relocation sites.

Table 3. Reliability Test Results

Variable	Cronbach's Alpha	Threshold	Result
Environmental Aspect	0.855	0.60	Reliable
Economic Aspect	0.661	0.60	Reliable

Source: Processed Data, 2026

Environmental and Economic Perceptions

Respondents evaluated environmental and economic aspects of two relocation sites: Pasar Induk and Pasar Subuh. Table 4 presents the total scores and percentages for each aspect.

Table 4. Environmental and Economic Perception Scores

Aspect	Indicator	Score	Interpretation
Environmental	Air quality	109	Agree
Environmental	Clean water availability	111	Agree
Environmental	Cleanliness and sanitation	112	Agree
Environmental	Lighting conditions	111	Agree
Environmental	Security	109	Agree
Environmental	Spatial arrangement	107	Agree
Environmental Total	—	659	Agree
Economic	Accessibility	112	Agree
Economic	Income potential	92	Agree
Economic	Operational costs	106	Agree
Economic	Opportunity to attract new customers	110	Agree
Economic	Customer retention	108	Agree
Economic	Access to suppliers	109	Agree
Economic Total	—	637	Agree
Overall	—	1,296	Agree

Source: Processed Data, 2026

The environmental aspect obtained a total score of 659, while the economic aspect obtained a total score of 637. Overall, the combined score reached 1,296, indicating that respondents generally agreed with the proposed relocation based on environmental and economic considerations. The highest environmental score was found in cleanliness and sanitation, whereas the lowest was spatial arrangement. In the economic aspect, accessibility received the highest score, while income potential received the lowest score, indicating vendors' concerns about possible changes in earnings after relocation.

Relocation Site Preferences

Respondents were asked to choose between two potential relocation sites: Pasar Induk and Pasar Subuh Tanjung Selor. The preference data are summarized in Table 5, among the 16 non-vendor respondents, 7 respondents preferred Pasar Induk, while 9 respondents preferred Pasar Subuh. The consumer group showed the strongest preference for Pasar Subuh, with 9 out of 12 consumers selecting this location. Meanwhile, community representatives and the government official preferred Pasar Induk because it was considered easier to manage, supervise, and organize administratively.

Table 5. Respondent Preferences for Relocation Sites

Respondent Category	Pasar Induk	Pasar Subuh	Total	Percentage (%)
Consumers	3	9	12	75%
Community Representatives	3	0	3	19%
Government Officials	1	0	1	6%
Total	7	9	16	100%

Source: Processed Data, 2026

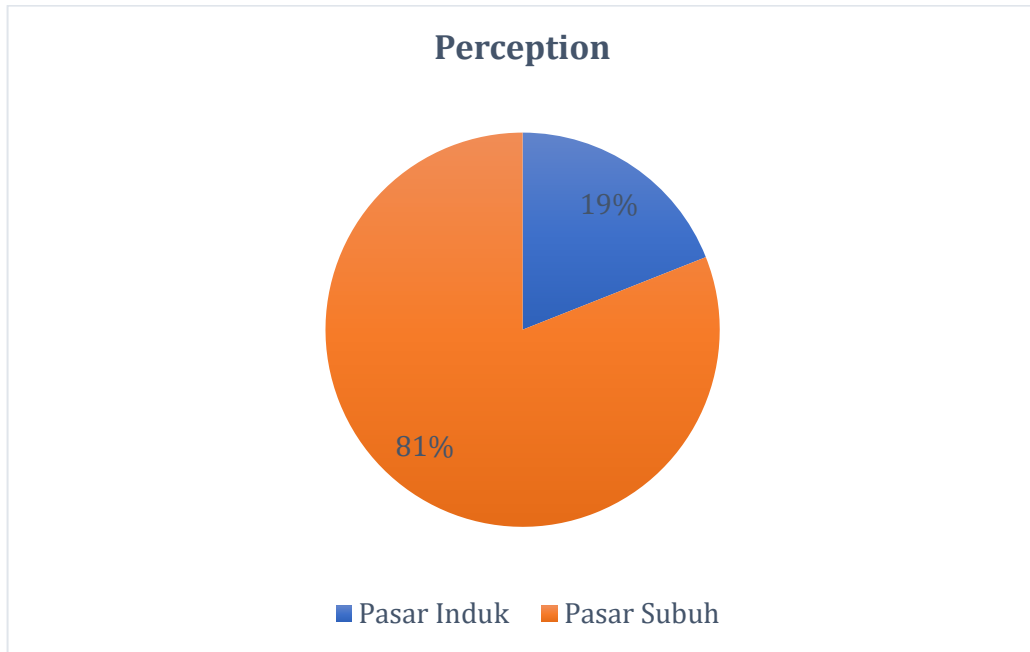


Figure 1. Preferred Relocation Site

Figure 1 further shows the overall preference of all 53 respondents, including street vendors. The result indicates that 43 respondents, or 81%, preferred Pasar Subuh, while only 10 respondents, or 19%, selected Pasar Induk. This finding confirms that Pasar Subuh was perceived as the more suitable relocation site because it offered better accessibility, closer proximity to consumers, and more favorable trading conditions.

Qualitative interviews further revealed that consumers preferred Pasar Subuh because of its strategic location and ease of access. Vendors also considered the site more favorable due to its potential to attract customers and support daily trading activities. Meanwhile, respondents who preferred Pasar Induk emphasized administrative and organizational considerations. Government representatives viewed Pasar Induk as easier to regulate, monitor, and integrate into official market management systems. The site was also perceived as beneficial for improving market order and increasing local government revenue through retribution mechanisms

Discussion

The findings of this study reveal that the relocation preferences of street vendors at Pasar Sore Tanjung Selor are influenced by a combination of environmental and economic factors. Overall, respondents rated environmental aspects slightly higher (74%) than economic aspects (72%), indicating that while vendors recognize the importance of economic sustainability, they also highly value improvements in market conditions such as cleanliness, sanitation, security, and spatial organization. This aligns with the finding of Sharit K Bhowmik (2005) and Cross (2000),

who reported that environmental quality significantly affects vendor satisfaction and customer attraction in urban informal markets

Within environmental aspects, cleanliness and sanitation received the highest scores, reflecting vendors' recognition that hygienic conditions enhance both operational efficiency and consumer experience. Conversely, spatial arrangement received the lowest score, highlighting persistent concerns regarding stall allocation and the adequacy of space in the proposed relocation sites. These findings emphasize that relocation policies must incorporate proper market design, layout planning, and infrastructure improvements to ensure successful implementation (Adrian Sutedi, 2008; Filia Hanum et al., 2024).

Economic indicators showed that accessibility received the highest score, indicating that vendors highly value proximity to consumers and ease of reaching the market. In contrast, income potential received the lowest score, suggesting uncertainty about future earnings at the new sites. This result mirrors studies in Indonesia and other contexts where vendors' willingness to relocate is closely tied to expectations regarding income continuity and market visibility (Arifin A & Charin, 2022; Ramdani, 2019; Soraya, 2015).

Regarding site preferences, 81% of respondents preferred Pasar Subuh due to its better accessibility, proximity to consumers, and sufficient trading space, while only 19% preferred Pasar Induk for administrative reasons such as easier supervision, data management, and compliance with government regulations. This divergence illustrates a common challenge in informal sector management: government priorities (regulatory compliance and revenue collection) often conflict with vendors' practical and economic needs (Williams & Gurtoo, 2012). Stakeholders' perception of relocation policies is influenced not only by economic considerations but also by social and cultural norms (Vijayendra Rao & Michael Walton, 2004).

The integration of environmental and economic considerations in the study highlights that relocation cannot rely solely on regulatory enforcement. Environmental improvements alone may enhance comfort and order, but without economic assurance, vendors are unlikely to fully accept relocation (Nur Atika Pratiwi et al., 2018; Sakul, 2014). Therefore, participatory relocation planning that involves vendors, consumers, and community stakeholders is essential. Policymakers should integrate infrastructure improvements, income-support measures, and customer engagement strategies to ensure that relocation enhances both environmental quality and economic sustainability (Turok & McGranahan, 2013)

Overall, this study demonstrates that the success of relocation policies in informal markets depends on a balance between environmental quality, economic opportunity, and stakeholder engagement. Empirical evidence from African cities indicates similar challenges, where street traders face difficulties regarding market access and relocation, highlighting that these are common issues in informal sector management (Skinner, 2008).

CONCLUSIONS

This study examined the relocation preferences of street vendors at Pasar Sore Tanjung Selor by evaluating environmental and economic aspects of the proposed relocation sites. The findings indicate that respondents generally held positive perceptions toward the relocation plan, as reflected by the environmental aspect score of 74% and the economic aspect score of 72%, both of which fall within the "agree" category. These results suggest that respondents recognized the potential benefits of relocation in improving market conditions while also considering its economic implications for their business activities.

The environmental aspect received a slightly higher evaluation than the economic aspect, indicating that improvements in cleanliness, sanitation, security, and overall market organization were perceived as important advantages of relocation. However, concerns remained regarding the arrangement of trading spaces and the adequacy of facilities provided at the relocation sites. In terms of economic considerations, accessibility emerged as the most influential factor, while income potential received the lowest score, reflecting respondents' uncertainty regarding the impact of relocation on their future earnings.

The study also found a strong preference for Pasar Subuh as the relocation site, with 81% of respondents selecting this location compared to only 19% who preferred Pasar Induk. This preference was primarily influenced by perceptions of better accessibility, proximity to consumers, and greater opportunities to maintain business continuity. Meanwhile, respondents who preferred Pasar Induk emphasized its advantages in terms of market organization, administrative management, and regulatory compliance.

Overall, the findings demonstrate that relocation preferences are determined by a combination of environmental and economic factors rather than by a single consideration. Therefore, successful relocation policies should not only focus on improving urban order and market management but also ensure that relocated vendors can maintain their economic sustainability. The results of this study contribute to the understanding of street vendor relocation policies and provide empirical evidence that stakeholder perceptions should be incorporated into the planning and implementation of relocation programs to achieve long-term effectiveness and acceptance.

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