Analysis of Factors Affecting the Income of Street Vendors in Kelok Sembilan

Nadya Fadila[1], Lukman[2], Resipratiwi[3], Musbatiqsrivani[4]
Faculty of Economics and Business, Andalas Payakumbuh University, Indonesia
Email: fadilanadya2@gmail.com

Keywords:	Abstract
Income; capital; long business; working hours.	This study aims to determine the effect of the variable capital, length of business, and working hours, on the income of street vendors in Kelok Sembilan. This type of research is a quantitative research, namely a study that aims to obtain evidence of a hypothesis. Data collection was carried out by means of interviews and questionnaires as well as direct observation. The samples used were 40 street vendors with Roscoe's theory. In analyzing used multiple linear regression analysis techniques. The results of the study show that by testing the regression coefficient partially (t test) with $\alpha = 5\%$, it shows that based on the t test results table above, it can be seen that based on the significance value (Sig.) of the capital variable of $0.061 >$ probability 0.05, it can be said that there is no influence between the capital variable and the income variable, the length of business variable is $0.011 <$ probability 0.05, it can be said that there is an influence between the length of business variable on income. Judging from the working hours variable, the significant value (Sig.) $0.036 >$ probability 0.05 means that there is an influence between the working hours variable and income. Based on the results of the regression in the table, it shows the influence of the variables Capital (X1), length of business (X2), and working hours (X3), on the income of street vendors (Y) with a calculated F value of 2.86626 with a significance of 0.005 which is smaller than the level of significance used in this study is 0.05 ($0.005 <0.05$). This shows that the three independent variables simultaneously have a significant effect on the dependent variable. Based on the results of research that has been conducted, it is suggested: the income of street vendor entrepreneurs can be increased by increasing business capital, increasing the length of business, and increasing working hours.

1. Introduction

The prospects and development of the informal sector have increased from year to year, apparently not in line with the problems faced by the informal sector, both internal and external. The internal problems faced by the informal sector include the large number of similar business competitors, the lack of adequate guidance, and limited access to credit, which is still difficult and limited. Meanwhile, the external problems faced by the informal sector are a very weak capital structure, limited commodities sold, low education, and inadequate quality of human resources.

Businesses in the informal sector are less able to develop towards larger enterprises, even though they have quite high selling power. This is due to limited capabilities in managing businesses that are still traditional in nature, additional credit capital from third parties which is still relatively small, and

information about the business world is very limited. The number and quality of labor are limited, and the quality of the goods sold is limited to what is needed for merchandise. Therefore, to increase informal sector business income, it must be supported by control of the business.

Kelok Sembilan is a road that connects central Sumatra and the east coast of Sumatra. Kelok Sembilan is a winding road section located in Limapuluh Kota Regency, precisely in Jorong Aia Putiah, Nagari Sarilamak, Harau District. Kelok Sembilan is a connecting road that was built during the Dutch East Indies government in 1908-1914, which crosses Bukit Barisan with nine sharp bends and is flanked by two hills between two nature reserves, namely, the Air Putih nature reserve and the Harau nature reserve.

If generally more people get to know West Sumatra with its Gadang clock in

Bukittinggi, now Limapuluh Kota Regency, with Bridge Twist Nine, is no less charming and darling to be missed. Of course, not only in the form of roads and bridges but what makes it special is the natural view and, of course, the unique architecture of the bridge.

Before seeing the splendor of the bridge, it's better to know the ins and outs of Twist Nine. In accordance with the name, Kelok Sembilan has nine pieces of "kelok" (Minang language which means bend) with corners turning 180 degrees, located about 30 km east of Payakumbuh City, West Sumatra, to Riau Province. This road stretches 300 meters long in Jorong Aie Putiah, Nagari Sarilamak, Harau District, Limapuluh Kota Regency, West Sumatra, and is part of the road segment connecting Central Sumatra and the East Coast of Sumatra. This road has sharp and wide bends, about 5 meters, bordering with a ravine, and flanked by two hills between two nature reserves: White Water Nature Reserve and Harau Nature Reserve.

In 2003, the government planned and started the construction of the new Kelok Sembilan bridge, built wide enough to solve the problem of traffic jams. Physically, the bridge was built curved according to the concept of the old road, which was at a height and located in the middle of the Bukit Barisan hills. The Kelok Sembilan Bridge was built and inaugurated in 2013. This road has been built with a 2.5 km long bridge with a total length of 964 meters and a connecting road 1,537 meters long.

The new Kelok Sembilan flyover can be considered as an alternative tourist destination for tourists visiting West Sumatra. Due to its natural beauty, many tourists stop to unwind while enjoying the natural beauty of Kelok Sembilan. At night, the street lights that illuminate the Kelok Sembilan flyover make us amazed and amazed.

People who come to the Kelok Sembilan Flyover come from various areas, not only from the surrounding inhabitants but also from society outside Fifty Cities Regency and outside the province. Some even come from abroad to visit the Kelok Sembilan Flyover Area. Like case objects in tourism in general, it is reasonable for the Kelok Sembilan Flyover Area to become a productive place for traders to open stalls for their merchandise. With the high demand in the economy nowadays, the public thinks of opening their own business. The Kelok Sembilan Flyover makes the public think that the place can be an opportunity for effort and to open on-site businesses without the need for large capital—just enough to make a stall with tents and some chairs so that many stalls and traders can be found in the Kelok Sembilan Flyover Area.

The existence of stall traders in the Kelok Sembilan Flyover Area violates the orderly street vendors listed in the regulations of the Government of Fifty Cities Regency described in Regional Regulation Number 3 of 2017 concerning General Order and Public Peace. Article 16, paragraph 1, reads: "Every person or entity is prohibited from selling on the road sidewalks, parks, public places, levels, and other places or outside the special places earmarked for selling." To straighten up this rule, it is the duties and authority of Satpol PP as enforcers of regional regulations and regional regulations. However, there are still traders selling in the prohibited area.

2. Literature Review
2.1 Understanding Street vendors

According to Damsar (2002:51), street vendors (informal sector) are those who conduct individual or group business trading activities and operate their businesses using general facilities, such as sidewalks, the edges of general roads, and so on. Street vendors are one part of the large informal sector found in urban areas. These traders often use places that serve as centers for general activities, such as in front of shops, on sidewalks, or close to educational centers because, according to them, these places are strategically suitable for their trade.

2.2 Income

According to Sadono Sukirno, income is the amount received without any corresponding activity or service provided; it is simply accepted by a country. Based on economic knowledge, income results from the sale of goods or services in a company during a certain period. It is not only derived from sales but can also stem from interest on assets utilized by other parties, dividends, and royalties.

2.3. Capital

Wicaksono (2011) stated that the capital factor often influences business trade, which can lead to the emergence of other problems, such as having capital as it is, and someone may only be capable of opening their trade without maximizing it. Capital is a crucial element in operating any business, including business trade. The capital in question can be in the form of own capital as well as loan capital. In general, there are two types of capital: own capital and borrowed capital. Capital is also used as a cost in purchasing the necessary production resources and is categorized as a business cost.

This cost is usually classified into two types: fixed costs (FC) and variable costs (VC). Fixed costs (FC) are relative costs that persist regardless of the quantity of goods sold, whether a lot or a little. Variable costs (VC) are substantial costs that are minimally influenced by the quantity of goods sold, such as the cost of labor. The total cost (TC) is the sum of fixed costs (FC) and variable costs (VC), expressed as $TC = FC + VC$ (Manurung, 2006).

2.4 Length of Business

According to Wijayanti (in Damayanti, 2011: 5), the period of time a businessman spends in conducting his business significantly influences the selection of strategies and methods employed in the business. Entrepreneurs who have been in business for a longer duration tend to have more mature and precise strategies in managing, producing, and marketing their products. This is because entrepreneurs with extensive experience possess knowledge and decision-making capabilities in various conditions and circumstances.

Moreover, businessmen with more experience and a longer business history will naturally develop a network of useful and extensive connections for promoting their products. The business experience of an individual can be observed by looking at the period or length of time they have dedicated to a specific type of work. The longer a person engages in business activities, the more their experience grows. This business experience can be considered a form of informal education, acquired through daily conscious actions in the work and social environment.

2.5 Working Hours

Working hours refer to the time allocated for performing work, either during the day or in the evening. The regulations for private sector workers' working hours are outlined in Articles 77 to 85 of Law No. 13 of 2003 concerning Employment in conjunction with Constitutional Regulation No. 11 of 2020. Planning for future work is a crucial step in enhancing time management. As stated by Manulang (2014), working hours have a direct impact on workers' income, indicating that increased working hours result in higher income for business actors.

Discussing the influence of working hours on income, Kurniati (2010) suggests that longer working hours positively affect income, consumer purchasing power, and the profit potential for traders. As per Komaruddin (2006: 235), the analysis of working hours involves the process of determining the number of hours required to complete a certain task within a specified timeframe. Working hours are a fundamental aspect that must be considered within a company. The determination of employees' working hours is typically made by the company's leadership based on the company's needs, government

regulations, and the capabilities of the employees in question. Su'ud (2007: 131) highlights the connection between psychology and work, indicating that subordinates perceive their salary as compensation for their time.

Furthermore, management in large organizations endeavors to provide a degree of freedom in work hours for superior employees. This approach may lead to challenges in balancing time constraints and achieving optimal work performance.

3. Research Methods

This study utilized the field research method with a descriptive quantitative approach, conducted during the months of March to April 2023 in the touristic area of 9 subdistricts within Harau, Fifty Cities District. The data collected was of a quantitative nature, gathered from both traders and visitors through the use of questionnaires. Primary data was sourced directly from the participants through interviews and questionnaire responses. The data collection methods encompassed a review of existing literature, on-site observations and interviews, document analysis, and the utilization of questionnaires.

The study's population involved all street vendors in Kelok Sembilan, Nagari Air Putih Subdistrict, Harau, Fifty Cities District. A sample of 40 respondents was selected through a combination of surveys, distribution of questionnaires, and direct interviews. The variables under consideration in the study included the income of street vendors as the dependent variable (Y), while capital (X1), length of business (X2), and working hours (X3) were treated as independent variables.

For data analysis, a descriptive quantitative approach was employed, and multiple regression analysis using the Ordinary Least Square (OLS) method was applied. Statistical tests included partial hypothesis testing (t-test), simultaneous F-test, determinant test (R2), and classic assumption tests such as normality tests, multicollinearity tests, and heteroscedasticity tests. The study's conclusions were drawn from the results of the analysis, identifying the influencing factors on the income of street vendors in the 9 subdistricts.

4. Results and Discussion
4.1 Research result
a. Normality Test Results

The basis for decision making in the normality test is applied by considering the significance value (Sig.) of the test results. If the significance value is greater than 0.05 (>0.05), it can be concluded that the data in the study is normally distributed. Conversely, if the significance value is smaller than 0.05 (<0.05), it can be concluded that the data in the study is not normally distributed. The normality test results are then represented in the table as following :

One-Sample Kolmogorov-Smirnov Test		
One-Sample Kolmogorov-Smirnov Test		Unstandardized Residuals
N		40
Normal Parameters [a]	Mean	.0000000
	Std. Deviation	7.10924628E5
Most Extreme Differences	Absolute	.126
	Positive	,084
	Negative	-.126
Kolmogorov-Smirnov Z		,799
Asymp. Sig. (2-tailed)		,545
a. Test distribution is Normal.		

Source : Processed data , 2023

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-33418.400	337947.038		-.099	,922
	Capital	-.006	,063	-.014	-.091	,928
	Length of business	73864.635	37834.278	,309	1,952	,059
	Working hours	9913.718	12422.827	.126	,798	,430
a. Dependent Variable: abs_Res						

Based on the normality output table above, it can be seen that the value of the significance is Asymp. Sig. (2-tailed) is 0.545 greater than 0.05 (0.545 > 0.05) so it is in accordance with the basis for decision making in the normality test that it can be concluded that the data above is based on the normality table above that the data is normally distributed.
Source : Processed data , 2023

Based on the results of the heteroscedasticity test above, it can be seen that the significance value (Sig.) for the capital variable is 0.928, the length of business variable is 0.059, and the working hours variable is 0.430, so based on the significance value (Sig.) for the three variables it is greater than 0.05, so based on base made that the data is not subject to symptoms of heteroscedasticity.

b. Multicollinearity Test

Coefficients [a]

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	2.224E6	571364.588		3,892	,000		
	Capital	,205	.106	,274	1,933	,061	,972	1,029
	Length of business	-171826.813	63966.138	-.379	-2,686	.011	,981	1,019
	Working hours	45815.137	21003.183	,307	2,181	,036	,990	1,010
a. Dependent Variable: income								
Source : Processed data , 2023								

Based on the results of the multicollinearity test above, it can be seen that firstly, by looking at the tolerance value, namely the capital variable, the tolerance value is 0.972, the length of business variable is 0.981, and the working hours variable is 0.990, so from these three variables it can be said that the value of the capital variable, the length variable effort, and working hours are greater than 0.1 so it can be concluded that if we look at the tolerance value, there is no multicollinearity.

If we look at the VIF value of the capital variable, the VIF value is 1.029, the length of business variable is 1.019, and the working hours variable is 1.010. So it can be said based on the VIF values of these three variables that there is no multicollinearity. So based on these two things in making decisions in the multicollinearity test, multicollinearity does not occur so that a multiple regression test can be carried out.

c. Analysis Multiple linear regression

Coefficients [a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.224E6	571364.588		3,892	,000
Capital	,205	.106	,274	1,933	,061
Length of business	-171826.813	63966.138	-.379	-2,686	.011
Working hours	45815.137	21003.183	,307	2,181	,036

a. Dependent Variable: income

Source : Processed data , 2023

Based on results processing the above data can seen through equality following :

$Y = 2.224E6 + 0.205 X_1 – 1.7182 X_2 + 4.5815 X_3 + e$

Where:
Y = Income
α = Constant
$β_1, β_2, β_3, β_4$ = Coefficients Regression
X_1 = Capital
X_2 = Length of business
X_3 = Working hours
e = Error

1) T test

The basis for making partial t test decisions in multiple regression is as follows:
1. Based on significance value (Sig.)
   a. If the significance value (Sig.) < probability 0.05 then it can be said that there is an influence of variable x and variable y or it can be said that the hypothesis is accepted.
   b. If the significance value (Sig.) > probability 0.05 then it can be said that there is no influence of variable x and variable y or it can be said that the hypothesis is rejected.
2. Based on a comparison of the calculated t value with the table t value
   a. If the calculated t value > t table then there is an influence between variable x on variable y or it can be said that the hypothesis is accepted.
   b. If the calculated t value < t table then there is no influence between variable x on variable y or it can be said that the hypothesis is rejected.

Coefficients [a]

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.224E6	571364.588		3,892	,000
Capital	,205	.106	,274	1,933	,061

Length of business	-171826.813	63966.138	-.379	2,686	.011
Working hours	45815.137	21003.183	,307	2,181	,036

a. Dependent Variable: income

Source : Processed data , 2023

Based on the t test results table above, it can be seen that based on the significance value (Sig.) of the capital variable of 0.061 > probability 0.05, it can be said that there is no influence between the capital variable and the income variable, the length of business variable is 0.011 < probability 0.05, so it can be said that There is an influence between the length of business variable on income. Judging from the working hours variable, the significant value (Sig.) 0.036 > probability 0.05 means that there is an influence between the working hours variable and income.

2) F test

The basis for making partial t test decisions in multiple regression is as follows:

Based on significance value (Sig.)

a. If the significance value (Sig.) < probability 0.05 then it can be said that there is an influence of variable x and variable y or it can be said that the hypothesis is accepted.

b. If the significance value (Sig.) > probability 0.05 then it can be said that there is no influence of variable x and variable y or it can be said that the hypothesis is rejected.

Based on a comparison of the calculated t value with the table t value

a. If the calculated t value > t table then there is an influence between variable x on variable y or it can be said that the hypothesis is accepted.

b. If the calculated t value < t table then there is no influence between variable x on variable y or it can be said that the hypothesis is rejected.

ANOVA ᵇ

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	8.264E12	3	2.755E12	5,031	.005 ᵃ
Residual	1.971E13	36	5.475E11		
Total	2.797E13	39			

a. Predictors: (Constant), Working hours, Length of business, Capital

b. Dependent Variable: income

Source : Processed data , 2023

Based on the F test table above, it can be seen that the significant value (Sig.) is 0.005 < 0.05, so it can be said that the hypothesis is accepted and the capital variables, length of business, working hours have an effect on the income variable. And if you look at the calculated F value, it is 5.031 > 2.866 , then the variables of capital, length of business and working hours have an influence on the income variable.

Based on results regression in the table show influence variable Capital (X_1) , length of business (X_2), and working hours (X_3), against income street vendor (Y) with F value count as big as 2.86626 with significance of 0.00 5 more small from level significance used _ in study This namely 0.05 (0.00 5 < 0.0 5). This matter

show that to the three t variables free in a way simultaneous influential significant to variable bound .

d. Determinant Test (R^2)

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	. 4 69 [a]	,544	. 544	7.39954E5

a. Predictors: (Constant), Working hours, Length of business, Capital

Based on the SPSS output, the calculated coefficient of determination (Adjusted R-Square) is 0.544, with a p-value less than the significance level. This indicates that a significant percentage (55.4%) of the variation in the income of street vendors can be explained by the variations in the three independent variables, namely capital, length of business, and working hours. The remaining 44.6% of the variation is attributed to other variables not considered in this study. The Adjusted R-Square value reflects the goodness of fit of the regression model, suggesting that more than half of the variability in street vendors' income is captured by the included independent variables.

5. Closing
5.1 Conclusion

Based on the results of the research conducted, the following conclusions can be drawn:

1. The variables used in the study are income of street vendors (Y), capital (X1), length of business (X2), and working hours (X3).
2. Results of the t-test indicate that the capital variable does not have a significant influence on income (Sig. = 0.061 > 0.05), suggesting no significant relationship between capital and income. On the other hand, the length of business variable (Sig. = 0.011 < 0.05) and working hours variable (Sig. = 0.036 < 0.05) show significant influences on income.
3. The F-test results show a significant value (Sig.) of 0.005, which is less than 0.05, indicating that the hypothesis is accepted.

Therefore, the variables of capital, length of business, and working hours collectively have a significant effect on income. The calculated F value (5.031) is greater than the critical F value (2.866), further supporting the conclusion that the variables have a combined influence on income.

4. The regression results demonstrate that the variables Capital (X1), length of business (X2), and working hours (X3) collectively have a significant influence on the income of street vendors, with an F value of 2.86626 and a significance level of 0.005 (< 0.05). This indicates that these three independent variables have a simultaneous and significant effect on the dependent variable.
5. The adjusted R-square value of 0.544 indicates that approximately 55.4% of the variation in the income of street vendors can be explained by the variations in capital, length of business, and working hours. The remaining 44.6% is influenced by other variables not considered in the study.

5.2 Suggestion

Street vendors, in the course of their business, should possess the ability to explore various business opportunities that yield higher profits, rather than solely concentrating on a single type of business. Diversifying into different areas can enhance their overall business resilience and success.

Owners of street vendor businesses should actively seek opportunities for business expansion. This involves obtaining additional capital, often through credit facilities with

favorable interest rates, to facilitate the growth and development of their enterprises.

To stay competitive in the market, street vendors must prioritize offering high-quality products. This approach not only positions them favorably against similar businesses but also works to alter the public perception that products from street vendors are inherently of lower quality. This shift in perception can contribute significantly to attracting more customers and fostering business growth.

Bibliography

Anis Widyawati (2017), analysis of variables that influence the income level of street vendors.

Akhmad, A., & Amir, A. (2018). Study of fuel oil supply and consumption in Indonesia. International Journal of Energy Economics and Policy, 8(4), 13.

Arman, A., & Mira, M. (2021). Does Tax Avoidance Make Earning Opacity?. Attestation: Scientific Journal of Accounting, 4(1), 88-95.

Cohen, E. (1984). The Sociology of Tourism: Approaches, Issues and Findings. Annual Review of Sociology, 10.

Christina Menuk S (2016), Factors that influence the income of street vendors, case study of street vendors in Surabaya

Cohen, Erik. 1984. The Sociology of Tourism: Approaches, Issues and Findings. Annua Review of Sociology. Vol.10. Jerusalem: Department of Sociology Hebrew University of Jerusalem

Dani Esaningrat Artianto (2010), analysis of the factors that influence the income of Gladag Langen Bogan Surakarta traders.

Data Analysis, 5th Ed. Upper Saddle River, Prentice Hall International, Inc.

Efendi (2003) Factors that influence the income level of street vendors at Singosari Market, Malang.

Effendi. (2003). Factors That Influence Income Levels Street Vendors at Singosari Market , Malang.

Fernando, Y. (2016). Influencing Factors _ Income Street Vendors (Study Case in the Big Market of Malang City). Journal Scientific , Brawijaya University .

Fernando, Yandhi . (2016). Influencing Factors _ Income Street Vendors (Study Case in the Big Market of Malang City).(Journal Scientific , Brawijaya University , 2016).

Hair, JFJr, Anderson, RE, Tatham, RL and Black, WC (1998). Multivariate

Hair, JF Jr, Anderson, RE, Tatham, R.L., & Black, W.C. (1998). Multivariate Data Analysis, 5th Ed. Upper Saddle River, Prentice Hall International, Inc.

Haryanto, Sugeng. 2010. The Active Role of Women in Increasing Income

Komang Adi Antara, Luh Putu Aswitari (2016), Several factors that influence the income of street vendors in West Denpasar sub-district.

Marhawati. (2020). Analysis of Informal Sector Street Vendor Income in Rappocini District, Makassar City.

Muhammad Hakiki, Eva Eviany, Selamat Jalaludin (2022). Controlling Vendor Stalls in the Kelok Sembilan Flyover Area by the Civil Service Police Unit in Limapuluh Kota Regency.

Nurlaila Hanum (2017). Analysis of Factors that Influence the Income of Street Vendors in Kuala Simpang City.

Marhawati (2020), Analysis of income of informal sector street vendors in Rappocini sub-district, Makassar City.

Muhammad Hakiki, Eva Eviany, Selamat Jaludin (2022), control of traders' stalls in the Kelok Sembilan flyover area by the

civil service police unit in Fifty Cities District.

N urlaila hanum (2017), analysis influencing factors _ income street vendors in town kuala intersection . Development. 9(2): p:216-227. Puncanganak, Tugu Trenggalek District. Economic Journal

Ravisca Aulia Inderianti, Hardiani, Rosmeli, analysis of factors that influence the income of street vendors in Jambi City (case study of sweets stalls in Telanaipura district)

Sadono Sukirno , Microeconomic Theory _ Introduction , (Jakarta: PT. Rajagrafindo Persada , 2008)

Sugiyono. 2017. Quantitative, Qualitative, and R&D Research Methods. Edition 26th. Bandung: Alphabet.

Sugiyono . 2019. Research Quantitative , Qualitative and R&D. Bandung: Alphabeta .

Sugiyono. 2013. Study Quantitative , Qualitative and R&D. Bandung: Alphabeta .

Sutrisno (2005) Analysis of Factors That Influence the Income Level of Street Vendors in Surakarta City

Safrilia Syaifullah (2019), Influencing factors _ income street vendors on the street talasalapang subdistrict rappocini city Makassar .

Syarifah Nadia (2021), analysis of factors that influence the income of street vendors in the Peunayong market in Banda Aceh.

Tambunan, Tulus, TH 2009. MSMEs in Indonesia. Bogor: Ghalia Indonesia.