

How did Paggadde-gadde Maintain its Business? An Ethnography Study Before and During Pandemic of Covid-19

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Abstract

The arrival of the Covid 19 Virus in Indonesia, which is recognized as a national disaster by the government, destroys the economic sector from micro to macro. On the bottom line, small entrepreneurs such as paggadde-gadde were significantly affected among other types of businesses. This study seeks to reveal the culture in the life of a paggadde-gadde in Makassar in an effort to maintain his small business, before and during the pandemic occurs in 2020. The research method used is ethnography, by taking twelve steps of step-by-step research formulated by Spradley (1979). Ethnographic records and analysis results from this study revealed that the strategy taken before the pandemic is to provide customers with ease of transactions with loan goods when the customer, who is a neighbor of paggadde-gadde herself, is in financial trouble. However, during the pandemic, another strategy carried out was by not providing loans for a while so that the current asset turnover ratio remains stable. This research can then be used as a reference for other paggadde-gadde in Makassar in particular, and similar home entrepreneurs in general. The results of the research can also be used as a reference for city governments in formulating policies related to regulations involving small businesses such as paggadde-gadde businesses.

Keywords: *Small Business; Paggadde-gadde; Pandemic; Ethnography*

Abstrak

Kedatangan Virus Covid 19 di Indonesia, yang diakui sebagai bencana nasional oleh pemerintah, meluluhlantahkan sektor perekonomian dari mikro hingga makro. Di arus bawah, pengusaha kecil seperti *paggadde-gadde* terkena dampak yang signifikan di antara jenis usaha lainnya. Penelitian ini berusaha mengungkap kebudayaan dalam kehidupan seorang *paggadde-gadde* di Makassar dalam upayanya mempertahankan usaha kecilnya, sebelum dan saat pandemi terjadi di tahun 2020. Metode penelitian yang digunakan adalah etnografi, dengan menempuh dua belas langkah penelitian maju-bertahap yang dirumuskan oleh Spradley (1979). Catatan etnografis dan hasil analisis dari penelitian ini mengungkapkan strategi yang ditempuh sebelum pandemi adalah memberikan pelanggan kemudahan dalam bertransaksi dengan pinjaman barang ketika pelanggan, yang adalah tetangga *paggadde-gadde* sendiri, dalam kesulitan keuangan. Akan tetapi, pada masa pandemi, strategi lain dilakukan dengan tidak memberikan pinjaman untuk sementara waktu agar rasio perputaran aset lancar tetap stabil. Penelitian ini selanjutnya dapat menjadi referensi bagi *paggadde-gadde* lain di Makassar khususnya, dan pengusaha rumahan yang sejenis pada umumnya. Hasil penelitian juga dapat menjadi rujukan bagi pemerintah kota dalam perumusan kebijakan terkait peraturan yang melibatkan usaha kecil seperti usaha *paggadde-gadde*.

Kata Kunci: *Usaha Kecil; Paggadde-gadde; Pandemi; Etnografi*

INTRODUCTION

Every human being who lives in this circle of the earth must make efforts to survive. So far, when modern humans have begun to recognize the concept of work and the means of money exchange, people who claim to be empowered to survive through a work process that produces money in return. Anthropologists have discovered that the culture of how to survive people in Indonesia has always been fishing, farming, and trading (Chapcos et al, 2019; Sukoharsono & Gaffikin, 2019). From time to time, the three work activities are still sustainable in the form of their respective developments.

However, in modern times, many urbanites have finally looked to the white collar using tie and sitting behind the office desk as one of their favorites. A prestigious job that is inherited from the legacy of the colonial nations, which is actually not the identity of the Indonesian nation in the first place.

In Makassar, as one of the most important and most populous cities in Indonesia, fishing and trading activities are still being carried out. The continued viability of activities at Paotere Port, for example, shows a signal that the two work processes, in the form of fishing and trading, are still alive and well together. However, these activities are dimly lit in the midst of the glittering and hectic atmosphere of the city of Makassar, which is increasingly populated by malls and minimarkets (Wahyuni, 2015).

Micro, Small and Medium Enterprises (MSMEs) have an important and strategic role in national economic development (Bank Indonesia, 2015). In Indonesia, MSMEs are able to contribute 60.34 percent of the total Gross Domestic Product (GDP), absorb 97 percent of the total workforce, and contribute 14.17 percent to total exports (Ministry of Cooperatives and SMEs, 2019). The existence of MSMEs is expected to be able to alleviate poverty, narrow income inequality, and reduce the number of unemployed.

One of the other unique trading activities in Makassar, apart from trading sea products, is *gadde-gadde* (Wahyuni, 2015; Wahyuni &

Chariri, 2016; Wahyuni & Nentry, 2017). *Gadde-gadde* is a home business, which is generally done by housewives (Wahyuni, 2015; Wahyuni & Chariri, 2016; Wahyuni & Nentry, 2017). This business is usually set up in front of the house where the house is occupied by taking up little space, generally the size of a bedroom in the house.

Since around 2013, the onslaught of minimarkets has begun to destroy the business arrangements for *gadde-gadde* in Makassar (Wahyuni, 2017). The existence of modern minimarkets that are not only in the city center, even in residential alleys, really worries the *gadde-gadde* (*paggadde-gadde*) traders. Especially if it is remembered that small businesses such as *gadde-gadde* mostly take part in the process of supporting the *paggadde-gadde* families in Makassar, either as helpers in covering the lack of the main source of livelihood for the family or even become the main source in supporting the needs of the family itself.

However, the presence of a minimarket has had a significant impact on the turnover of the *Pagadde-gadde* in Makassar. Services, locations near residential areas, more complete goods, and lifestyle changes have made consumers more interested in minimarkets than in *pagadde-gadde*. Hence, the number of *pagadde-gadde* in Makassar has decreased, a lot among *pagadde-gadde* who shifted their efforts to other fields due to the competition that is getting tougher with modern retailer (Chyan & Sumarta, 2018).

The problem of minimarket attacks has not been resolved until now, then new problems come in 2020. The disaster in the form of the Covid-19 pandemic which began to enter Indonesia in early 2020, is another major shock for small traders such as *pagadde-gadde*. The loss of jobs for most of the casual workers and the decline in the income of many families due to the abnormality of the macroeconomic cycle during the pandemic caused a drastic shortage of customers.

People who are afraid to leave their homes, especially at the beginning of the increasing number of victims who have fallen due to the pandemic, are the second factor after the depletion of people's wallets which

causes gadde-gadde to lose customers even more. So, how can paggadde-gadde maintain its business in the midst of this pandemic?, and what different actions did paggadde-gadde take as a coping strategy between pre-pandemic and during a pandemic? in front of the house where the house is occupied by taking up little space, generally the size of a bedroom in the house.

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METHODHOLOGY

To answer the two research questions above, this study used ethnography as a method of uncovering possible answers in the field. Ethnography is one of the methods used by many researchers from the field of anthropology with a research focus on community culture. Ethnography is a form of research that attempts to uncover and discover culture, not to prove and test hypotheses or theories. Therefore, by itself, this ethnographic research is a form of research with a qualitative approach to reflect reality.

In general, this study is an ethnographic study that borrows the steps of a gradual advance research from Spradley (1979). In Spradley's (1979) famous book on the steps of ethnographic research, there are twelve stages that an ethnographer must go through to find a cultural theme and write down these findings. The steps in question are illustrated in the following diagram:

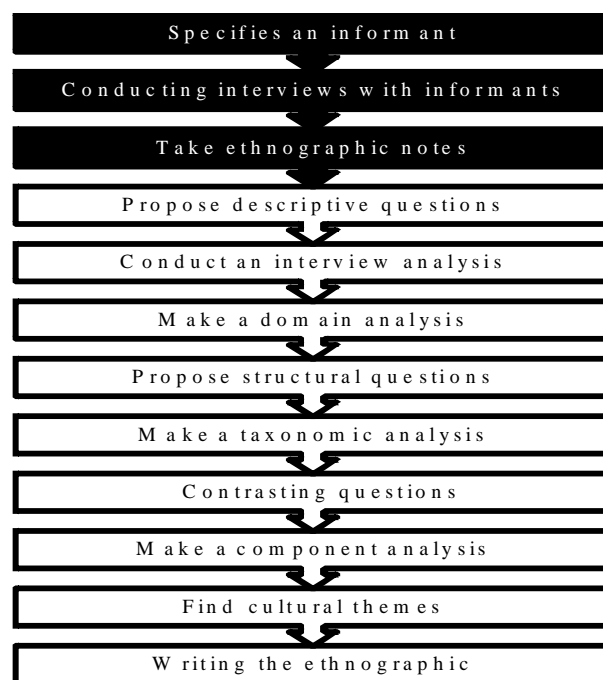


Figure 1 Ethnographic Research Steps (Spradley, 1976)

The first three steps (black boxes) represent a research phase with a broader focus (Spradley, 1976). As for the next stages, ethnographers began to carry out more focused investigations and do a lot of analysis (Spradley, 1976).

As a first step, the *paggadde-gadde* who became the informant in this study was Mrs. R, who lives in a small hallway in Makassar City. Having been selling for more than 15 years, which means that it started to exist even before the arrival of modern minimarkets, shows that Mrs. R's business is quite sustainable and naturally uses her business strategy to stay open in society. Therefore, Mrs. R was chosen as a representation of the *paggadde-gadde* in Makassar, which has absorbed many of the cultural values of the people and internalized them in the business they run.

In the second stage, the interview process is carried out directly and uses a recording aid from a smartphone which is then transcribed in the form of an interview conversation. Interviews are always conducted in a relaxed manner, or in Spardley's (1979) terms, using the 'Language of Friendship' to make informants more comfortable answering ethnographer's questions. During the research, the sound of vehicles passing in front of the hallway or television can often be heard in recorded conversations, indicating a friendly and relaxed interview.

Furthermore, in the third stage, the researcher began to make ethnographic notes from a collection of interview recordings supported by the results of field observations in the form of direct conditions when the interview was conducted. *Paggadde-gadde* financial records, such as customer debt records, also provide support for ethnographic records.

At a later stage, researchers conducted more analyzes of the results of ethnographic records, where data analysis was carried out in stages from the fourth to the eleventh steps. Each stage has different analytical objectives and different analysis results. Following are the details of the analysis and the results of the analysis:

- ⇒ the stage of asking descriptive questions produces a draft of descriptive questions and their answers;
- ⇒ the stage of conducting the ethnographic interview analysis producing the original terms of the informants
- ⇒ the domain analysis stage produces domain analysis tables (attachment 1);
- ⇒ the stage of asking structural questions produces structural questions and answers;
- ⇒ the stage of making the taxonomic analysis resulting in a taxonomic diagram of lines and points

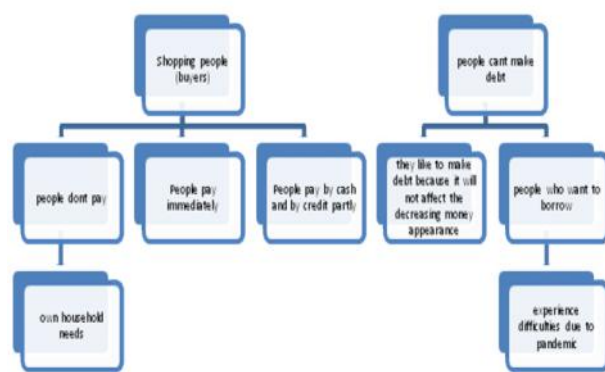


Figure 2 Taxonomic Diagram

- ⇒ the asking contrast question stage produces a draft of the contrast questions and answers;
- ⇒ the component analysis stage produces a paradigm table

Table 1 Paradigm Table

contrast criteria	Contrast of the notions					
	Cannot we as well	they like to make debt because it will not affect the decreasing money appearance	During pandemic	They will go to other places to buy if they have enough money, yet they will be in our mall if they have no money	having the increased prices peak and seeing the ones that the prices have not been increased	neighbors / strangers / own household needs
people don't pay	Yes/contrast	Yes/contrast	Yes/contrast	Yes/contrast	Yes/contrast	Yes household needs
people pay directly	No	Yes/contrast	Yes	Yes	Yes	No/neighbors and strangers
people pay by cash and in life	Yes	Yes	Yes/contrast	Yes	Yes	No/neighbors
people borrow	Yes	Yes	No	Yes	Yes	No/neighbors
people want to borrow	Yes	Yes	Yes	Yes/contrast	Yes/contrast	No/neighbors

- ⇒ the stage of finding cultural themes produces a schematic diagram of the cultural atmosphere

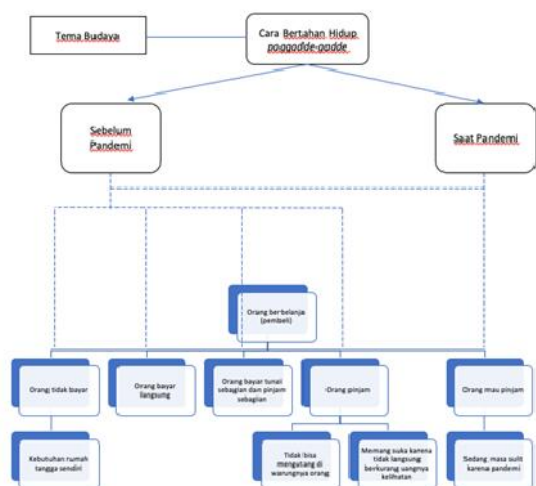


Figure 3: Schematic Diagram of cultural themes

Finally, in the twelfth stage, the researcher writes an ethnographic text into one complete research result. Although the research steps were carried out sequentially, the data collection process was not only done one way.

However, as ideally research has accurate validation, this research process constantly corrects the data in writing and confirms the correctness of the data from the informants on each analysis result obtained from each step. Information that researchers still feel less continues to be added during the data analysis process. Therefore, the interview process for additional data continued even after the researcher had entered the analysis stage.

As for the time to do this research, from the first to the twelfth step, it took eight months (February - September 2020). During those eight months, intensive communication was always carried out with the Mrs. R informants so that the collected data was intact and unbiased.

RESULTS AND DISCUSSION

Strategy for Sustaining Business Before the Pandemic

Mrs. R calls her customers “people who buy”, as she also calls customers who owe “people who borrow”. An example of this use can be seen from Mrs. R's answer when asked by the researcher whether she has financial

records. "Yes, but the content is all about loans," said Mrs. R.

Suffix “ji” and “mi” is used by the informant as typical dialect of local people in Makassar when speaking in Bahasa. Interestingly, when he considers himself to be using the national language, the suffixes such as *ji*, *mi*, *ki*, and so on are still attached to the endings of the words that are spoken.

As a home business that was founded fifteen years ago, Mrs. R already has “people to buy” or regular customers, who are their neighbors. Therefore, it was easy for Mrs. R to know when a stranger came shopping at her *gadde-gadde*.

So far, the “people buying” referred to the neighbors around his house. As if a stranger comes, it is usually because of a coincidence that there is a wedding celebration in the hallway that invites many people. For such strangers, cash is the only option. Of course, it is risky to lend the strangers and Mrs. R has already known people who live there.

In contrast to the strangers “buy-in”, the neighbors around their house have other options for payment, apart from 'pay in person'. Because Mrs. R and her family are well-known, the well-known 'buying person' is allowed to borrow or pay at a later date. This means that the more customers are known to Mrs. R, the more it is possible for other payment methods besides cash payments.

Citing the results of an interview with Mrs. R about why she decided to set up her *gadde-gadde* in 2005, it is not surprising that this leniency in payment methods was enforced for her neighbors.

"Yes, one of the goals is for making them to be easier on buying things, they do not need to go far on foot, ..."

This answer was enough to get Mrs. R's attention to make it easier for her neighbors. Therefore, if a neighbor is having financial difficulties, it is permissible for him to borrow from Mrs. R.'s *gadde*.

However, with the convenience of payment methods at a later date, Mrs. R still maintains the smooth operation and availability of her selling items so that they are not

completely empty.

The strategy adopted by Mrs. R was to increase the price of goods that were in high demand. With the increase in the price of these goods, customers who are willing to borrow will move to other goods of the same type but not much demanded by "buyers". This is illustrated in the following story of Mrs. R:

"There are several items, we have provided the information that we have increased the price from the items sold on credit, for example the price of the previous item was Rp 3000 to Rp 3500 if buyers decide to get it on credit ... It also depends on the stock, if the item is sold, it means that the stock will be empty. If we still want the stock to exist, by increasing the price, the buyer will think twice about buying it on credit."

So, when the price of the item that Mrs. R refers to is increased, "people who buy" still want to buy it by going in to debt? This is where Mrs. R's business strategy will appear to be working.

"So, they still owe but by buying similar goods which are not increased in price..."

By implementing this strategy, there are two classifications of profit. The first profit comes from the difference in the price of the goods purchased by the "borrower" and the cost of the goods. The second one is an indirect advantage, namely the profit of the inventory of merchant. This is not well-circulated becomes salable and ultimately does not become damaged goods at Mrs. R "gadde-gadde". He embodies the benefits of having his gadde-gadde stall opened: being helpful for the struggled neighbors.

Strategies for Sustaining Business in a Pandemic Period

Covid-19 virus entered Indonesia in early 2020, almost all private business lines were negatively impacted. Moreover, small businesses such as "gadde-gadde" in Makassar were also devastated. The impact has even made several stalls close.

Apart from the decreasing the number of buyers, fear of spreading the virus was also

the main reason Mrs. R closed her "Gadde-Gadde" for a while.

"There are still those who come to go into debt, but as long as there is a virus or in pandemic situation, it is not allowed to give them credit first. This is because the number of buyers are decreasing. Another reason is there are more people who are in debt than those who pay in cash affecting no income that will be used to buy the goods to sell".

From this narrative, it is implied that Mrs. R understands how to control the ratio and turnover of her current assets. Even though it required "people to buy", pandemic conditions meant that transactions between *pag-gadde-gadde* and "people buying" were stalled because "people buying" couldn't pay by cash.

In addition, Mrs. R's statement in the interview: "those who usually offer themselves to borrow" shows how Mrs. R views her life in running her business and sees her relationship with customers.

In conventional economics, people who want to be in debt are considered parties who need help, so they are usually in a position of demand, not supplier. However, Mrs. R does not pay attention to the financial capabilities of her customers as "demand party", even though the customer was in trouble. Mrs. R sees people who are willing to borrow as parties who also benefit from the transactions she makes, even though it is in the form of debt. Therefore, Mrs. R called customers who were willing to borrow money as the ones who made the offer or as a supplier too.

Mrs. R's humility to honor her customers is one of values that have been entrenched in her as a *paggadde-paggade*. This is evidence of an interdependent and need each other among its customers, even if it is with customers who like to borrow.

The same pattern of humility and dependence can be traced from the research of Wahyuni (2015), Wahyuni & Chariri (2016) & Wahyuni & Nentry (2017) regarding the simplicity of a *paggadde-gadde* in managing a business that was set up right in front of his own house.

In addition to meeting the needs of her neighbors, Mrs. R's gadde-gadde business also benefits her own family because they don't have to leave the house to buy daily necessities. Especially during the pandemic, when people were encouraged to stay indoors, Mrs. R's gadde-gadde became a source of assistance to provide the family's daily necessities.

CONCLUSION

This ethnographic study records and analysis results the strategy taken before the pandemic is to provide customers with ease of transactions with loan goods when the customer, who is a neighbor of *paggadde-gadde* herself, is in financial trouble. However, during the pandemic, another strategy carried out was by not providing loans for a while so that the current asset turnover ratio remains stable.

This research can then be used as a reference for other *paggadde-gadde* in Makassar in particular, and similar home entrepreneurs in general. The results of the research can also be used as a reference for city governments in formulating policies related to regulations involving small businesses such as *paggade-gadde* businesses.

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