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Research Article

Business Conduct and Performance of Informal Traders

(An SCP-Based Study of the Way Halim Traditional Market, Bandar Lampung)

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Abstract: The purpose of this research is to analyze the quality of implementation conduct policy and measure the influence of corporate behavior on the performance of informal sector trade businesses with a study on the Way Halim Market in Bandar Lampung City. The dependent variable in this research is business performance and the independent variables are price strategy, product strategy, marketing and service strategies, and cooperation strategy. The research using Multiple Linear Regression Analysis methods. The results showed that the price strategy, product strategy, marketing and service strategies, and cooperation strategy had a positive and significant effect on the performance of the informal sector trade industry with a study on the Way Halim Traditional Market in Bandar Lampung City. The coefficient of determination (R^2) is 0.888. This indicates that 88.8 percent of business performance is influenced by pricing, product, marketing and service, and partnership strategies, while the remaining 11.2 percent is influenced by factors outside the model. Among the independent variables in the study, the product strategy variable exhibits the highest elasticity in improvement the business performance and the pricing strategy variable have the lowest elasticity in improvement the business performance on the Way Halim Traditional Market in Bandar Lampung.

Keywords: Performance; Business Conduct; Informal Sector; Traditional Market

1. Introduction

A major challenge facing many developing nations, including Indonesia, is how to leverage a vast workforce—much of which remains unskilled—thereby transforming what could be a development burden into a development asset; in this context, the informal sector offers a potential solution. Statistics Indonesia (BPS) reported that as of February 2026, the informal sector workforce totaled 87.74 million people, dominating the national labor market with a share of approximately 59.40% of the total employed population.

Informal markets remain important sources of livelihoods in developing-country cities, but their performance depends partly on the conditions under which traders operate and the resources available to them. A recent case study of an informal market in Dhaka highlights the importance of vendor diversity, effective use of space, stakeholder engagement, and the balance between trader autonomy and market management (Ankhi et al., 2025). Research on Indonesian street-food micro-enterprises likewise points to the relevance of innovation, social capital, digital marketing, and links with local businesses and suppliers for business performance (Lee at al., 2025). These findings support the need to examine the business conduct of informal traders as part of a broader understanding of the sustainability of traditional market activities.

Evidence from street vendors in Dhaka further shows that sales performance is associated with socioeconomic and urban-infrastructure conditions, particularly access to a designated vending location and the space available for trading (Yesmin & Calzada Olvera, 2025). Although the institutional context differs from Way Halim Market, this study supports

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the broader argument that informal traders' performance reflects both business practices and the conditions in which they operate.

The informal sector currently plays a vital role due to its capacity to absorb a large workforce without requiring high levels of education or specialized skills, particularly in areas where formal employment opportunities are scarce (Pratomo et al, 2024). The dynamics of the informal sector and its implications for economic growth and policymaking are complex and multifaceted. Although often viewed negatively by society due to the perceived lack of formal education and regulatory structure, participants in this sector often without realizing it develop business acumen through their daily economic activities (Apriani et al., 2024; Massenot et al., 2015). Bandar Lampung, the provincial capital and a primary gateway to Sumatra, relies heavily on trade as an economic driver, including within the informal trade sector. The Way Halim traditional market stands as one of the city's largest markets; its proximity to the city center further strengthens the informal trade sector's position.

Industrial economics examines market structures and firms through the lens of business conduct decisions including those within the informal sector encompassing strategies such as pricing, competitive methods, promotional activities, and patterns of cooperation among market participants (Teguh 2010). This study was conducted based on the fundamental Structure-Conduct-Performance (SCP) framework of industrial economics, the aforementioned background context, and academic interest in the informal sector (Apriani et al., 2024). Multiple linear regression analysis was employed to examine the relationship between conduct and performance within the informal sector at the Way Halim traditional market; additionally, an in-depth review of market conditions was carried out through interviews with vendors to ensure a robust and realistic analysis of their situation (Asmarantaka et. al, 2023). To date, studies specifically analyzing the determinants of informal sector conduct using the SCP approach particularly in Bandar Lampung remain limited. Consequently, this research is crucial for understanding the factors influencing the behavior of informal sector participants in the area and the impact of such behavior on the business performance of vendors at the Way Halim traditional market even the structure market not measured in the regression, but it still contributing concerns the conduct performance association among individual traders.

The research gap addressed here can be identified across three aspects. First, most research on the informal sector in Indonesia focuses on income, productivity, or the socioeconomic characteristics of vendors, whereas studies treating business conduct as a primary determinant of performance remain scarce. Second, while the Structure-Conduct-Performance paradigm is frequently applied to the formal industrial sector or large-scale enterprises, its application to informal trade in traditional markets is limited, leaving a gap in understanding how the business strategies of small-scale vendors affect their success. Third, research on the informal sector in Bandar Lampung has generally been descriptive in nature, lacking an integration of the industrial economics approach with quantitative analysis to test the relationship between business conduct and performance. Thus, there remain empirical and methodological gaps that need to be addressed through research combining the SCP paradigm with statistical analysis. The research findings are expected to provide an empirical overview of competitive dynamics and business strategies within the informal sector, as well as serve as a basis for local governments to formulate policies for the more organized and sustainable management of traditional market.

Recent studies have renewed attention to the relationship between market structure, competitive conduct, and performance in traditional retail settings. A study comparing traditional markets and modern retail in Situbondo applies the structure-conduct-performance (SCP) framework to pricing practices, service attributes, sales turnover, and market concentration (Rizky et al., 2026). Research on traditional-market governance in Indonesia also shows that social relationships, participation, and local institutional arrangements matter for market continuity (Wibawa et al., 2024). However, the specific association between individual traders' pricing, product, marketing and service, and cooperation strategies and their reported business performance remains worth examining in the context of Way Halim Traditional Market.

2. Related Work and Theoretical Framework

Theoretical Foundations

Informal Sector

"Informality" is a term used to describe the collection of enterprises, workers, and activities operating outside of formal regulatory systems or frameworks. This informal sector

is characterized by flexibility, labor intensity, and a lack of formal contracts or social security benefits for workers (Soliha et al., 2024). It constitutes an unofficial business environment where job opportunities are self-created and self-initiated entrepreneurship being a prime example. Concrete examples of the informal sector in small-scale distribution include itinerant hawkers, street vendors, small grocers, and market traders (Pitoyo, 2017) consequently, the traders in Way Halim can be classified as informal traders, as they meet the relevant criteria. Broadly speaking, informal trade consists of small-scale business units that produce and distribute goods and services with the primary aim of generating employment and income for the individuals involved, while their operations are significantly constrained by limitations in capital and skills

Traditional Market

Traditional markets serve as places where the community meets its daily needs, offering commodities such as vegetables, fruits, basic necessities, kitchen spices, meat, fish, clothing, shoes, and more. Traditional markets fall within the informal sector; in Indonesia, this sector comprises small-scale vendors who lack official legal status, thereby facing challenges such as spatial uncertainty, financial constraints, and a lack of skills (Zusmelia et al., 2019). Although often viewed as an expression of community solidarity, the informal sector has now become a key player in economic development offering potential for growth and diversification even as it continues to face challenges regarding the unprotected status of its workers (Leksono et al., 2020)

Structure-Conduct-Performance

Studies in industrial economics reveal a very close interrelationship between market structure, conduct (behavior), and performance. On one hand, market structure determines the conduct of industrial firms, and firm conduct determines market performance. On the other hand, a reciprocal relationship exists among these three dimensions; for instance, market performance can determine market structure, and market structure can determine market conduct (Jaya, 2001; Leksono et al., 2020). This relationship can be simply understood through the perspective of Stephen Martin.

Recent applications of the SCP perspective continue to examine how market structure and competitive conduct relate to performance in retail settings. Rizky et al. (2026), for example, compare traditional markets and modern retail using indicators of concentration, pricing practices, service attributes, and turnover. This provides a contemporary point of comparison for applying SCP to traditional markets, while also highlighting that market-level structure and trader-level conduct are distinct analytical dimensions. In the present study, the focus is on individual traders' reported conduct pricing, product, marketing and service, and cooperation and its association with business performance, rather than on estimating market concentration directly.

The SCP framework has also been applied to Indonesian manufacturing industries to examine market concentration, competitive conduct, and performance across subsectors (Yuliati et al., 2024). While that study focuses on manufacturing rather than retail markets, it provides recent Indonesian evidence for the continued analytical relevance of the SCP paradigm. In this article, the framework is adapted to trader-level strategies rather than industry-level concentration.

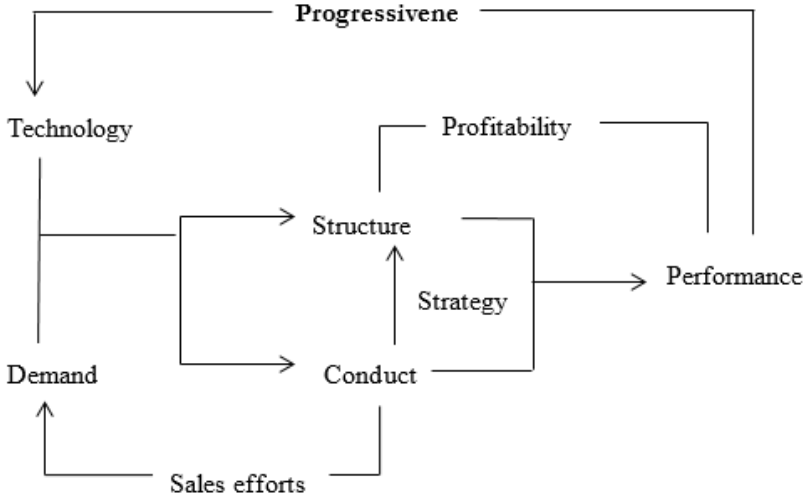


Figure 1. Structure-Conduct-Performance Framework.

Figure 1 illustrates the reciprocal relationship among market structure, conduct, and performance. Market structure determines market conduct, which in turn determines market performance, and vice versa. Sales efforts implemented by competitors increase the market demand for a firm's output, thereby boosting the profits realized. Other contributing factors, such as technological advancement, can also shape market structure and conduct, thereby influencing performance; differences in perspective arise merely from which aspect is emphasized, without diminishing the significance of the three dimensions market structure, market conduct, and market performance (Teguh, 2010). Business strategies represent practical responses to customer needs, competition, and resource constraints. Recent evidence from Indonesian street-food micro-enterprises identifies innovation, digital marketing, online payment adoption, and links with local businesses and suppliers as practices associated with business performance (Lee at al., 2025). A 2024 study of traditional-market governance in Indonesia also emphasizes the role of social interaction, local wisdom, and participatory management in sustaining traditional markets. Together, these studies suggest that product management, customer-facing practices, and cooperation are relevant dimensions for examining informal traders' business conduct, although their effects should be assessed empirically in each market setting.

3. Materials and Method

The type of research conducted is to test hypotheses regarding the influence of one or more variables (independent variables) on another variable (dependent variable). The research was conducted using primary data. The primary data used were obtained by distributing questionnaires and conducting face-to-face interviews with informal sector traders at Way Halim Traditional Market in 2026. The analysis methods employed are descriptive analysis and associative analysis. According to Gujarati (2019), descriptive research aims to provide a description of a social phenomenon under study. In this research, the descriptive method is used to analyze business behavior within the informal sector at Way Halim Market. Furthermore, the associative method is a research method aimed at determining the influence or relationship between two or more variables

Population and Sample

The population in this study consists of the dominant types of traders in the informal sector at Way Halim Market, Bandar Lampung City. According to survey data collected by the researcher on January 2026, there are four dominant types of traders at Way Halim Market, namely:

Table 1. Total Trader at Way Halim Market

No	Types of Traders	Number of Traders
1.	Vegetable Traders	106
2.	Clothing Traders	43
3.	Fishmonger	23
4.	Basic Commodities Traders	21
	Total	193

Based on the table above, the number of dominant traders in the informal sector at Wah Halim Market, Bandar Lampung City, is 193. To determine the sample size of dominant informal sector traders at Way Halim Market, this study employs the Simple. Random Sampling technique. According to Sugiyono (2023), simple random sampling is a technique for selecting a sample from a population randomly, without regard to existing strata within that population; the sample size can be determined using a formula based on the estimated average sales value, as follows:

$$n = \frac{N.\sigma^2}{(N-1).D+\sigma^2} \quad \textbf{(i)}$$

Explanation :
n : Sample size
N : Population size
σi : Standard deviation (standard deviation of sales value)

D : Bound of error (sampling error), assumed to be 5 percent of the average sales value, calculated as follows: $D = \frac{B^2}{4}$

One of the requirements for using this sampling method is that the data must be homogeneous; therefore, the minimum sample size was determined by applying the formula to each category of dominant traders at Way Halim Market. Additionally, data regarding the average sales value or the typical sales value realized by these dominant traders was required. Table 10 presents this sales data, which was obtained through a pre-survey of dominant traders selected from each category; the sample size for each category was set at a minimum of 10 percent of the respective population, resulting in a sample comprising 10 vegetable traders, 8 clothing traders, and 5 traders each for fish and basic commodities.

Table 2. Average Daily Sales Value per Dominant Trader Type at Way Halim Market (in Thousand Rupiah)

No	Vegetable Traders	Clothing Traders	Fishmonger	Basic Commodities Traders
1	500	450	800	600
2	500	450	800	750
3	600	500	950	800
4	600	550	1000	800
5	600	550	1000	800
6	650	550	-	-
7	700	650	-	-
8	750	700	-	-
9	800	-	-	-
10	800	-	-	-
Average	650	550	910	750
Stdv	110.55	88,64	102.46	86.6
$Stdv^2$	12221,30	857,04	10498,05	7499,56

Once the data had been collected, sample calculations were performed for each dominant type of trader at Way Halim Market, using the following calculation method

Table 3. Calculation of Sample Sizes for Each Type of Trader at Way Halim Market

No	Traders	Calculation	Total Sample
1.	Vegetable Traders	$n = \frac{106 \text{ x } 12221,30}{((106-1) \text{ x } 264,06) + 12221,30}$	32
2.	Clothing Traders	$n = \frac{43 \text{ x } 857,04}{((43-1) \text{ x } 189,06) + 7857,04}$	21
3.	Fishmonger	$n = \frac{23 \text{ x } 10498,05}{((23-1) \text{ x } 517,56) + 10498,05}$	11
4.	Basic Commodities Traders	$n = \frac{21 \text{ x } 7499,56}{((21-1) \text{ x } 351,56) + 7499,56}$	11
		Total	75

Thus, the simple random sampling calculation yielded a sample size of 75 dominant traders at Way Halim Market to serve as respondents for the researcher.

Operational Variable Definition

In this study, the dependent variable is firm performance, measured on an ordinal scale based on the firm's profitability. Meanwhile, the independent variables are as follows:

a. **Pricing strategy**: how merchants set prices in relation to incurred capital, considering competitors' prices, applying differential pricing for consumers, setting price limits, and adjusting prices based on the time of sale.
b. **Product strategy**: strategies adopted by merchants regarding product quality selection, product variety, and product availability.

c. **Marketing and service strategy**: merchant-consumer interactions involving product offerings, communication to provide product information, and customer service that facilitates the consumption or use of the product.
d. **Collaboration strategy**: strategies implemented among merchants, such as joint marketing, product procurement, and mutual assistance in facilitating transactions.

Measurement of variables

The measurement of business behavior employs an ordinal scale, specifically utilizing a Likert scale for the variables. According to Sugiyono (2023), the Likert scale is used to measure the attitudes, opinions, and perceptions of an individual or group regarding social phenomena. The Likert scale has been developed to include a five-point response variation ranging from "strongly agree" to "strongly disagree" (Slamet, 2006: 72). The following outlines the measurement and assessment criteria for the descriptive analysis in this study:

a. >80% = Highly Achieved/Effective (Score: 5)
b. 61% - 79% = Achieved/Effective (Score: 4)
c. 41% - 60% = Moderately Achieved/Effective (Score: 3)
d. 21% - 40% = Less Achieved/Effective (Score: 2)
e. Not Achieved/Effective (Score: 1)

The measurement of variables in this study was conducted by examining the percentage of actual score achievement and comparing it with the expected score. The actual score was derived by multiplying the number of questions by the scores obtained from each respondent's answers. Meanwhile, the expected score represents the score anticipated for each question item or variable; it was calculated by multiplying the number of question items by the maximum score (5) and then multiplying the result by the total number of respondents in the sample.

Data Analysis

The quantitative data analysis method employs the SCP approach to analyze the conduct (behavior or policies) adopted in informal sector trade and its impact on business performance; the data were processed using multiple linear regression involving several tests: hypothesis testing (t-statistic and F-statistic tests) and classical assumption testing (normality, heteroscedasticity, and autocorrelation tests, as well as multicollinearity detection).

Multiple Linear Regression Analysis

According to Gujarati (2019), multiple regression is a model that demonstrates the relationship between a dependent variable and independent variables. The multiple linear regression equation used in this study is as follows:

$$Y = \beta 0 + \beta 1\ X1 + \beta 2\ X2 + \beta 3\ X3 + \beta 4\ X4 + Et$$

Where:
Y : Firm performance
X1 : Quality of pricing strategy implementation
X2 : Quality of product strategy implementation
X3 : Quality of marketing and service strategy implementation
X4 : Quality of partnership strategy implementation
β0 : Constant
β1, β2, β3, β4 : Regression coefficients
Et : Error term

In this study, prior to conducting the regression analysis, a successive data procedure was performed specifically, the transformation of ordinal-scale data into interval-scale data to enhance data significance and suitability.

The t-statistic test is used to examine the relationship or influence of independent variables individually on the dependent variable. In this study, the t-statistic test compares the calculated t-value (t-count) with the t-table value, using degrees of freedom (df) of n - k - 1 = 75 - 4 - 1 = 70 and 95% confidence level ($\alpha = 0.05$).

The hypotheses are as follows:

H0: $\beta i \leq 0$, the independent variable has no effect on the dependent variable

Ha: $\beta i > 0$, the independent variable has an effect on the dependent variable

The testing criteria are as follows:

If t-table > t-count, then H0 is accepted and Ha is rejected, meaning the independent variable has no effect on the dependent variable;

If t-table < t-count, then H0 is rejected and Ha is accepted, meaning the independent variable has an effect on the dependent variable.

4. Results and Discussion

Validity Testing

The validity test is used to measure the accuracy of the instrument employed to obtain data, ensuring it aligns with the research objectives in other words, it is evident that all independent variables namely pricing strategy (X1), product strategy (X2), marketing and service strategy (X3), and partnership strategy (X4) have calculated r-values exceeding the r-table value (0.1914); therefore, it can be concluded that the research questionnaire items are valid.

Reliability Testing

Reliability testing is used to measure the stability and consistency of a data instrument. The validity test in this study employs Cronbach's Alpha. The calculated Reliability coefficients for each variable are presented in table below.

Table 4. Reliability Test Calculated

Variable	Cronbach's Alpha	r-table	Reliabilitas Level
X_1	0,850	0.1914	High
X_2	0,851	0.1914	High
X_3	0,868	0.1914	High
X_4	0,852	0.1914	High

Based on Table above, the Cronbach's Alpha values for all independent variables namely pricing strategy (X1), product (X2), marketing and service strategy (X3), and partnership strategy (X4) exceed both the r-table value and the 0.6 threshold. Consequently, the data can be considered highly reliable.

Multiple Linear Regression Results

Table 5. *Panel Data Regression*

Variables	Coefficient	Std. Error	t-Statistic	Sig
C	-3.708	.872	-4.253	.000
X1	.227	.068	3.346	.001
X2	.378	.070	5.415	.000
X3	.243	.074	3.302	.002
X4	.389	.078	4.952	.000

Based on calculations using the multiple linear regression method utilizing data processed or transformed via the successive interval method the following results were obtained:

$Y = -3.708 + 0.227X1 + 0.378X2 + 0.243X3 + 0.389X4$

$R^2 = 0.888$

F-statistic = 139.393

The multiple linear regression results indicate that the dependent variable (Y) exhibits a proportional scale of increase; this is derived from the sum of the four independent variable coefficients ($\Sigma\beta i$), which amounts to 1.282. In this study. The following are the results of the comparison between the t-table and t-calculated values for each variable: pricing strategy (X1), product strategy (X2), marketing and service strategy (X3), and partnership strategy (X4). The regression results indicate that pricing, product, marketing and service, and cooperation strategies are positively associated with the reported performance of informal traders at Way Halim Traditional Market. The coefficient of determination of 0.888 indicates that the four explanatory variables account for 88.8% of the observed variation in business performance within the estimated sample model. This pattern is broadly consistent with recent research emphasizing business practices, supplier relationships, digital transformation, and market governance as relevant dimensions of performance in traditional-market and informal-enterprise settings (Ankhi et al., 2025; Lee at al., 2025; Murdiyanto et al., 2026).

The positive and statistically significant coefficient for pricing strategy suggests that traders who report better pricing practices also tend to report stronger business performance, conditional on the other variables in the model. Pricing decisions may involve balancing purchasing costs, competitor prices, customer purchasing power, and the need to maintain repeat transactions. A recent SCP study of traditional and modern retail markets in Indonesia includes pricing practices and price efficiency among the dimensions used to compare market conduct and performance (Rizky et al., 2026). The present finding concerns the measured quality of pricing strategy; it should not be interpreted as evidence that higher prices necessarily improve performance. Further research could examine the roles of margins, sales volume, and customer price sensitivity.

Product strategy has a positive and statistically significant coefficient of 0.378. This is the largest unstandardized coefficient reported in the regression equation. The finding suggests that product quality, variety, and availability are relevant to differences in trader performance. Recent research on traditional-market traders in Bandung specifically examines inventory strategy in relation to operational performance (Fahmi et al., 2022), while research on informal markets highlights the importance of vendor diversity and the efficient use of market space (Ankhi et al., 2025). For Way Halim traders, maintaining appropriate stock and offering products that match customer needs may help sustain transactions and reduce missed sales opportunities. The relative importance of product strategy should be confirmed using standardized coefficients or comparable effect measures if variables were measured on different scales. Research on traditional retail in Indonesia likewise highlights supplier relationships and product availability as relevant to business sustainability (Mujianto et al., 2023; Najib, 2021). Marketing and service strategies have a positive and significant effect on the business performance of informal sector traders at Way Halim Traditional Market, Bandar Lampung City. This result can be discussed alongside Febriyanti et al. (2025), who examined clothing traders at Inpres Market in Palu and reported a significant relationship between digital marketing and traders' market activity. Their study supports the relevance of promotional and customer-facing practices in traditional markets. However, the present study measures marketing and service strategy more broadly, so the finding should not be.

The positive and statistically significant coefficient for cooperation strategy suggests that traders reporting stronger cooperative practices also tend to report better business performance, conditional on the other explanatory variables. Cooperation may provide opportunities to coordinate procurement, exchange supplier information, facilitate stock replenishment, and support problem-solving. Recent research on traditional markets identifies stakeholder collaboration and buyer–supplier relationships as relevant aspects of market management and business performance (Ankhi et al., 2025; Murdiyanto et al., 2026). Research on Indonesian street-food micro-enterprises also highlights links with local businesses and suppliers as a potentially important resource (Lee at al., 2025). These findings provide contemporary support for considering cooperation as a potentially valuable business resource, without implying that every form of collaboration necessarily improves performance. Evidence from Indonesian traditional retail shows that buyer–supplier relationships and dynamic capabilities are associated with trader performance (Najib, 2021; Mujianto et al., 2023).

Elasticity

The elasticity coefficient indicates the magnitude of the influence of each independent variable on the dependent variable. The elasticity calculations in this study utilize the following formula:

$$E_1 = \frac{dY}{dX_1} x \frac{\overline{X}_1}{\overline{Y}} = E_1 = \beta_1 x \frac{\overline{X}_1}{\overline{Y}} \qquad \textbf{(ii)}$$

Table 6. Coeficient Elasticity

Independent Variable (Xi)	Coeficient (β)	Elasticity (ε)
X_1	0,227	0,221
X_2	0,378	0,402
X_3	0,243	0,258
X_4	0,389	0,389

Taken together, the findings suggest that the performance of informal traders at Way Halim Traditional Market is associated with product-related decisions, cooperation, customer-facing practices, and pricing management. Recent studies of informal markets and traditional-market governance emphasize the importance of vendor diversity, stakeholder engagement, social relationships, supplier links, and adaptation to changing retail conditions (Ankhi et al., 2025; Wibawa et al., 2024; Lee et al., 2025).

The present study contributes context-specific quantitative evidence by examining pricing, product, marketing and service, and cooperation strategies jointly in one Indonesian traditional market. The practical implication is that support for market traders may combine improvements in product management and customer service with opportunities for constructive cooperation. Further research using longitudinal data, objective performance measures, or comparisons across markets would help establish the generalizability of these relationships.

The magnitude of the influence of each of these variables can be explained as follows:

The pricing strategy independent variable (X1) has an elasticity (ε) of 0.221; thus, a 1% improvement in pricing strategy would increase business performance (Y) by 22.1%, assuming other variables remain constant.

The product strategy independent variable (X2) has an elasticity (ε) of 0.402; thus, a 1% improvement in product strategy would increase business performance (Y) by 40.2%, assuming other variables remain constant.

The marketing and service strategy independent variable (X3) has an elasticity (ε) of 0.258; thus, a 1% improvement in marketing and service strategy would increase business performance (Y) by 25.8%, assuming other variables remain constant.

The collaboration strategy independent variable (X4) has an elasticity (ε) of 0.389; thus, a 1% improvement in collaboration strategy would increase business performance (Y) by 38.9%, assuming other variables remain constant.

Classical Assumptions Test

The testing in this study employs three classical assumption tests: the normality test, the heteroscedasticity test, and the detection of multicollinearity.

Normality Test

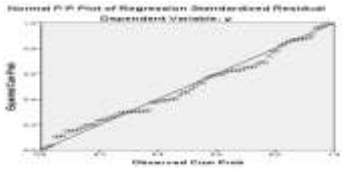


Figure 2. Normality Test

Based on Figure 2 above, it can be seen that the data distribution pattern represented by points on the P-Plot lies close to or follows the diagonal line; thus, it can be concluded that the residual values are normally distribute

Heteroskedasticity Test

The heteroscedasticity test was conducted using a scatterplot. The results of the heteroscedasticity test via the scatterplot are presented below.

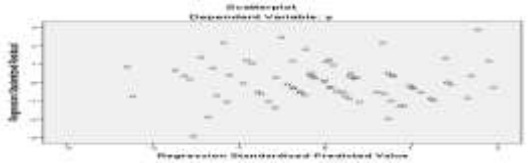


Figure 3. Heteroskedasticity Test

Multicollinearity Detection

Multicollinearity was detected by calculating the Variance Inflation Factor (VIF) based on estimation results, specifically by examining the centered VIF values using IBM SPSS. The results of the multicollinearity test are presented below:

Table 7. Multicollinearity Detection

Variable	VIF	Multicollinearity Detection
X_1	2,745	Low Multicollinearity
X_2	2,563	Low Multicollinearity
X_3	2,226	Low Multicollinearity
X_4	2,628	Low Multicollinearity

Based on Table, the VIF values are 2.745 for X1, 2.563 for X2, 2.226 for X3, and 2.628 for X4; these figures indicate that the VIF values for all four independent variables are below 5, leading to the conclusion that the regression model exhibits low multicollinearity.

6. Conclusion

Based on the t-statistic tests conducted, the variables of pricing strategy, product strategy, marketing and service strategy, and partnership strategy have a positive and significant effect on the business performance of informal sector traders at Way Halim Market, Bandar Lampung City. 4. Based on the analysis results, the coefficient of determination (R^2) is 0.888. This indicates that 88.8 percent of business performance is influenced by pricing, product, marketing and service, and partnership strategies, while the remaining 11.2 percent is influenced by factors outside the model. Among the independent variables in the study, the product strategy variable exhibits the highest elasticity at 0.402; thus, a 1% improvement in marketing and service strategy would result in a 40,2% increase

in business performance and the pricing strategy variable has the lowest elasticity, at 0.221; therefore, a 1% improvement in pricing strategy would increase business performance by 22.1%.

Based on the analysis results and conclusions of this study, we have recommendations for traders at Way Halim Market in Bandar Lampung City should pay attention to price adjustments, stock products in accordance with previous sales volumes, prioritize customer service through friendly communication, and advisable to prioritize legitimate cooperation regarding purchases, information exchange, and services.

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