

Typology of night markets in Malaysia

Nor Khomar Ishak

University of Management and Technology (UMTECH), Malaysia

Khursiah Abd. Aziz

University of Management and Technology (UMTECH), Malaysia

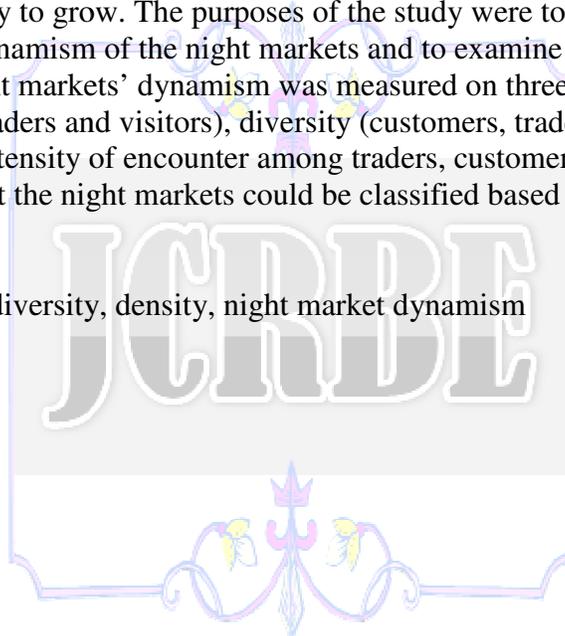
Rohaizah Abdul Latif

University of Management and Technology (UMTECH), Malaysia

ABSTRACT

The night markets had been recognized as a reputable business platform capable of helping the local economy to grow. The purposes of the study were to develop night market typology based on the dynamism of the night markets and to examine the overall 'health' status of night market. The night markets' dynamism was measured on three factors: the density (number of customers, traders and visitors), diversity (customers, traders and visitors), and social interaction (nature and intensity of encounter among traders, customers, and visitors). Findings of the study indicated that the night markets could be classified based on 6 variables as indicated on the study framework.

Keyword: night market, diversity, density, night market dynamism



INTRODUCTION

Night markets in Malaysia had been popular destinations among locals because they offered shopping alternative for cooked food, perishable items, clothing and other household necessities. The night markets often reflected certain aspects of the Malaysian unique culture, especially the people, the food, the eating habits as well as the diversity of the population. With the concept of open space market place, the local authority would assign stall/stalls to traders, and traders would set up tents, tables, tools and other necessary equipment to prepare and display their products. The number of stalls at one night market could range from 50 to 300. A trader would usually be allowed to rent more than one stall space, depending on the regulation imposed by the local authority, but often the maximum number of stalls that a trader could have was four. The type of products offered for sale included fruits, vegetables, fish, meat, poultry, dairy product, toys, accessories, clothes, cooked food and beverages. The most popular product offered was usually cooked food. Some night markets, especially those located in villages or small town did offer local delicacies, local exotic plants, and fruits that could only be found in the jungle areas near the village. Thus, a trip to those night markets could be an educational experience for the city folks as well as tourists. In a report on “Kuala Lumpur Structure Plan, 2020”, the night markets were targeted as a way of integrating the various ethnic groups in the country, and as tourists attractions since they could provide a glimpse into the Malaysian culture and way of life.

LITERATURE OVERVIEW

A night market was defined as a trading place during the evening where small businesses offered a variety of products and cooked food at cheaper prices (Huang, Liou and Tzeng, 2009). Night markets were also known as street markets since the most frequent sites where they were to be found were along main roads and other popular locations such as playing fields, parking lots and residential areas. Khalilah (2010) defined night market as a “temporary weekly event that usually took place at available open spaces and on roads or parking lots that would be temporarily closed to allow for its operation”. The utilization of such spaces had substantial implications for the local authority that would have to plan and control the area, especially the on timing and movement of traders in and out of the areas. Thus, the night markets were considered as temporary open markets which operated in public spaces and had similar physical characteristics as other markets such as accessibility, flow of people and traffic, infrastructures, parking facilities, safety and security features, and hygiene and cleanliness issues.

Hsieh and Chang (2006) indicated that the night markets reflected the reality of the local community lifestyle and therefore they were valued as cultural heritage. They added that the main reasons that attracted visitors/tourists to night markets were the novelty and new knowledge that could be acquired on local culture and custom. Apparently, the night market environment and stall layout could also influence the consumer’s preference of specific night market. The night market image reflected the way the consumers perceived it (Farhangmehr et. al. 2000). Yalch and Spangenberg (1990) added that the perception was influenced by the combination of color, lighting, and the sound which would stimulate emotional responses and influenced their behavior. A good night market atmosphere with pleasant surroundings could increase consumers’ willingness to buy and visitation frequency.

The night market retail concept had gained community recognition and acknowledged by the local authorities as a form of petty trading that contributed significantly to the informal

economy. However, there were logistics and social problems that needed to be addressed before the full potential could be derived. Problems such as streets congestions, disturbance on surrounding community way of life, and equity in allocating stall spaces would need to be given close attention. However, it had been observed that today's traders were provided with markedly improved stall facilities with better infrastructure at the sites. Additionally, the local authorities were more proactive in the handling of traffic flow and parking, were stricter in enforcing regulations to prevent untoward behavior and excessive noise, and in maintaining the premises' cleanliness.

The night market operations in Malaysia had been subjected to various changes of policies. Prior to 1969, local authorities limited the issue of licenses to petty traders. Their areas of operation were also limited to specific locations and heavy fines were imposed for not adhering to regulations. The number of petty traders grew but the participation was mainly by one ethnic group. Also, there was no plan to relocate them or to widen the scope of their activities then. In the late 60's, the government expanded its policies to provide equal opportunity for all ethnic groups to participate in this informal economic activities (McGee and Yeung, 1977). Further, in the Second Malaysia Plan, several policies were outlined in recognition of the need to develop entrepreneurs and to encourage entrepreneurial activities as a means of adjusting the distribution of economic equity among the various ethnic groups. This resulted in a more liberal issuance of permits and license, wider opportunity to secure loans, and the provision of better facilities and infrastructure support.

PURPOSES OF THE STUDY

There were limited research that had been conducted on night market and the search for secondary information ended with minimal empirical evidence to show the contributions made by this important retail sector to the local and national economy. The purposes of the study were (1) to examine the dynamism of the night markets in an effort to gain a better understand of factors leading to the performance of night market; (2) to determine the overall 'health' status of night markets; and (3) to develop night market typology that would be useful in future study on night markets.

This study would provide further understanding on the structure of night markets and the roles they played, especially in contributing to the surrounding communities and the traders. It had added to the body of knowledge on night markets environment and dynamism, and their role in the informal economy. The identified factors from the study would help academicians and local authorities understand and appreciate the night markets' contributions as an alternative retail/shopping outlet. Another important reason for the study was to determine whether the night market could be used as the platform or incubator for developing entrepreneurs. It could provide aspiring individuals with the opportunity to develop self-confidence, business, marketing, and selling skills, and to learn, among others, the skill/art of negotiating with suppliers. For the nation, the night markets could spur the development of small and medium size enterprises (SMEs).

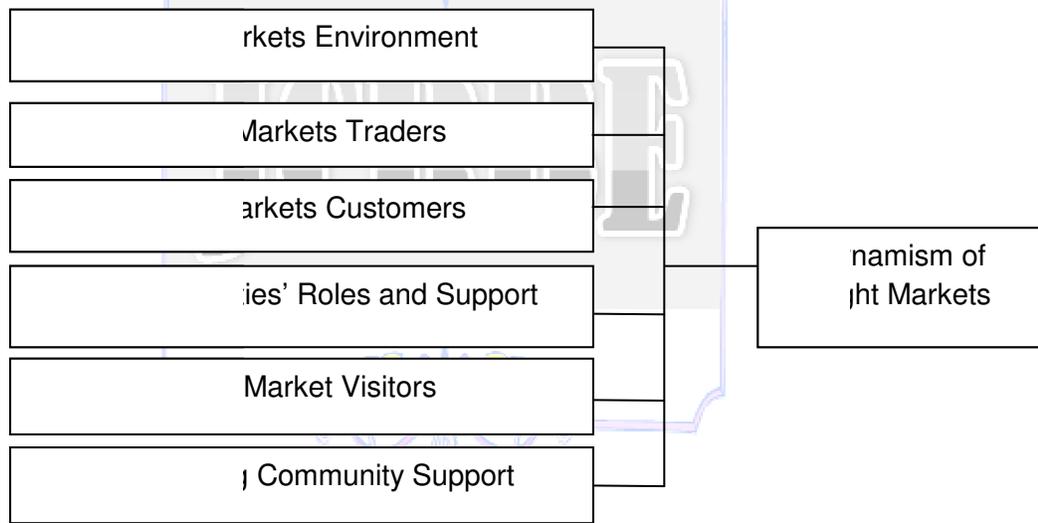
STUDY APPROACH

The study examined the night markets from six factors: *Traders* (small, petty traders, who participated in the selling activities at the night market as a full time job or to supplement

their income, or for the purpose of learning business skills); *Customers* (those who patronized the night markets whether on a regular or irregular basis); *Local Community* (residents living in the same locality and who shared some similar characteristics); *Visitors* (tourists or individuals who came to the market not with the main intention of buying); and *Local Authority* (the responsible body or agency in control of security, safety and cleanliness of the premise, also responsible for issuing permits and seeing that the traders abide by the stipulated regulations); and the night market Characteristics.

The night markets' environment dynamism was measured on the density (number of customers, traders and visitors), diversity (ethnic breakdown of customers, traders and visitors), and social interaction (nature and intensity of encounter). Another factor examined was the overall health of the markets which included the level of community support, aspects of accessibility, types of support services and facilities, safety, hygiene and cleanliness features, and intensity of competition among traders. The combination of these factors would determine the health status of the night market. The sustainability and success of a night market depended on its ability to satisfy traders, customers, visitors, and the local community. The following study framework indicated the relationships among the variables to be examined.

Study Framework: Variables Determining Dynamism of Night Markets



RESEARCH METHODS

The study areas covered five night markets in Kuala Selangor, in the state of Selangor, Malaysia. These night markets were at the towns of Tanjung Karang, Ijok, Bandar Baru, Bestari Jaya, and Pasir Panjang. The research methodology adopted was a combination of exploratory and descriptive design. Secondary data was derived from published information in reports, newspaper archives and journal articles. Primary data was collected at the research sites during a 3-week period, with each night market examined three times. Five major instruments used were: (1) Information on the night markets, types, and frequency of occurrence; (2) Traders profile and characteristics, attributes, motivations, and attitude; (3) Customers profile and characteristics, attributes, motivations, shopping frequency and average duration of visit, average spending, attitude, preferences and perception; (4) Market characteristics which included layout, size and

space, accessibility, facilities, density, diversity, atmosphere and interaction patterns; and (5) Visitors – profile and characteristics, motivation. Three other aspects examined were the effects of the night markets on surrounding communities, aspects of competition among traders; and product type, range and prices.

An in-depth analysis were made by collecting information through: (1) Direct observations on the customers/visitors traffic flow patterns, interaction patterns (heads-up and heads-down), volume of traders and customers, facilities and overall hygiene, safety and cleanliness of food handlers and environment, and the variety of products sold; (2) Survey responses by traders, customers, visitors, and surrounding community. The survey instrument with 20 questions were distributed and collected in-situ; and (3) Interviewing where personal face-to-face interviews with traders, customers, visitors, communities (10- to 15-minute) and with local authority (60 minutes) were carried out. The interview with local authority was carried out a few days before collecting information from the sites. To administer the surveys, a convenience sampling of 40 traders, 200 customers, 20 visitors, and 40 residents were selected so as to ensure that the survey result reflected the ethnic/racial, gender, and age diversity.

FINDINGS

Market characteristics, and demographic profiles and behavioural aspects of traders, customers, surrounding communities, and visitors were clustered to discern common patterns that were used in determining typologies.

Development of Night Market Typologies

This section provided the overview on the characteristics of each variable studied in the five night markets in the attempt to categories the range on each of the variable examined.

(1) **Market Environment** was examined from its physical setting, market atmosphere and variety of products: The following classifications/typologies were derived based on the aforementioned factors: (i) Large and High Traffic (number of stalls 200 and above and located in high traffic and busy areas); (ii) Medium Traffic (number of stalls range between 150 to 199, and situated just off the main traffic flow); (iii) Medium to Small Traffic (number of stall range from 100 to 149 and located in within town areas); (iv) Minimal Traffic (number of stalls ranging between 70 to 99, located just outside a town area, in the suburb); and (v) Very Small (number of stall is below 69, located in rural and village area).

(2) **Traders:** Small, petty traders, who participated in the selling activities at the night market as a full time job, or to supplement their income, or for the purpose of learning business skills. The classification/typology was determined from the type products they sell, their dependent on income derived from the night market, and the number of night markets they participated in. There were four major categories that were identified: (i) Primary Product (high turnover and high Customer volume where cooked food and Drinks, were the main offering, and each trader had one stall space only, the they were mostly Malays and worked in family groups); (ii) Secondary Product (fruits and vegetables, had the second highest number of stalls, mainly Chinese, highest profit margin); (iii) Supporting Product (clothing and accessories, occupied the highest average stall space, Malays mainly teenagers); (iv) Mainstay Product (fish, meat, seafood

and chicken, less frequented by customers, but traders earned high profit margin, mixture of Malay and Chinese traders depending on market location);(v) Alternative Retailing (dry goods, groceries and eggs, where each trader would occupied on average 2 to 3 stalls space, mainly Chinese traders).

(3) **Customers:** Customers/Shopper who patronized the night markets, whether on a regular or irregular basis. The typology was built based on the combinations of ethnic group, demographics characteristics, profile and attributes, visitation patterns, customers' spending patterns. The classifications were: (i) Social Opportunity (dual purpose – buying and taking the opportunity to meet friends, and traders and therefore, would spend a longer time at the night market); (ii) Family Outing and Leisure (a weekly affair with two or more family members walking in group and buying things that meet the need of various family members, they normally would arrived towards late afternoon); (iii) Hanging Around (usually students and teenagers walking in twos or group of three, eating and sipping their drinks while walking, often stopped (intermittently) and chat on specific topics as they casually walked through the whole area, with no specific time of arrival and they would usually buy cooked food); and (iv) Buy and Go (stopped by on the way from office or place of work to home, will spend a very little time at the night market, products bought were mainly cooked food and groceries).

(4) **Visitors:** Tourists or individuals who came to the market not with the main intention of buying. The typology of visitors included elements of demographics including characteristics, profile and attributes, visitation information, visitor's perceptions. The categories developed were: (i) Look and Go (curious, on-the-way to some meeting or rendezvous, very short time spent at the night market, may/may not buy, if buy would probably be cooked food or drinks for self-consumption); (ii) Interested (stopped by and spend more time, may planned a returned visitation, would buy some souvenirs or cooked food); and (iii) Casual (had some time before meeting friends somewhere nearby, would buy drinks and walked around looking at selected stalls).

(5) **Surrounding Communities:** Residents who lived in the same locality (within a 3-mile radius) and shared some common characteristics. The typology was based on such factors as type of residence and public amenities and facilities, and community description such as demographic profiles and activities. Thus, the range of grouping were: (i) Medium to Upscale (upscale double storey gated- and open-residential areas, residents seldom visited the night market); (ii) Low to Medium (paid frequent visits to Night Market; mostly female housewives who often purchased groceries, vegetables, food supplies; area was densely populated with apartments with availability of community facilities such as playground and schools); (iii) Low Income (low cost apartments and village houses); and (iv) Transient (students or factory workers, mainly purchased cooked food and drinks, spend minimal amount).

(6) **Local Authorities:** The government agency/body or the association delegated by the authority to organize, control or monitor the night market. The typology was based on the level of support extended to the various participants of the night market:(i) Proactive (planned well for the development of the night market, including facilities for participants' convenience, provided very strong support and advisory services, for example, training programs and health check for relevant traders, worked closely with community, closely monitored and enforced in adhering to

regulations, safety of customers a priority, visited the night market very often); (ii) Active (provided support and advisory services for those seeking information at the office, and monitored actively the night market activities); and (iii) Lassie-faire (provided minimal support and would react on complaints and feedback received from various parties).

(7) **Night Market Dynamism:** This measured the vitality of the night market based on the combination of the three factors: Density of participants throughout the period the night market is opened: Diversity of participations which included the ethnic and age breakdown, and the social status; and Social Interactions among traders, customers, visitors and communities and they focused on the pace of movement within the market and the type of customers. The factor could be grouped into five categories:(i) Very Vibrant (fast pace of movement, associated with the least time spent by the customers, quite congested, a majority of professionals/workers who and stopped by on their way home from work); (ii) Quite Vibrant (fast pace of activities and movement, and associated with mainly teenage or college students as customers, and the amount of time spent is minimal); (iii) Vibrant (many customers with family members, and each member interested in different products/stalls, would spent the most time at the market compared to other categories); (iv) Casual (majority of customers were surrounding communities and workers from nearby factories); and (v) Leisure (social customers who spent time interacting with other customers and traders, took time to slowly walk around, majority of elderly customers strolling slowly).

Relationships among Variables for individual Night Market

The combination of the 6 variables determined the Night Market Dynamism. A summary of the findings is illustrated in table 1.

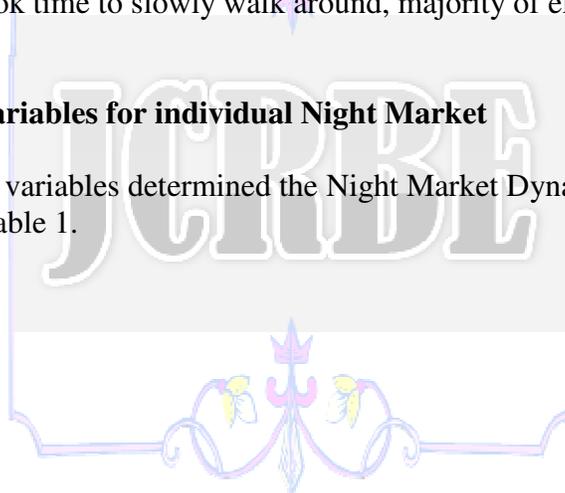


Table 1: Summary of Relationships among Variables in the Night Markets

Variables		Bandar Baru	Bestari Jaya	Ijok	Tanjung Karang	Pasir Panjang
1	Night Markets Environment	Medium Traffic	Small to Medium	Small to Medium	Medium Traffic	Very Small
2	Night Markets Traders	Secondary Product	Supporting Product	Primary	Secondary Product	Secondary Product
3	Night Markets Customers	Family Outing Casual	Family Outing Buy and Go	Buy and Go	Buy and Go	Social Opportunity
4	Local Authorities' Roles and Support	Proactive	Proactive	Proactive	Active	Active
5	Night Markets Visitors	Casual	Look and Go	Look and Go	Interested	Casual
6	Surrounding Community	Low to Medium Income: Family	Low to Medium Income; Transient	Low Income	Medium Income	Low Income
Dynamism Of Night Markets		Quite Vibrant	Vibrant	Vibrant	Quite Vibrant	Leisure And Relaxing

CONCLUSIONS

The purpose of the study was to examine the dynamism of the night markets as measured by the diversity, density, and the level of interactions among the traders, visitors, visitors and local community. It also looked into the market environment from the aspects of their locations, accessibility, volume of stalls, and the layout. It investigated the traders to understand their demographic profiles and attributes including estimated earnings. It studied the customers by looking into their spending patterns, their behavior at the market and their profile. It looked into the level of support extended by the local authorities. It examined the surrounding communities, their standard of living, their profile and their level of support for the night market and it studied the visitors, their profile and intentions. The descriptive and narrative approach in combining the information gathered had provided an in depth understanding and an appreciation of the role of the night markets in contributing to the informal economy, as an alternative option in retailing, and the role it played in supporting the growth of entrepreneurs, as well as providing the main income source for middle and elderly traders.

The local authorities could earn some income for issuing license and permits for the traders. But, managing the night markets was considered as a social responsibility and public service by the local authorities. More often, the local council incurred more costs than earnings in managing the night markets.

From another perspective, the night markets could be alternative, cheaper outlets, allowing customers to be less dependent on supermarkets and other retail outlets which often marked up their price to cover transportation, storage and administrative costs. With the availability of the night markets, customers are provided, in their small way, with an option to beat the ever increasing and highly inflated prices of products. Thus, the night markets provided one effective way of strengthening the local economies. The night markets had been recognized as a reputable business platform capable of helping the local economy to grow.

The night markets represented an alternative to mainstream supermarket shopping where customers could do their shopping in a friendly, relaxed atmosphere as they stroll through the night markets. The night markets offered a possible close interaction with the traders, rather than the impersonal interaction at the supermarkets. These night markets offered choices, often offering freshly cooked food and fresh local vegetables at affordable price, in a vibrant environment. It could also be a place for strengthening the community spirits. The night market atmosphere often provided an almost festive environment where social encounters and interactions occurred and it could lessen stress and lift the customers' and tourists' spirit. The sight, smell, and sound as well as the taste of the foods could be an exhilarating experience that could draw repeat visitations. Visiting the night markets remained popular leisure activities among locals where they would stroll through the night market, looked and stopped every now and then to survey some products, asked for the price, haggled for some discount, and they might choose to buy or just walked on.

The study had contributed in furthering the understanding on the importance of the night markets to the informal economy and the grounded knowledge that could spur further quantitative research to validate the typologies and the findings from this preliminary, investigative study.

REFERENCES

- Farhangmehr, M, Dibb, S, and Simkin, L (2000) 'Perspective, status and planning of marketing activities in Portuguese firms: a comparative study with the UK'.
- Hsieh, A., and Chang, J. (2006). Shopping and Tourist Night Markets: A Case in Taiwan. *Tour Manage* , 27(1): 138-45.
- Huang, S. O., Liou, Y. H., and Tzeng, G. H. (2009). Development Strategies for Improving the Service of Tourist Night Markets through Hybrid MCDM Technique.
- Khalilah Zakariya. (2010). Elasticity: Rediscovering the night market as an itinerant urban space. 1st International Conference on Sustainable Architecture & Urban Design. "Issues on global energy crisis and its impacts on design", 464-479
- Kuala Lumpur Structure Plan, 2020. (2000). Tourism, Cultural heritage attraction, Retrieved data from: <http://www.dbkl.gov.my/pskl2020/english/tourism/index.htm>
- McGee, T.G. and Yeung, Y.M. (1977) Hawkers in Southeast Asia: Planning For Bazaar Economy, International Development Research Centre.

- Su-Hsin Lee, Shu-Chen Chang, Jing-Shoung Hou, Tung-Hai and Chung-Hsien Lin Lee. (2009) Night market experience and image of temporary residents and foreign visitors, *International Journal of Culture, Tourism and Hospitality Research*, 2 (3), 217 - 233
- Yalch, Richard and Eric Spangenberg (1990), "Effects of Store Music on Shopping Behavior," *Journal of Services Marketing*, 4 (Winter), 31-39.
- Yuksel, A. (2004). Shopping experience evaluation: a case of domestic and international visitors", *Tourism Management*, 25, 751-9.

