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The Effect of Increasing *Online* Shopping on the Decline in Traders' Income in Gor Sudiang Makassar

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ABSTRACT
This study aims to examine the effect of increased online shopping on the decline in income of traditional vendors in the Gor Sudiang Makassar area. The development of digital technology and changes in consumer behavior have driven a shift from conventional to online transactions, raising concerns about the sustainability of traditional vendor businesses. This study employed a quantitative approach with an associative method. Data were collected by distributing Likert-scale questionnaires to 87 traditional vendors selected using purposive sampling. The data were analyzed using simple linear regression, supported by validity, reliability, and normality tests to ensure the instrument's suitability, using SPSS version 24 software. The results indicate that increased online shopping has a positive and significant impact on the decline in income of traditional vendors in Gor Sudiang Makassar. This finding suggests that the higher the online shopping activity, the greater the decline in income experienced by traditional vendors. This study implies that traditional vendors need to adapt to technological developments by utilizing digital media as a survival strategy and increasing business competitiveness. The results of this study are expected to serve as a consideration for the government and business actors in formulating policies to empower traditional vendors in the digital era.

A. INTRODUCTION

The development of digital technology has driven significant transformation in the trade sector, particularly through the increase in online shopping activities. The growth of *internet* access and the convenience of digital payment systems have made *online* transactions the main choice for people in meeting consumption needs (Ernawati *et al.*, 2024). The use of *financial technology* has also been proven to significantly increase the volume of public transactions (Sariana, 2025). In addition, the development of the digital economy in Indonesia shows an increasing intensity of *online* transactions (Mochtar Luthfi, 2024). Online shopping allows the transaction process to take place without space and time constraints, thus increasing consumer convenience (Laudon & Traver, 2021).

On the other hand, the growth of *online shopping* poses challenges for traditional merchants. Changes in people's consumption behavior have led to a decrease in the number of visits to physical markets and have the potential to reduce the income of traditional traders (Aulia *et al*., 2024). Business actors who are unable to adapt to technology tend to experience a decrease in competitiveness (Hidayat, 2022). Improper digital business strategies can also increase business risks and worsen business performance (Muliati *et al*., 2024).

A number of previous studies have shown that the increase in online shopping activities contributes to a decrease in the turnover of traditional market traders (Pratama & Yuliani, 2023). The shift in people's shopping interest towards *digital platforms* has also led to a decrease in the sales volume of traditional markets (Bathni *et al*., 2022). However, the use of digital technology can be an opportunity for merchants to maintain and even increase revenue through online-based sales strategies (Norhaedah, 2023). Community empowerment programs have also been proven to be able to improve local economic welfare (Mahyus *et al*., 2022).

Although many studies on *the* impact of online shopping have been conducted, most of the research still focuses on major cities in Indonesia. Research that specifically examines traditional traders in Makassar City, especially the Gor Sudiang area, is still limited. The limitations of this contextual study show that there are research gaps that need to be filled.

Based on this background, this study aims to analyze the effect of increasing *online shopping* on the decline in the income of traditional traders in the Gor Sudiang Makassar area. This research is expected to make a theoretical contribution to the study of digital transformation in the informal sector and provide practical implications for traders and policymakers in formulating adaptation strategies to changes in consumer behavior in the digital economy era.

B. METHODS

This study uses a quantitative approach with an associative descriptive design to analyze the relationship between the increase in online shopping activity as an independent variable and the decrease in the income of traditional merchants as a dependent variable. The research was carried out in the Gor Sudiang Raya area, Biringkanaya District, Makassar City, in the period from December 2025 to February 2026. The research population is all traditional traders operating in the area as many as 677 people. The sample determination was carried out using *the purposive sampling technique* with the criteria that traders have been selling for at least one year and have experienced changes in income in the last two years. The number of samples was determined using *the Slovin* formula with an error rate of 10% so that 87 respondents were obtained.

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C. RESULTS

Validity Test

Table 1. Validity Test

Question to-	r-count	Question to-	Remarks
X1.1	0,849	0,213	Valid
X1.2	0,810	0,213	Valid
X2.1	0,830	0,213	Valid
X2.2	0,824	0,213	Valid
X3.1	0,859	0,213	Valid
X3.2	0,855	0,213	Valid
X4.1	0,806	0,213	Valid
X4.2	0,819	0,213	Valid
X5.1	0,830	0,213	Valid
X5.2	0,877	0,213	Valid
Y1.1	0,818	0,213	Valid
Y1.2	0,786	0,213	Valid
Y2.1	0,817	0,213	Valid
Y2.2	0,813	0,213	Valid
Y3.1	0,796	0,213	Valid
Y3.2	0,824	0,213	Valid
Y4.1	0,801	0,213	Valid
Y4.2	0,811	0,213	Valid
Y5.1	0,788	0,213	Valid
Y5.2	0,839	0,213	Valid

Suimbeir: Data Processing Results, 2026

All items in each variable showed a validity coefficient value above 0.213 (r ≥ 0.213). Therefore, the questionnaire instrument used in this study was declared valid and feasible to use.

Reliability Test

Tabel 2. Uji Reliabilitas

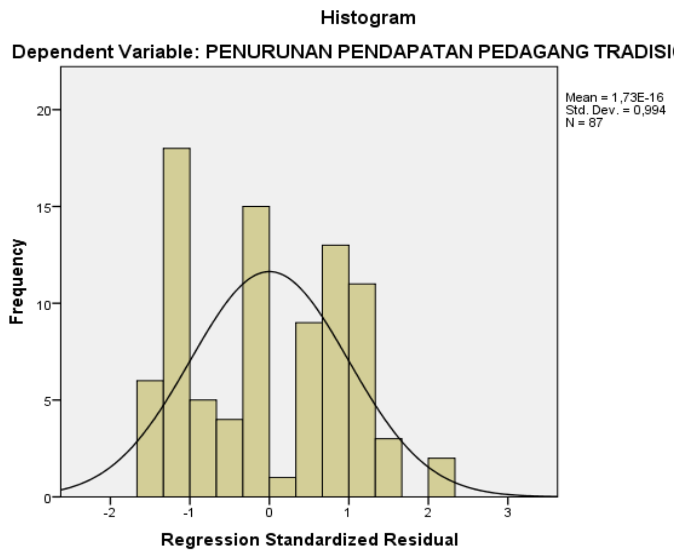
Variabel	Number of Items	*Cronbach' Alpha*	Remarks
Increased Online Shopping	10	0,952	**Reliabel**
Decline in Traditional Traders' Income	10	0,941	**Reliabel**

Sumber: Hasil Pengolahan Data, 2026

The results of the reliability test in Table 2, show that *the Cronbach's Alpha* coefficient for each statement item is above 0.60. This proves that the research device used has met the required reliability standards. So that the instrument is declared reliable.

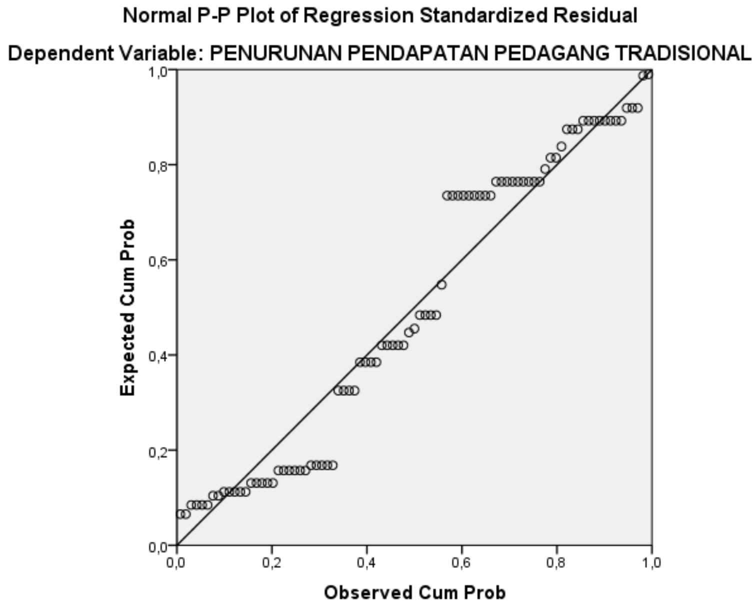
Normality Test

Figure 1. Histogram Graph



Based on the residual histogram graph, it can be seen that the distribution of data forms a *bell-shaped curve* and the distribution of the data is around the middle value (0). Mean values that are close to zero and standard deviations that are close to one indicate that the rest of the data has been well standardized.

Image 2. P-Plot Normal Propability



In figure 2 of the Normal Graph of the P-P Plot, it can be seen that the data points are scattered around the diagonal line and follow the direction of the diagonal line. This shows that the residual distribution is normally distributed.

Simple Regression Test

Table 3. Simple Regression Test

Coefficients[a]						
Model		Uinstandardizeid Coeifficieints		Standardizeid Coeifficieints	t	Sig.
		B	Std. Eirror	Beita		
1	(Constant)	3,928	1,357		2,895	,005
	INCREASE IN ONLINE VALUE	,635	,042	,854	15,140	,000

Suimbeir: Data Processing Results, 2026

Based on the results of the simple regression test, it shows that the value of the sebcesis constant is 3.98. This means that if the variable representing the increase *in online* shopping is maintained constant or set at 0, then the decrease in the income of traditional traders is 3.98.

Hypothesis Test (T Test)

In the results of the t-test listed in Table 3, a calculated t-value of 15.140 with a significance value of 0.000 was obtained. Considering that the significance value is far below the threshold of 0.05, it can be concluded that the increase in online shopping activities has a significant influence on the decline in income experienced by traditional traders of Gor Sudiang Makassar.

Coefficient of Determination Test (R2)

Tabel 4. Uji Determinasi (R^2)

Model Summary[b]				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,854[a]	,729	,726	3,96084
a. Predictors: (Constant), INCREASE IN ONLINE VALUE				
b. Dependent Variable: PEiNUiRUiNAN TRADITIONAL TRADERS' INCOME				

Suimbeir: Data Processing Results, 2026

Based on the above table, the value of R Square is 0.729. This shows that the variable "Increase in *Online* Shopping" explains the 72.9% variation in the decline in traditional merchants' income. As for the rest, which is 27.1% influenced by other variables not included in the scope of this study.

D. DISCUSSION

The results of the classical assumption test show that the regression model has met the requirements of normality, so a simple linear regression analysis is feasible to use. The results of the analysis showed a regression coefficient of 0.635 with a significance of 0.000 (<0.05) and an R-square value of 0.729. These findings indicate that the increase *in online shopping* has a positive and significant effect on the decrease in the income of traditional traders in Gor Sudiang Makassar, so the research hypothesis is accepted.

The findings show that there is a shift in consumer behavior towards digital transactions due to technological advances and easy internet access. Consumers tend to choose *online* shopping because it is more practical, fast, and offers many promotions and product variations. This change increases competition between conventional trade and *e-commerce*, making traditional traders the most affected group.

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Overall, this study confirms that the growth of *online shopping* is both a challenge and an opportunity for traditional merchants. The ability to adapt to changes in people's consumption patterns is an important factor so that traders can survive in the digital era.

E. CONCLUSION

This study concludes that the increase in *online shopping* has a positive and significant effect on the decline in the income of traditional traders in the Gor Sudiang area of Makassar. The results of the regression test and t-test showed a significance level of < 0.05 with a determination coefficient of 72.9%, which means that most of the changes in merchant income were influenced by increased online shopping activity.

Digital transformation has driven a shift in consumer behavior from direct transactions to *online transactions*, resulting in a decline in the buying and selling activities of traditional traders. However, there are still other factors outside of research that also affect traders' income, such as marketing strategies, business locations, product quality, and technological adaptability.

This research has limitations in the location and variables used. Therefore, further research is recommended to add variables such as digital marketing, product innovation, service quality, and digital literacy and expand the research area to obtain a more comprehensive picture of the impact of the digital economy on traditional trade.

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