

# Madurese Retail Stores as Emerging Family-Based Business Chain in Indonesia Through Capabilities Approach Views

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## ABSTRACT

The emergence of Madurese retail shops in Indonesia has sparked public debate, particularly regarding their 24/7 operations, which are often perceived as violating local regulations and disrupting the formal retail ecosystem. At the same time, this phenomenon reflects the dynamics of the informal economy that contribute significantly to the livelihoods of Madurese urban-migrant communities. This study aims to analyse the business patterns of Madurese retail shops and their implications for the socio-economic empowerment of Madurese communities in the Greater Jakarta area. Using a qualitative approach that combines in-depth interviews and a literature review, the analysis is grounded in Amartya Sen's capability approach. The findings indicate that Madurese retail shops function as family- and kinship-based empowerment mechanisms, enabling the transfer of entrepreneurial skills, strengthening economic agency, and enhancing household decision-making capacities. This study thus highlights the importance of understanding the informal economy not merely as an issue of regulatory compliance but as a space for capability formation and economic resilience among marginalised communities.

**Keywords:** Capabilities, Empowerment, Family, Madurese Stores

**JEL Classification:** J54, N85, P25

## INTRODUCTION

Since the 1997-1998 Asian monetary crisis, Indonesia has been deliberately aware of the importance and resilience of SMEs, which have survived crises. SMEs' businesses have become the dominant force in the business category among Indonesian entrepreneurs, accounting for up to 99.9% of businesses nationwide (LPPI and Bank Indonesia, 2016). According to the national statistics, SMEs has gradually escalated from 36 million units in 1997 to 65 million units in 2019 (Badan Pusat Statistik, 2016; Kemenkop UKM, 2021), or estimated growth up to 73%. This fact shows the potentiality of SME's upon national economy and commercial markets. SMEs should be fully supported with government public policies which coherently acknowledge sustainability and creativity (Bekaert et al., 2023; Geerts, 2018). Surely, SMEs heavily rely on the back of grassroots movements, by developing entrepreneurial core values and finance skills in presence of microfinance banking institutions (Appietu et al., 2021).

The government continues to encourage community-based micro-enterprises through various initiatives at the national, provincial, and local government levels (Hadinugroho and Nugraheni, 2024), such as entrepreneurship training, including women's empowerment through the creative economy (Khairunnisa et al., 2022), and the industrialization of local cuisine (Sudirman et al., 2020). Conceptually, entrepreneurship is defined as a person's character who has

the passion to innovate and develop their business (Murniati and Fitri, 2024). As a continuation of the concept of entrepreneurship, the creative economy must be recognized as a commercial activity that produces artistic, craft, and added value to its products (Dalimunthe and Siahaan, 2023). The concepts of entrepreneurship and the creative economy encompass not only production activities but also retail distribution in local shops or creative services (e.g., rice drying services, non-medical (or traditional) health services, or other). As a result of combining the two, this concept has provided direct benefits in certain practices and contributed to the empowerment of community skills to maintain retail stores (Martinelli et al., 2018; Parwez, 2017).

Retailers' creative entrepreneurship in Indonesia manifests in distinctive socio-economic forms, one of which is the emergence of Madurese retail stores. These businesses are widely recognized for their rapid expansion alongside urbanization processes and their continuous 24/7 operations. Commonly referred to as "Madurese retail stores," this business model is strongly associated with *Orang Madura*, migrants originating from Madura Island who mobilize family labour to operate small-scale retail outlets supplying daily consumer goods (Hidayat et al., 2023). The proliferation of these stores is deeply rooted in the historical processes of industrialization and social transformation in Madura Island, which have shaped adaptive livelihood strategies in response to the island's dry and infertile geographic conditions (Herliyana, 2023; Kuntowijoyo, 2017). Over time, Madurese retail stores have evolved into a symbol of Madurese migrant entrepreneurship, reflecting a strong interplay between ethnic identity, economic motivation, and collective business capacity (Kuswinarno et al., 2024). Moreover, these enterprises embody ethnic-based solidarity among Madurese migrants, reinforcing social networks and mutual support systems beyond their place of origin (Masita, 2024).

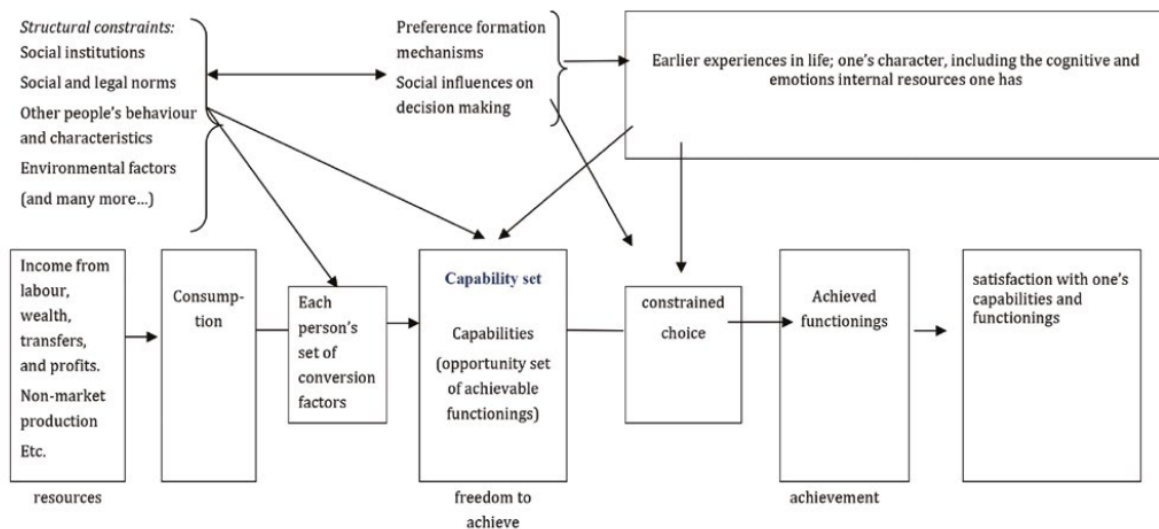
However, the presence of Madurese retail stores is often perceived as a threat by competing retailers. In Bali Island, Madurese retail stores have become controversial since it opened simultaneously 24 hours per 7 days and violate local regulations about store opening hours (Rizky, 2024). In another source, Madurese retail stores were stereotyped by the people for making unhealthy competition with other retail stores, with the same opening hours reason (Catriana, 2024). By this information, there should be a thorough examination upon behavioural compatibility of Madurese retail stores to local social system, especially nearby Jakarta Greater Area, which is heterogeneous, urbanized, and modernized simultaneously.

This research aims to investigate the business patterns of Madurese retail stores and examine how these patterns shape socio-economic development within Madurese communities in the Greater Jakarta area. Drawing on Amartya Sen's capability-based empowerment perspective, this study seeks to bridge the gap between existing scholarly interpretations and the contemporary dynamics of Madurese retail practices in urban Indonesia. Rather than treating Madurese retail stores as isolated, sporadic, or merely conventional forms of local retail chains as often implied in the prevailing literature (Hidayat et al., 2023), this paper positions them as embedded socio-economic institutions that structure livelihoods, decision-making processes, and collective economic strategies among Madurese migrants. Despite their reliance on traditional accounting practices and ethnically bounded networks, Madurese retail stores should be understood as a form of collective action rooted in kinship and ethnic solidarity, functioning to enhance economic resilience and sustain the welfare of Madurese migrant households in urban settings. By reframing Madurese retail stores through this lens, the study contributes to a more nuanced understanding of informal retail entrepreneurship as a vehicle for empowerment rather than merely a regulatory or competitive anomaly.

## LITERATURE REVIEW

### *Sen's Capability Approach*

Amartya Sen has contributed to knowingly popularize capabilities approach through his book, *Development as Freedom*, one of the vital fundamentals of sustainable development conceptualization. Sen (1999) stated two key points in capabilities approach: realized functioning (ability to achieve actual functionality) and the capabilities set (ability to decide the functionality). In newer literature, Osmani (2016) explained that there are several phases inside capabilities approach, e.g., endowment, entitlement, capability set and achieved functioning. Each phase could be gradually enhanced through entitlement mapping (after endowment), conversion factors (after entitlement), and preference ordering (after capability set). In addition, Robeyns (2017) re-published the capabilities approach framework (CAF) with complementary elements, e.g., social aspects (including institutions, norms, legal, behaviour, and environment factors) or psychological aspects (one's experience, cognitive and emotions in life). The constraints, commodities, and achievements were decided through a bottom-up line, or self-categorized by releasing non-specific indicators (Frediani, 2010). The result of capabilities approach is the satisfaction or utilization effect of decision-making processes. In Figure 1, we could understand how the provided endowments are combined with social and psychological factors, influencing one's capacity to decide the alternatives.



Source: Robeyns (2017)

**Figure 1. Capability Approach Framework**

The capability approach remains a robust framework for understanding local empowerment when it is driven by collective agency and grassroots initiatives within communities. Individual capabilities are most effectively expanded through bottom-up processes that are initiated, shaped, and sustained by community members themselves (Ibrahim, 2017). Within this perspective, grassroots social movements operate through the mobilization of resources and the gradual scaling up of collective power, which may extend from localized actions to broader forms of advocacy, including national-level protests or boycotts, as articulated by Starr (in Sen and Avci, 2016).

Additionally, Foweraker in Sen and Avci (2016) further emphasizes the centrality of resources in enabling such movements to generate tangible social transformation. These resources include not only financial capital, but also social status, knowledge, and access to political and media support aligned with advocacy objectives. Importantly, grassroots movements are not limited to oppositional or regime-focused mobilization; they also encompass broader processes of behavioural and structural change, contributing to economic development, improvements in social well-being, and environmental sustainability (Pamikatsih and Latif, 2021) (Maryani and Adiprasetyo, 2018), (Jayanti et al., 2023).

### *Community Participation Theory*

Empowering the community to gain additional value is the primary goal of development studies. Community participation is argued as crucial aspects of recently-made community development programs, which are participatory-based universally (Kalkbrenner and Roosen, 2016). Community participation should be disambiguated with other development studies theories, particularly Arnstein's stairs of participation theory, Pretty's participation typology, and Cornwall's participation process. Sherry Arnstein introduced the stairs of participation in 1969, containing eight staircases of participation: manipulation, therapy, information, consultation, placation, engagement, delegation, and control (Arnstein, 1969). Later, Arnstein categorized participation into three main stages, from non-participation, tokenism (or symbolism), and social control. Arnstein demands community involvement in development programs, rather than centralize their responsibilities on government. Kamruzzaman (2020) identifies seven types of community participation: manipulative, passive, consultative, incentive, functional, interactive, and self-reliant. Pretty's pivot is on community capacity building through decision-making processes. In other theories, Cornwall in Díaz-Arévalo (2022) explains that development programs are made for the people, then executed by the people, and then discussed with the people. He recognizes how government and society should be adjacent in a perpendicular context.

### *Maslow's Hierarchy of Needs*

Abraham Maslow formulated the hierarchy of needs, which categorized human needs in pyramid shape. Rojas et al. (2023) portrayed Maslow's hierarchy of needs, from physiological needs, security needs, love and belonging needs, esteem needs, and self-actualization needs. According to his article, physiological needs include primary and vital activities for life (foods, drinks, and settlements). Security needs include security management in mental and physical condition, e.g., getting a job, quality education, and health services. Love and belonging needs include interpersonal relationships and belonging to others. Self-esteem needs include competition, political votes, or status mobilization. Finally, self-actualization needs are expressing one's potential through hobby, travelling, and capacity building. This model helps respective research to model how certain activities might enable functioning on satisfying human needs.

## **METHODOLOGY**

This research utilizes qualitative methodology upon which it involves descriptive data from in-depth interviews, field observations, and literature studies. Information was taken from eight Madurese retail stores (crew or/owner) and a non-Madurese retail store, as previously mentioned in the literature review. These Madurese retail stores and non-Madurese retail stores were chosen randomly in a period between January and February 2025. Procedurally, the interviewer visited

stores to understand better how Madurese stores operate, but the questions did not adhere to the interview guidelines. The interviewer took notes on each question using the recorder.

After the interview, the findings will be discussed with the researcher about insights, concepts, and information about the Madurese retail stores. Each insight from previous stores will be validated by other retailers (cross-validation) and create a link between each store, easing the researcher in generating ideas about the Madurese retail stores. In considering Madurese migrants' culture who are more comfortable using the Madurese language, interviews would be conducted in two languages, Indonesian and Madurese at the same time. This approach could foster rapport between the interviewer and informants, ensuring inclusivity and unbiased facts in this research. The locations of eight Madurese retail stores (called *bhärung*) spread here: 1 in Jakarta (Ms. A), 1 in Bogor (Ms. M), 1 in Depok (Ms. C), 3 in Tangerang (Mr. MH, Ms. A, Ms. N), and 2 in Bekasi (Ms. U, Ms. R). For a non-Madurese retail store, we interviewed a Kuningan store crew (then called Ms. S) in Bogor to explain the phenomenon of Madurese stores in Bogor.

## RESULTS AND DISCUSSIONS

To implement Sen's capabilities approach, there are several crucial stages to go through: endowment, entitlement, capability set and achieved functioning. These would be supported by three main activities, by mapping entitled resources, conversing factors, and preference ordering. Specific to the shown phenomena, conversion factors would include social status, religious role, experience, and government or private role in the system. In our search for an independent community empowerment pattern, we conducted behavioural studies on them to figure out the latter model.

### *Endowment Phase*

In this first phase, all resources used are obtained from own resources. These resources can be capital and labour from own capital, family, or other parties (compensation in the form of cash or residual capital). The quality of labour is determined by the new entrepreneur, for example, experience, ethnic identity, age, and/or responsibility. Mrs. N, a member of the shop team in Tangerang, clearly explained the qualification and endowment phases of the workforce. She explained that capital can come from previous capital surpluses, when she was a member of the shop team who was promoted to shop owner. The main indication of this profit-sharing system is that workers will receive compensation in the form of liquid capital to open new shops in other areas. The gross profit from Madura stores is estimated at around 16 to 20 million per month, without deducting annual rental costs (mostly 15 to 20 million per year), store employee living expenses, and other store operating costs. They assume that the store (and capital) will always generate a monthly profit.

*“It is quite hard to explain it. Let us say in one month, they make a profit of 16 million. There are 3 million for the rental fee and 3 million for the store crew's living costs; the remaining will be shared equally. So, the store crew would get 5 million, and the rest would be transferred to the store owner. There is no maximum rate for the living cost, so generally it will be calculated after they pay the rental fee for the building.” (Ms. N)*

Based on our observations, there are also other variables in the endowment phase, including shared knowledge and technological adaptation. According to Ms. S, most Madurese retail stores follow a similar pattern, putting rice in a glass box, which is their key difference from other stores. She was working for a *Kuningan* store (another type of local-only retail store in West Java) and

said that Kuningan people own most of the stores in that area. However, she knew a retail store that employed Ms. M. In technological adaptation, among the eight stores we observed, about four have already implemented digital payment via QRIS (QR Indonesia Services) or bank transfer (both digital and traditional). Two stores modified and linked the application to a speaker for payment security. They use this method to avoid fraud, as happened in Ms. C's case.

*"...students they do not bring any cash....When we first came here, many people left because we did not have the QRIS. (Ms. M)*

*"(using QRIS) because we are afraid that they are fraud..." (Ms. C)*

### **Entitlement Phase**

The actor then maintains the entitled resources to increase their decision-making capability. The actors are the store crew (*panjāghi*), the store owner (*jurāghān*), and the building owner (*paghādhu gedhōng*). Each of them has a specific and unique entitlement to this phenomenon. The crew owns labor, but not with liquid capital. The owner owns both liquid (cash) and unique capital (retail goods), but not labour (although it could manage the store). Building owners only have retail goods or rented buildings, but not with cash and labor. In our observation, these building owners who do not want to go bankrupt will sell their retail goods and assets at a certain nominal price to a new store owner.

Madurese society members are getting this information about job vacancies or about store goods through words of mouth, from a family to other family. Historically, this Madurese retail store movement was founded by migrants from Giligenting and Poteran (two small islands in Sumenep archipelago) to gain revenue and better life in the cities, as stated by Ms. C in her interview on January 16<sup>th</sup>, 2025. This might happen due to work shift and climate change, which later becoming a fisher and farmer is not an ideal job (Febrianto et al., 2016). Later, the success story about Giligenting and Poteran entrepreneurs were heard and Sumenep residents later followed the entrepreneur as a learning way. In another statement, Ms. R told us about how she has worked in previous Madurese retail stores for five years.

*"Yes, mostly they are Sumenep people. In the past, it was the Poteran. They came from Kalianget by crossing (the sea)." (Ms. C)*

*"...Hmm...which region? Giligenting people, (she) married to a man near to Gulukguluk, (her husband) was working for tobacco factory at Pamekasan. By herself, she opened at Depok, about eight stores with three branches. Oh, at Prenduan (he is)." (Ms. R)*

### **Capability Set Phase**

In this phase, the entrepreneur will get three options, i.e. working for other people, family, or themselves (independent). These alternatives constitute their capabilities set, which actors may consider in their degrees of freedom. In this matter, the actor faced several choices with rights, obligations, and different conditions. The decision-making process is vital since it directly influences expected functionality. Later, the functionality rate would continue to show how the business actors should kick off the cycle in the capabilities set. In addition, inter-alternative risk should be carefully considered if it is expected to fulfil the functionality.

For business actors who work for others (as store crews), they will receive remuneration through profit-sharing and are obligated to perform daily tasks, namely, serving as a cashier,



purchasing supply stocks from larger distributors, and ensuring no fraud or debt burden. According to Ms. I's statement, debt has become a major variable that could make a store go bankrupt, since it holds one's capital from the daily business cycle.

*"Well, that is why it is expensive. Tobacco might be priced on debt for only one stick, but the capital of one tobacco box also holds. Tobacco is the most expensive one. If it is paid on debt, someone could go bankrupt. Someone might pay in debt for one box, how about for one dozen, then all capital will be lost." (Ms. I)*

By becoming a store crew member, they could be discharged from their job if the store's operations did not run normally or due to a loss of profit. As in Ms. M's interview, she was a newly arrived crew member from two days ago, and the crew might not have any experience in retail stores, which also construct patron-client systems in Madurese retail stores. The necessary relationship between store owners and crews is based upon traditional values, including trust, geographical space, identity, and language. The risks encountered of becoming the store crew could be fired anytime if their functionality does not meet the requirements or expectations of the owner, as stated by Ms. N. She stated as follows:

*"but if there is such a case, the stall owner usually immediately lays off the stall keeper because he thinks there is something wrong with the stall keeper, for example the stall keeper is having a spree, the cost of living is high, and so on," (Ms. N)*

This patron-client system was exercised by Madurese retail stores following a trust-based relationship, as if the crew could have a clear-cut impact on the owner's business, especially when the store owner could intensify and then expand the store. The reward of this trust system will be the handing over of the previous store to the crew, indicating that the crew has adequate knowledge and skills to own their/store.

For business actors who work for their families, the store system will be identical to other Madurese retail store systems, but with greater flexibility in operating the store. Within this category, remuneration or wages are paid directly, without a legal agreement, as the job is based on trust. In Ms. U's case, all her family opened a store, yet she works for her brother's store. In this situation, Ms. U will get a wage, rather than a share. Others, like Ms. I, might be assigned a direct task to remain as a store crew until their family returns from homecoming to Sumenep. Patron-client relationships rarely occur in a family context, which is considered a multi-role relationship since their inter-role status fades (Veenendaal and Corbett, 2022).

If they work for themselves as both the store owner and the crew, they are eligible to expand their business independently with available capital. The store owner is responsible for searching for a location, starting the business, offering job vacancies to replace her as a store crew member, managing the crew, and firing the crew for unprofitable conditions. Generally, store owners were a store crew who successfully obtained enough capital to open a new store, as stated by Ms. R:

*"Then how to do business (if you do not know that?) This is also new; it has been around for 5 years. In the past there were also passed by Sumenep people," (Ms. R).*

We found that store owners could give capital to the crew if they wanted to open another store, or they thought the location was bad for business. Ms. N noted that:

*Well, for example, if the store crew opens a new shop, the relationship with the store owner will end, meaning there will be no profit sharing. This stall keeper will become the stall owner, (about the initial operational cost given to the store crew), there is no profit sharing, and it is not considered a debt,” (Ms. N)*

Thus, the conclusion is that becoming *jurāghān* is equivalent as becoming an entrepreneur.

Later, the decision-making process for those three alternatives is followed by structural constraints and conversion factors, which later change their behaviour from consumer (*paméllè*) to *jurāghān*. Structural constraints found in this phenomenon stemmed from Madurese customs, values, and incoherent socio-political structures; thus, they may generate a latent shock between expectations and achieved functioning. In Blau (2017) Structural constraints that successfully defeated one's action to achieve functionality could create disenchanted sentiment, a resistant attitude, and bad examples among the people. In Ms. R's case, therefore, selecting the store location should protect other Madurese retail stores with two principles: *jhā' è mak-semak* (no closer) dan *jhā' è long-polongan* (no gathering in one area or place). Brotherhood of the Madurese (known as *trétan* value) has become an intrinsic factor in how the Madurese maintain solidarity and trust to each other (Devi et al., 2017). On one hand, they could not go far away with their family, which, until nowadays, the homecoming (*törrön*) tradition has still existed. They also have a profound respect to Islamic preachers or leaders, applied to their decision-making by hearing out Islamic teachers through an activity called *acabis* inside a mosque (Abidin and Ridlwan, 2021). In the side of social institutions, Madurese have a popular phrase of *bhuppa-bhābbu-ghuru-ratōh*, in hierarchical: parents, teachers, and leaders (Zain et al., 2023).

Community behaviour towards Madurese retail stores in Madura might influence their decision to open a business in big cities. Debt behaviour in Madura Island, Ms. I's confession, has made the business cycle harder to gain profit, since goods were sold at smaller profit rates. Without accountability of daily trade books, they ended up on increasing the quantity of goods sold daily. Despite this, Madurese retailer communities in metropolitan areas tend to avoid conflict with another people. Ms. R said:

*“No closer to another, first. People have diverse types; there are who said this acceptable and unacceptable.” (Ms. R)*

In conversion factors, the complexity of Madurese society urges them to open a business. On the job side, Madura Island has experienced urbanisation, shifting jobs from agrarian-traditional to modern work (Buchori et al., 2017). From their character, Madurese society is brave, particularly if supported with economic capacity and a decent career (Rochmadi, 2021). Madurese people in Sumenep regency have higher education and health rates, notably its excellent women empowerment index compared to other regencies in Madura Island (Cahyasari, 2018; Mansur et al., 2022). This data is reasonable and aligns with Ms. I's answer about someone who should marry a Sumenep resident, because they can calculate, become part of the store crew, and sell goods.

### ***Achieved Functioning Phase***

The main purposes of opening a retail store for Madurese are to gain money and prestige. Mr. MH said during the interview that his motivation is 'searching for money,' which later worked for his family's store until today. The work ethos of Madurese migrants is bravery in decision-making, result-oriented, workaholic, and identity. The Madurese people are fearless and often roam to Jakarta and hardly work to achieve their goals. These moral beliefs were expressed through their



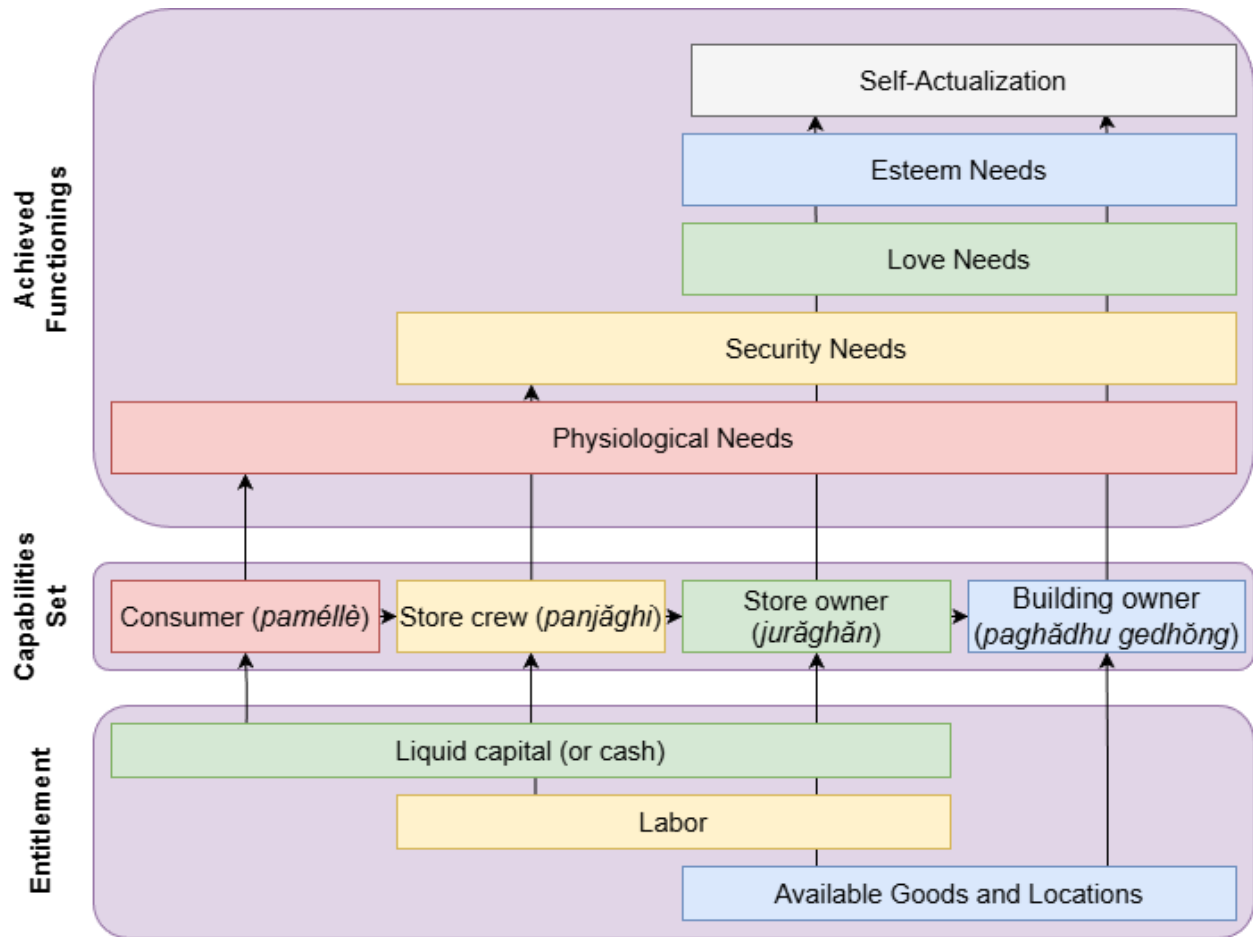
identity and the success story of Madurese migrants, enlightening other non-migrants to stake their lives in metropolitan areas. With their revenue from migration, it has become one's possession to flourish their success during the homecoming (*törrön*) tradition (Widowati et al., 2023). This ultimate factor conceives prestige and motivation.

*“....A lot of them has already said enough, not able to do it. A lot of lazy people here, but Madurese is brave.” (Mr. T)*

Not only that, but belief system in Madurese society also influences how they face the achieved functioning. Ms. R said “...all about income, God is the ruler (about it).” This concept helps the Madurese migrants to not expect functionality they could not do in their capability. Familyhood and brotherhood in Madurese society are exceptionally strong, the remaining capital and assets from previous store owner might be given to the store crew if they had maintained the story well. On achieving this functioning, the store owner will create this operational system, where there should be at least two people (mostly the husband and wife), opening for 24 hours per 7 days, and maintaining a work schedule for physiological needs, and later one of the crew members should buy supply goods (including gasoline, cooking gas, and water gallon) by using a motorcycle.

*“If you look at it from a business perspective, it is a bit confusing, this system of theirs. It looks like it is not a gift, but an item left over from previous operations.” (Ms. N)*

All these activities could be analysed through Maslow's hierarchy of needs. Each Madurese might be entitled into several assets, either a liquid or solid capital. Most Madurese who is not an entrepreneur (or in this term, Madurese retail store owner) goes into the category of *paméllè*, with cash or money on hand. Those who started to join this business cycle as store crew are considered as *panjāghi* with the entitlement of labor and money. They can choose whether to become a hustler (then-called *jurāghān*) or working for others (as *panjāghi*). At last, they will work as building owner, where they can satisfy all their needs prospectively from physiological to self-actualization needs. Store owner might also achieve their self-actualization needs, but incapable to leave their store without any intervention.



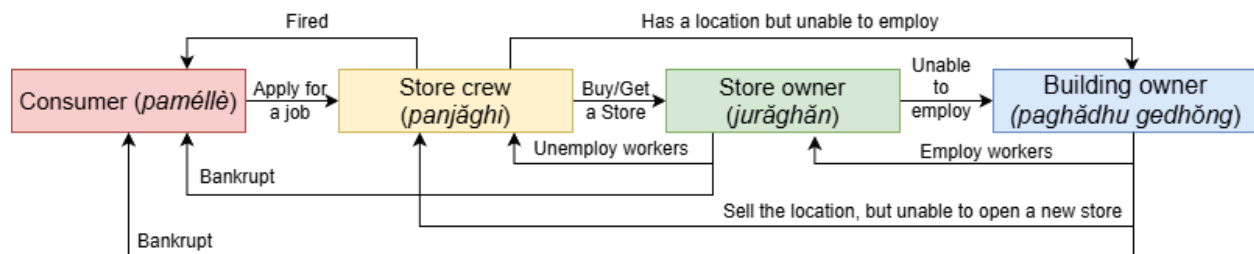
**Figure 2.** Empowerment Model of Madurese Retail Stores

In Figure 2, we identified a grassroots-based community empowerment process or model grounded in the capabilities approach, on which Maslow's hierarchy of needs is attached as the achieved functionings. As consumers, the community primarily achieves its first function in meeting physiological needs. As a store crew, they fulfil their security needs by having a job that ensures their well-being in the short run. As the store owner, they could meet their love and social needs, especially their self-esteem. With this functioning, they would have financial freedom and the opportunity to train someone to become an entrepreneur, as happened in Ms. R's past story. Ms. R. has a few business philosophies, such as here: *"Doing business is based on your sustenance. Have that ethos, if it is possible, that is okay to learn from someone, a lot of store. Working for a store at least one month is necessary, the capital is patient and profit-sharing itself. Then (you would know) how to spin the daily cycle of the business). Yes, that's how business should work. If you want to start a business, learn first if you can, there are a lot of businesses now, not like before."* As building owners, they could obtain the chance and time for self-actualisation and fulfilment of needs. However, the genuine patron in the socio-economic structure will be the store owner, rather than the building owners. Therein, store owners might be achieving all needs satisfactorily due to their vast capabilities and functionings.

### *The Empowerment of the Community in Madurese Retail Stores Phenomenon*

Madurese retail stores' phenomenon advantages local communities, especially Sumenep residents who were mostly becoming nomads in the Jakarta Greater Area. This phenomenon is not only empowering the Sumenep people, but also overall Madurese people as the store crew or even store owner, generating economic benefits for nomads from the eastern archipelago of Madura Island, who have limited access to economic growth and government aid (Riyadi et al., 2024; Wulandari and Andriani, 2023). Before this happened, Madurese people had suffered from social stereotypes, low income due to climate change and the pandemic, and until land-use change in several parts of the Madura Islands (Antriyandarti et al., 2024; Hidayah and Suharyo, 2018; Ningsih, 2017). These factors fuel social disparities and an increased unemployment rate, a major determinant of poverty on this island (Istiyani et al., 2024).

After this phenomenon occurred, the Madurese community shifted from an agrarian to an entrepreneurial economy. They have developed certain capabilities to perform in national retail commerce growth, with 'fisherman' skills (Ambarwati et al., 2019). As a fisher, both the owner and crew will depart from Madura Islands to survive, generate revenue, and inclusively engage in social mobilisation. Approximating how inclusive economic development was developed as universal poverty eradication (Gupta and Vegelin, 2023), Madurese retail stores are also open to all Madurese people to survive and expand their capability set, regardless of their background. All Madurese nomads are dominated by a couple of people (husband-wife) aged around 30-50 years and rarely had experience about entrepreneurship, as happened also in Yogyakarta City (Syamsuddin, 2018). The knowledge transfer about entrepreneurship is taught informally through family education. According to Hadi (2016), there is a Madurese education system called *ro'-noro' bābhāng*, which gives practical experience by directly following a family's entrepreneurship activities. The children or workers will duplicate how to buy and sell goods, including a trading strategy.



**Figure 3.** Inter-Role Cycle of Community in Madurese Retail Stores

In Figure 3, we have already identified how each role is mobilised in a cycle from consumer to building owner. Every role has a specific capability set and associated decision-making risks. These roles are entitled to either man or woman, which specifically empower gender justice and uplift womenpreneurship. In achieving a role in Madurese retail stores, they obtained a gradual push from family education, cultural traditions, morality, and religion. Madurese people believe that bankruptcy is fateful to their self-esteem, which becomes the core of their social system (Syamsuddin, 2019). Therefore, every role in this phenomenon is dynamically changed to reality. In addition, the inter-role cycle is also influenced by how they can adopt technology quickly and digitalise their retail trades, by using digital payment, such as QRIS (or abbreviation of Quick Response code for Indonesian Standard), bank transfer, or other digital pocket transactions.

## CONCLUSION

Through the processing of findings and the interpretation of this phenomenon, we conclude that Madurese stores are a unique phenomenon that occurs in Indonesia and contributes to local economic growth for Madurese people. From an economic perspective, Madurese stores reflect expansion-oriented achievement on creative economic motives. But from this study, Madurese retail stores are more supplementary than purely business-oriented, as they serve as a best practice in empowering people through grassroots innovation and educating and empowering NEETs in Madura Island. This would build capacity and decision-making skills among the broader Madurese society and migrants. Furthermore, this phenomenon also affects inclusivity in Madurese society, enabling people from all backgrounds to become entrepreneurs.

We recommend further post-action by the local government or NGOs to support Madurese retail stores in accountancy skills, digital payments, and HR development. The government should partner with the community to support entrepreneurial journeys across the nation, especially by ensuring that social safety nets (SSNs), microfinance programs, and labour insurance are readily available. For NGOs, this research could serve as a milestone for advocacy initiatives to encourage socio-economic impact from this Madurese retail stores phenomenon nationwide. Thus, we hope that this business strategy will inspire the latter programmer to develop retail chains sustainably.

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