

Application of Local Wisdom Values in Sales Accounting Practices in Traditional Markets

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Abstract

This study aims to determine the concept of determining the selling price in traditional markets from the perspective of vegetable traders. The method in this study uses a qualitative method with a phenomenological approach. Phenomenology tells according to what exists and occurs in the object of research. The source of research data comes from the results of observations, interviews, and documentation with traders in traditional markets. On the other hand, the main purpose of using phenomenology to find the concept of the selling price in this study is to focus on finding the nature behind the attitudes and behavior of information providers in setting prices. Several vegetable traders served as information providers for this study. The results found that traders determine the selling price by using two sales methods, namely the weighing method and the tekem method or hand measurement method. In determining profit, traders calculate the profit per kilogram of vegetables. Starting with Rp. 1,000/kg to Rp. 2,000/kg with the weighing method. As for vegetables with the tekem method, it ranges from Rp. 500/bunch to Rp. 1,000/bunch. In traditional markets, buyers and sellers carry out negotiation or bargaining activities, unlike modern markets that have determined the selling price of their merchandise.

Keywords: Accounting Practices; Traditional Traders; Selling Price; Bargaining.

1. Introduction

The study of accounting practices based on local wisdom values is always interesting because this research is an effort to preserve accounting with local wisdom values. This realization stems from the understanding that every place has its version of accounting and accounting practices that reflect the identity of the local community. (M. A. Thalib, 2022). Accounting is a unique systematic process, whose practice is influenced by various factors such as environment, culture, and even social and political conditions. this is due to the philosophy of local communities to promote unique accounting forms and values, as well as defend local accounting from the dominance of theories, concepts.

The local wisdom of a society provides a style of accounting practices influenced by the local culture of one group, and accounting practices influenced by the local culture of another group will be different. (Hasibuan, 2021). This means that accounting science is shaped by social interactions that exist in society. Tricker (1978) points out that accounting is part of the culture of the society in which accounting is practiced. Accounting research based on local wisdom values began to be carried out by accounting researchers, but compared to modern accounting research, the actual number of studies is still very small. (M. A. Thalib, 2021). In terms of local wisdom-based sales accounting practices, they only record what they think is important and use memory only, the accounting practices carried out by traders are classified as very simple and very different from the traditional accounting practices that exist today. Sales are accounted for when goods are sold.

In sales practice, markets are places where buyers and sellers conduct transactions and are a way of social and cultural exchange. The ongoing buying and selling process inevitably leads to bargaining, which has become a habit in traditional markets. This action in itself builds understanding between sellers and buyers, as stated in the analysis of knowledge that this understanding is in the form of buyers being able to compromise prices for goods sold by traders (Mauliyah and Kirom, 2011). (Mauliyah and Kirom, 2018). Markets generally have 3 elements, namely; sellers, buyers, and goods or services whose existence cannot be separated. (M. A. Talib, 2021). In this study, buying and selling took place in traditional markets in the Ashiya district. Buying and selling is an activity that involves two or more people,

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the first party as a seller and the second party as a buyer. The seller will provide what he has, and the buyer will buy what he wants. Selling price is more than just illustrating how important the cost element is to maximize profit figures. research reveals that the culture of public trust plays a very important role in the process of forming prices for those who sell products. The selling price does not only consist of cost and profit elements in modern accounting but also has a connection with cultural elements (Amaliah, 2016; Stanley, 2017; Amaliah and Sugianto, 2018).

Meanwhile, several researchers have conducted accounting studies related to local wisdom values in the market environment. Wiyarni et al. (2013) found that traders in traditional Javanese markets have a value of tolerance in transactions between sellers and buyers. This tolerance value is reflected in the behavior of buyers and sellers who appreciate and respect the decisions of traders. The traders respect the buyer's behavior, if the buyer does not choose the agreed product, then the buyer will switch to a supplier who is closer to the location of the trader. (M. Anwar Thalib et al., 2021). Therefore, based on an understanding of the specialty, urgency, and findings of previous research, this study aims to obtain complete information about the local culture of sales accounting practices in traditional markets. This research discusses how traders in traditional markets conduct sales accounting practices, and in this regard, the objective of this research is to formulate the way traders in traditional markets conduct sales accounting by local cultural values.

2. Literature Review

The concept of local wisdom according to Mitchell, et al. (2000) is rooted in local or traditional knowledge and management systems. Local wisdom is a collection of knowledge and ways of thinking rooted in the culture of a nation and the results of long-term observation. So basically, local wisdom or traditional wisdom can be interpreted as cultural knowledge owned by certain communities, in which there is a lot of cultural knowledge related to the pattern of management and sustainable use of natural resources. This wisdom summarizes people's views on issues such as environmental structure, environmental functions, natural responses to human behavior, and the relationships that must be built between humans (communities) and their natural environment (Fabiana Meijon Fadul, 2019).

Local culture is a culture that exists in society and its existence is recognized and owned by the surrounding community because this culture is different from other cultures. The culture that exists in an area is always passed down from generation to generation, usually to the next generation, the usual way that future generations can find out about the culture they have is by telling stories (Liliweri, 2018). (Liliweri, 2018)Local culture can be expressed as a form of local wisdom values, which are manifested in the thoughts and behaviors of the community that develop naturally over time. The culture of each particular community will have an impact on accounting practices. This is because the culture will continue to exist and be traditionalized so there are fundamental differences. (Aisara et al., 2020). Accounting practices follow the local organizational culture, especially in society. Accounting practices are influenced by environmental factors, both economic, social, and political where accounting is carried out. Accounting is useful if it meets the needs of the people in the accounting environment.

With the development of the times, traditional markets were formed from buying and selling activities, which were carried out in fields, and open roads. Traditional markets are usually located in strategic places, easily accessible by both parties not far from villages, between villages, and places that are safe from public disturbances (Rutz, 1087). Traditional markets have humanistic characteristics, so they can establish close family relationships between buyers and sellers. The friendly and familiar relationship between buyers and sellers is a characteristic of traditional markets (Rahadi, 2021). Traditional markets and modern markets in society have the same economic role as a place of buying and selling but differ in terms of management or ownership. Traditional markets and modern markets in the social and cultural aspects have different functions and roles, as seen from the empirical facts in the field (Aliyah, 2020).

A market is a place where social relations occur between traders and traders, traders and buyers, and buyers and buyers; a market is a place where buyers and sellers meet to trade goods and services, use currency as a medium of exchange, and become the basis of economic activity. Traditional markets are traditional markets, where buyers and sellers can directly bargain (Syarifuddin, 2018). The commodities traded are basic needs. Meanwhile, modern markets are markets that trade goods at fixed prices and are self-service (Mauliyah et al., 2017). Transactions between buyers and sellers in which there is a mutually agreed agreement. In a transaction, several activities take place so that the buyer and seller can agree on an agreement. (Fabiana Meijon Fadul, 2019).

There are three modes of buying and selling systems known in traditional markets, namely first, buying and selling exchanges occur when individuals or groups of the same level interact; second, redistribution occurs when several agents carry out the buying and selling process; third, the market. buying and selling occur in traditional markets is a

process of building awareness, expanding buyer loyalty, attracting new buyers, and increasing and improving the competitiveness of traditional markets (Aliyah, 2020). The transaction process occurs because of the bargaining atmosphere between buyers and sellers which creates benefits in the social dimension, resulting in buyer loyalty. Traditional markets themselves have various potentials that are not owned by modern markets that can increase their competitiveness. As a typical trading infrastructure with a bargaining system, traditional markets sell various commodities at lower prices than modern markets.

3. Research Method and Materials

This research was conducted using a qualitative descriptive method with a phenomenological approach. Qualitative methods are research used to investigate, discover, describe, and explain the nature or characteristics of social influences that cannot be explained, measured, or explained by the research subject (Hadi et al., 2021). (Hadi et al., 2021). Meanwhile, phenomenology can be classified as a purely qualitative study, whose practice is based on an effort to examine and describe the intrinsic properties of something. The phenomenological approach enters the conceptual world of the subject to understand how and what meanings are composed by the subject in everyday life. In short, researchers try to understand the subject from the researcher trying to understand the subject from his point of view, without ignoring interpretation, through conceptual schemes.

Phenomenology is the study of knowledge derived from experience or a way of understanding an object or event by consciously experiencing it. On the other hand, the main purpose of using phenomenology to find the concept of the selling price in this study is to focus on finding the nature behind the attitudes and behavior of information providers in setting prices. Data were collected using observation, interview, and documentation techniques. This research uses participant observation, as well as interviews as methods used to collect data (Rukajat, 2018). Participatory observation is one of the data collection methods carried out by obtaining data, as well as notes on the state or behavior of the target object. The subject of this research is the determination of the selling price of traders in traditional markets. Phenomenological studies use informants who have experience with research phenomena as research subjects. Informants who have experience will provide useful and appropriate information to understand research problems.

Table 1. Research informants

Informant	Description
Mr.Rahma	Vegetable trader
Dewi	Vegetable trader
Sari	Vegetable trader
Ina	Spice merchant

From Table 1, the informants in this study have professional backgrounds as vegetable traders and buyers. Although different professions, the informants are Luwu people, in the Andi Tadda market area. The researcher believes that the informants appointed can provide comprehensive information about the activities carried out by traders in determining the selling price based on Luwu local wisdom. In principle, phenomenology emphasizes relying on the source of the subject's self and consciousness to explore the subjective world of the meaning of the lived experience of several people, especially traders and buyers (Antong & Riyanti, 2021). The data analysis technique in this study is to describe the phenomenon from the results of interviews and observations (Musdalifa and Mulawarman, 2019).

4. Results and Discussion

4.1. Determination of the selling price used by traders in the market.

Determining the selling price used by traders is certainly not just an estimate, but must be calculated carefully and thoroughly. Price is the replacement value of goods because the price must be adjusted to the quality of goods by consumers. Vegetable traders sell vegetables in traditional markets and before selling traders will determine the selling price that will be obtained from their merchandise. In determining the price there are several methods used by vegetable traders such as the tekem method and the weighing method when determining prices. Through these two methods, vegetable traders can determine the selling price according to the current market price. However, the vegetables sold are mostly processed using the gravimetric method, which is per kilogram per bunch, according to the wishes of consumers/customers. However, some vegetables are sold using the tekem method, in which the vegetables per bunch are as much as one handful or more per bunch depending on the type of vegetable according to their own opinion.

4.2. Vegetable prices

Table 1. Vegetable prices by weight

No.	Vegetable name	Price per kg	
		Buy	Sell
1.	Mustard	Rp 1,000	Rp.2,000
2.	Long beans	Rp. 3,000	Rp. 5,000
3.	Tomatoes	Rp 1,500	Rp. 2,500
4.	Chili	Rp.5,000	Rp. 10,000
5.	Chickpeas	Rp. 5,000	Rp. 7,000

Table 2. Vegetable prices by type

No.	Vegetable name	Price per kg	
		Buy	Sell
1.	Kale	Rp 1,000	Rp.2,000
2.	Spinach	Rp. 1,000	Rp. 2,000
3.	Cassava leaf	Rp .500	Rp 1,500

Based on the table 1, there is a difference in the price of vegetables using the weighing method and the tekem method. When determining the selling price, traders look at market conditions and price conditions. When vegetables are plentiful, they will be sold at market prices or low prices, maybe even sold cheaper than other sellers, so that the vegetables can be sold quickly. If vegetables are difficult to produce or scarce, they will be sold at a higher price than usual, because the number of vegetables cannot meet the needs of customers, and sometimes there is a price struggle among traders. Because when these vegetables are not widely available in the market, customers will choose the cheapest price. But there are also some people who, as long as they can get the vegetables, will still buy them at a high price.

Vegetable profits are determined based on kg estimates, ranging from profits per 1 kg of vegetables of Rp1,000 to Rp. 2,000 per kg. As said by some of these informants;

How much do you get a day from selling your vegetables? (researcher)

"I don't know how much profit I make from sales every day, because I never keep records, we usually sellers only use memory or memory based on weighing calculations. If you count kg, I only get a profit of two thousand to three. at most a thousand, looking at the market price, from the calculation of tekem or by hand, usually you can get a profit of 1,000 per bunch, "said Mrs. Rahma.

"Ms. Dewi expressed another opinion: we can make a profit of up to 2,000 from the number of kilograms, but if you calculate the amount per bunch, the profit is different... it is also seen again from the market price.

When the price of vegetables is low, you earn less and when the price of vegetables is high, you earn more. Vegetables cost more when there are fewer vegetables, which usually happens when farmers do not get their crops. As a result, the vegetable yield will be less than the targeted amount for the planting period. The more vegetables there are, the lower the price of vegetables, because the more vegetables there are, the more traders will lower the price, so that the vegetables sold will run out quickly, and if the vegetables do not run out, they will lose money.

In contrast "Mrs. Sari", revealed that the profit or profit we get is uncertain because our sales sometimes do not match our predictions before selling. Usually, the day before selling, I... honestly, my "deck" has determined my selling price to be this much if it is 1kg and this much if it is per bunch, but the next day when we have sold it turns out that it is not by expectations ... because usually if there are buyers, especially mothers and they buy many types of vegetables, they usually bargain for our sales. Even if the price of vegetables is cheap, they still bargain".

The way traders in traditional markets practice sales accounting at the end of the bargaining process. The practice of bargaining is already a habit in traditional markets. Bargaining in traditional markets is a cultural phenomenon, in which in practice the seller offers goods to buyers at a high price and the buyer will bid the price lower than the price offered by the seller. The following was revealed by one of the informants;

"We traders often experience the name of bargaining with buyers, usually they bargain when they see the merchandise purchased such as tomatoes, not by the previously determined price, then there the buyers will bargain".

Do you usually not give buyers low prices when bargaining, researchers? "Yes, that's very often deck...especially if you have become a subscriber, of course, if you bargain, you will be given, said Mrs. Ina, a spice trader.

Bargaining is part of economic behavior and cannot be separated from the communication itself. Bargaining as a means of communication, a means of openness, achieves the desired result. In the marketplace, negotiation should be the dominant thing. But failures often occur because buyers and sellers do not agree. Sellers of products in the market often offer their wares to anyone who passes by and meets the target criteria for the product being sold. As far as the interaction between buyers and sellers, the interaction between buyers and sellers in traditional markets is shaped by the bargaining process, resulting in the phenomenon of emotional bonds between buyers and sellers. The emotional bond between buyers and sellers forms loyalty and creates meaning, especially when buyers and sellers interact.

When determining the price, of course, there will be an agreement first. Bargaining in the market is what buyers and sellers are looking for. Inevitably, the bargaining that takes place in traditional markets is about price. The price determines the transaction. In addition to price, some factors can be determining factors, namely the availability of goods, market conditions, the number of buyers, and the availability of the owner.

5. Conclusion

This study aims to identify the concept of the selling price in sales accounting practices in traditional markets. The results found that traders determine the selling price by using two sales methods, namely the weighing method and the tekem method or hand measurement method. In determining profit, the traders take profit on each kilo of vegetables. Starting from Rp. 1,000/kg to Rp. 2,000/kg using the weighing method. As for vegetables that use the tekem method, starting from Rp.500 / bunch to Rp. 1,000 / bunch. In addition to using this method when selling, in traditional markets, buyers and sellers often bargain. Among others; first, bargaining in traditional markets is carried out through intense communication between buyers and sellers to achieve bargaining objectives which include elements such as service, integrity, and pricing. Second, the purpose of buying and selling with bargaining is an agreement between the two parties and the opportunity to get a large profit from the buyer's side while the seller's side can get goods at a low price.

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