

Challenges and Strategies of Multi-Stakeholder Cooperatives Initiation for the Sustainability of People's Markets in Indonesia: An Empirical Study with Atlas.ti

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Abstract

There numerous challenges confronting people's markets, including predatory lenders, price manipulation, and stagnation within cooperatives. It is exacerbated by not balanced competition from retail and marketplace. Single stakeholder cooperatives have not recently succeeded in overcoming these challenges. *This study aims to* formulate a strategy for developing multi-stakeholder cooperatives which can be a innovation strategy for markets cooperative sustainability. The study uses transformative paradigm and qualitative methods by in-depth interviewing all of cooperative markets in Yogyakarta. The data was analyzed using Atlas.ti and validity checked by Focus Group Discussion. This study found three fundamental problems of market cooperatives related to limited human resources, weak institutions, and lack of cooperative market infrastructure. This study formulates a strategy for developing multistakeholder cooperatives in Yogyakarta people's markets including human and young generation development, relevant business models, collaboration between parties, superiority of people's market products, and cooperative based governance of people's markets.

Keywords: Multistakeholder Cooperative, People's Market, Innovation Strategy, Atlas.ti

INTRODUCTION

People's markets (*pasar rakyat*) constitute a fundamental pillar of Indonesia's local economy and social fabric. They provide employment opportunities, facilitate the circulation of local products, and serve as accessible trading spaces for micro and small enterprises. Beyond their economic function, people's markets also sustain social networks, cultural practices, and community-based livelihoods, particularly for low- and middle-income groups (Brown, 2016; Donovan et al., 2020). Despite their strategic importance, many people's markets in Indonesia continue to experience persistent challenges, including declining

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competitiveness, weak institutional management (Tanuwidjaja & Wirawan, 2012), limited access to finance, less welfare redistribution (Dunggio & Yasa, 2016), non performing loan (Suarjaya, 2015), and inadequate coordination among stakeholders (Purnomo & Harmadi, 2017; Santosa, 2020).

A defining feature of people's markets is the coexistence of multiple interdependent stakeholders, such as traders, market managers, local governments, cooperatives, suppliers, financial institutions, and surrounding communities. Market governance in Indonesia, however, often remains fragmented and hierarchical, with decision-making dominated by public authorities or specific interest groups (Bromley, 2009; Indroyono & Santosa, 2011). This governance structure frequently results in conflicts of interest, inefficiencies in service delivery, and the marginalization of small traders, thereby undermining the sustainability and inclusiveness of people's markets (Ostrom, 2010).

In this context, multistakeholder cooperatives offer a relevant institutional alternative. Unlike conventional cooperatives that focus on a single member category, multistakeholder cooperatives formally integrate diverse stakeholder groups within a single organizational and governance framework (Birchall, 2017; Reid & Fairbairn, 2011). By recognizing multiple interests through shared ownership and democratic decision-making (Münkner, 2014), this cooperative model aims to reduce coordination failures, internalize externalities, and strengthen collective responsibility (Michaud & Audebrand, 2017; Ajates, 2021; Lund, 2011; Sacchetti & Borzaga, 2021). These characteristics are particularly relevant for people's markets, where economic transactions are embedded in dense social relations and require collaborative governance mechanisms.

Despite their potential relevance, empirical and theoretical research on multistakeholder cooperatives in Indonesia remains limited. Existing cooperative studies predominantly examine savings and loan cooperatives or producer-based cooperatives, with limited attention to governance innovation and stakeholder plurality (Spear et al., 2017). Similarly, research on people's markets in Indonesia tends to focus on infrastructure revitalization, spatial planning, or regulatory compliance, rather than institutional and organizational arrangements (Donovan et al., 2020). Consequently, the role of multistakeholder cooperatives as a governance mechanism for people's markets has not been sufficiently explored, particularly within Indonesia's socio-cultural and regulatory context.

The urgency of this research is further reinforced by contemporary policy agendas emphasizing cooperative revitalization, participatory governance, and inclusive local economic development. Indonesian development policies increasingly promote collaboration among market stakeholders to enhance competitiveness and social welfare (Ministry of Trade, 2021). However, without empirically grounded institutional models, such policy initiatives risk remaining fragmented and ineffective. Understanding how multistakeholder cooperatives can be designed,

governed, and sustained in people's markets is therefore critical to improving policy implementation and institutional outcomes.

Accordingly, this study addresses a significant research gap by examining the potential of multistakeholder cooperatives as a governance model for Indonesian people's markets. By focusing on stakeholder integration and cooperative governance, this research contributes to the literature on social economy and cooperative studies, while offering policy-relevant insights for strengthening inclusive and sustainable market institutions in emerging economies. Stakeholder theory provides a strong analytical lens for understanding the relevance of multistakeholder cooperatives in Indonesian traditional markets. Freeman's (1984) proposition that organizations should balance the interests of multiple stakeholders aligns closely with the socio-economic structure of pasar tradisional, where economic transactions are embedded in social relations and local power dynamics. By incorporating traders, suppliers, service providers, and community representatives as cooperative members, multistakeholder cooperatives institutionalize inclusive governance and reduce stakeholder exclusion.

Despite the growing body of literature on cooperatives and market governance, several critical gaps remain with respect to the institutional development of people's markets in Indonesia. First, existing cooperative studies predominantly focus on single-stakeholder models, such as savings and loan cooperatives or producer cooperatives, with limited attention to governance arrangements that formally integrate multiple stakeholder groups (Birchall, 2017; Spear et al., 2017). As a result, the potential of multistakeholder cooperatives as a mechanism for managing complex stakeholder relationships in market settings remains underexplored.

Second, research on people's markets in Indonesia has largely emphasized physical revitalization, spatial planning, and regulatory compliance, while institutional and organizational dimensions receive comparatively little attention (Donovan et al., 2020; Purnomo & Harmadi, 2017). This infrastructure-oriented perspective overlooks the governance challenges arising from fragmented stakeholder interests, power asymmetries, and coordination failures that characterize many people's markets. Consequently, there is limited empirical evidence on how inclusive governance models can improve market performance, social cohesion, and sustainability.

Third, while multistakeholder cooperatives have been discussed in the international literature as a governance innovation within the social economy, empirical studies from emerging economies—particularly Indonesia—remain scarce (Sacchetti & Borzaga, 2021). Differences in regulatory frameworks, socio-cultural norms, and informal market practices suggest that findings from European or North American contexts cannot be directly generalized to Indonesian people's markets. This creates a contextual gap in understanding how multistakeholder cooperative principles can be adapted and operationalized in local market environments.

In response to these gaps, this study makes three main contributions. First, it extends cooperative governance theory by examining the applicability of multistakeholder cooperative models in the context of people's markets, thereby broadening the empirical scope of multistakeholder governance research beyond conventional cooperative sectors. Second, it provides context-specific insights into stakeholder integration and institutional design in Indonesian people's markets, contributing to the limited literature on cooperative innovation in emerging economies. Third, this study offers policy-relevant evidence to inform cooperative revitalization and market governance reforms, supporting the development of more inclusive, participatory, and sustainable people's market institutions.

METHODS

This study aims to identify the problems of market cooperatives in Yogyakarta using a phenomenological approach, a philosophical approach, and research methodology that focuses on the study of human experience and how things appear to individuals in their consciousness (Neubauer, 2019). This approach is carried out through in-depth interviews to explore the views of key figures related to the problems faced by market cooperatives as a basis for innovation strategy of multistakeholder cooperatives in the Yogyakarta people markets. Problem identification was carried out on all market cooperatives and cooperatives active in the Yogyakarta people markets, totaling 25 cooperatives. In-depth interviews were conducted by researchers assisted by informants tasked with collecting data, namely Rahmat Subangun, Dwi Jayanti, Irmawati, and Wanda Siahaan. Research validation was carried out through Focus Group Discussions (FGDs).

Problem identification was conducted using Baswir's (2008) economic democracy framework, which categorizes three issues of capital control by cooperatives: intellectual, institutional, and material capital. Specifically, this study explores the obstacles of market cooperatives in the Yogyakarta based on the results of previous studies that found problems in market cooperatives in the field of membership, finance, markets, human resources, networks, technology, trade, competition, and management (Tanuwidjaja, 2012; Santosa, 2018; Suyatna, 2020). Data were analyzed qualitatively using the ATLAS.ti analysis tool, which can facilitate the discovery of patterns, themes, and insights (Hwang, 2008). The outcome of the study in this first stage of research are maps/diagrams of market cooperative problems and strategies for developing multi-stakeholder cooperatives in the people markets of Yogyakarta.

RESULT AND DISCUSSION

The results of the research show that there are general problems faced by market cooperatives in Yogyakarta. These problems can be grouped according to the perspective of economic democracy into three dimensions of problems, which include human resources

(HR)/membership, organization/institution, and material/infrastructure. In general, the results of this study indicate that the problems faced by market cooperatives in Yogyakarta are limitations in mastering the three (3) modalities of economic democracy (Baswir, 2008), which include intellectual capital in the form of limited capacity of traders and cooperative HR and minimal support for systematic ongoing education for management and member of market cooperatives, institutional capital in the form of lack of organizational management, networks and connectivity, and material capital in the form of access to capital, technology, infrastructure, and market cooperative facilities.

The results of ATLAS.ti are revealed in four images. The first image shows the overall problems faced by market cooperatives in Yogyakarta, then the second image shows human resource and membership problems, the third image provides organizational and institutional problems, and the fourth image shows material and infrastructure problems.

Human Resources and Membership Issues

Human resource and membership issues are among the fundamental problems faced by market cooperatives, indicating a wide gap between the human resources of market cooperatives and those of private/state-owned companies. Based on interviews in this study, human resource-related issues were identified that led to the backwardness and decline of market cooperatives. The human resource/membership issues faced by market cooperatives in Yogyakarta encompass three aspects: limited human resources, members with large loans, and members who borrow without providing collateral.

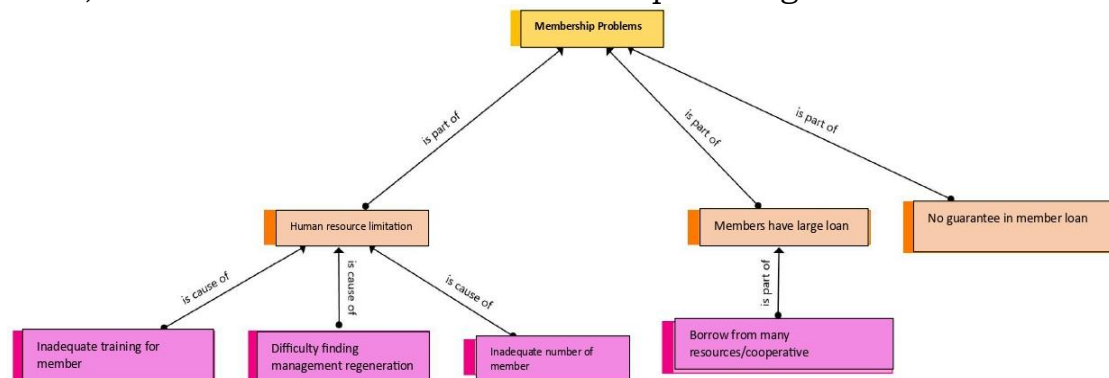


Figure 1. Human Resources and Membership Issues

The limited human resources of members, both in quantity and quality, are one of the fundamental problems faced by market cooperatives in Yogyakarta. These human resources limitations include inadequate human resources training, difficulties in recruiting new managers, and inadequate numbers and quality of human resources. Inadequate human resources training hampers the progress of market cooperatives in Yogyakarta. This is related to the lack of digital skills/literacy among market cooperative administrators and members. It leads to the decline of people markets due to being unable to compete with online market applications managed by human resources with skills

far beyond those of market cooperatives. Many market cooperative administrators are elderly and carry out their work manually, making the work inefficient.

Lack of knowledge about information technology (IT) also becomes a significant obstacle. IT is essential for managing data, accelerating services, and improving administrative efficiency. Unfortunately, many market cooperative administrators and members lack a sufficient understanding of technology. It makes the situation difficult to adapt and compete with other institutions that are more advanced in digitalization. Previous training provided to market cooperative administrators is considered too theoretical and does not directly address real-world situations and issues. Furthermore, market cooperatives face challenges in meeting educational costs for developing the capacity of members and cooperative administrators. Market cooperative administrators would like to support members in pursuing graduate degrees or higher education, but budget constraints make this difficult.

Market cooperatives face difficulties in recruiting new management personnel, leading to a predominance of older management personnel. For decades, since the founding of market cooperatives, many cooperatives have not implemented management changes, preventing the transfer of knowledge and skills in managing market cooperatives. Cooperative managers find it difficult to recruit honest and trustworthy managers, resulting in suboptimal cooperative performance in development and innovation. Young cooperative members are reluctant to replace market cooperative management. With a dwindling workforce, market cooperatives face a shortage of professional personnel and need a younger generation with potential to replace and run the cooperatives to further advance and develop. Cooperative managers feel the need to involve a younger generation or new talent with fresh perspectives and greater adaptability to change, particularly in technology and modern business strategies.

Market cooperatives lack broad appeal to all people market participants, resulting in membership stagnation. Meanwhile, cooperative members are mostly elderly with only high school or vocational high school education levels, resulting in many members lacking adequate skills in cooperative management and product marketing. It is consistent with research by the Center for People's Economic Studies at Gadjah Mada University (UGM), which found that market cooperatives in Yogyakarta are still mired in limited human resources, stagnant business innovation limited to savings and loans, weak connectivity and unity, and inconsistent practice of cooperative principles (Indroyono and Santosa, 2011).

Members have substantial debts with many market traders due to limited human resources and business capacity. It forces them to meet their capital needs by borrowing from various financing institutions/sources or other cooperatives using a "dig a hole, cover a hole" system. Some market cooperative members still use the services of loan sharks operating in people markets for ease and instant, despite

having to pay very high interest rates. Some market cooperative members leave the cooperative to join institutions that can meet the traders' loan needs. Limited human capital encourages traders to make financial capital as their primary business pillar. Thus, it becomes a primary motive for involvement in market cooperatives. New loans tend to be more attractive to trader members than various human resource capacity-building programs that do not directly impact traders' turnover.

Organizational and Institutional Problems

The institutional and organizational development of market cooperatives in Yogyakarta lags significantly behind other business institutions. It is due to various fundamental problems related to suboptimal market cooperative governance. Interviews revealed the following issues related to the institutional and organizational structure of people market cooperatives in Yogyakarta:

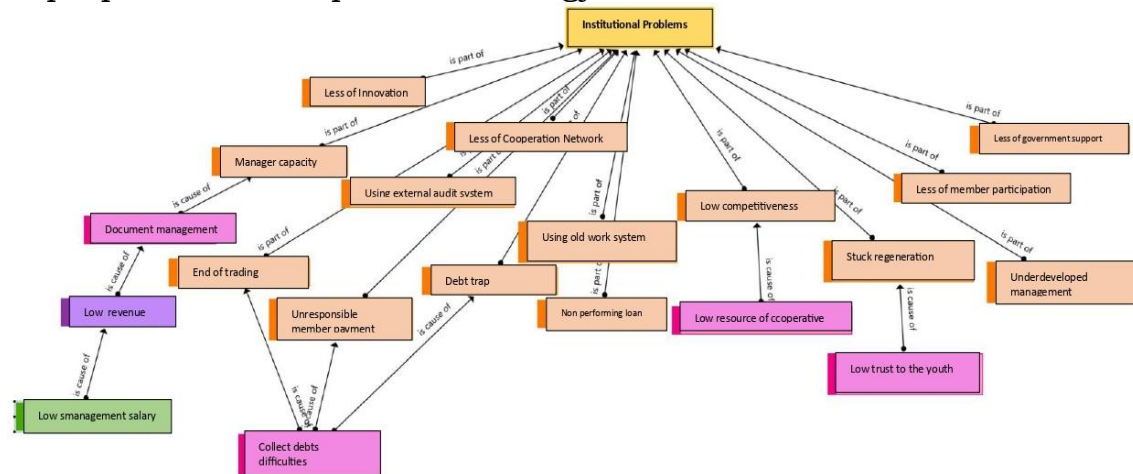


Figure 2. Organizational/Institutional Problems

Market cooperatives remain under-competitive. It is preventing them from facing unequal competition with banks and other financial institutions. Competition has become increasingly open as many large banks have been allowed to enter people markets. Furthermore, numerous loan sharks continue to operate from outside the market. This situation creates problems for members in accessing loans. A single trader can borrow not only from the market cooperative but also from several other financial institutions. It hinders both the trader and the cooperative from developing, as loans are disseminated everywhere. This situation has led to a drastic decline in market cooperative membership. This decline in membership impacts the financial support and sustainability of market cooperatives.

The increasing competition from banks entering the market and adopting similar schemes for Micro, Small, and Medium Enterprises (MSMEs) has led to a decline in market cooperative savings, resulting in non-performing deposits. Market cooperatives are losing out in marketing, where technological developments mean their products cannot compete with more attractive and innovative products from outside the market. Theoretically, this lagging competitiveness indicates that market cooperative transaction costs in the Yogyakarta people

markets are still quite high. New institutional economic theory argues that institutions help to reduce transaction costs, thus enabling more efficient economic exchange (Coase, 1937; Williamson, 1975). This problem also indicates that market cooperative institutions are not yet functioning optimally in people markets.

Cooperative members are experiencing a decline in turnover and in visits to people markets due to weak purchasing power and economic conditions. Bad debts pose a serious challenge, as many members struggle to make timely installment payments, impacting the cooperative's cash flow. One market cooperative's bad debts even reached over 20%, posing a significant challenge to the cooperative's financial health. Many members are struggling to meet their loan repayment obligations. This issue aligns with research findings (Suarjaya, 2015), where internally, some market cooperatives are still mired in the classic problem of bad debts from their members. Traders often prefer private lenders due to the easier loan process and shorter repayment periods (Hasanah, 2022). This issue is in accordance with research findings that indicate market cooperatives are developing amidst unresolved issues regarding the planning and management of people markets (Tanuwidjaja & Wirawan, 2012).

Cooperative management's capabilities are lacking, particularly in processing cooperative documents. This limited capability of cooperative management is considered due to low cooperative turnover caused by low salaries in market cooperative management. Low turnover and salaries cause most management to not be optimally involved in organizational activities or decision-making. It impacts several market cooperative programs being slow or not being implemented properly. Furthermore, the contribution of new ideas and concepts from some management is still very limited. This low involvement slows down the development of market cooperatives. The lack of initiative from management also impacts innovation and strategic renewal of market cooperatives. The majority of management are market traders who prioritize their own businesses.

Changes in management and the implementation of new policies often bring challenges, particularly in terms of consistency and continuity in cooperative management. When new management takes over, they often have different visions and missions, which can lead to confusion among members and uncertainty in implementing existing programs. This issue is in line with Shah's (2020) study, which found that market cooperatives also face several challenges in effectively supporting their members. These challenges include a lack of financial resources, inefficient management, late payments, and inadequate credit facilities. Cooperative management often lacks expertise in managing business activities and understanding market forces.

The lack of innovation, the absence of significant changes in business, technology, and institutional governance have made market cooperatives unable to compete with more modern or innovative competitors. It causes market cooperatives to be left behind. Market cooperatives have not changed their business models for decades, which

have remained with the business of distributing loans to members, so they have not been able to take advantage of the various other business opportunities available in people markets. Market cooperatives tend to be managed conservatively by administrators dominated by the older generation, so that institutionally they experience stagnation. It is in accordance with the new institutional theory, which states that institutional change can occur gradually (evolutionary) or more suddenly (revolutionary), and that change plays a significant role in development and economic growth (North, 1993).

Material and Infrastructure Problems

Limited material and infrastructure also remain a barrier to the development of people market cooperatives in the Special Region of Yogyakarta. Data from interviews revealed several material challenges faced by market cooperatives, as follows:

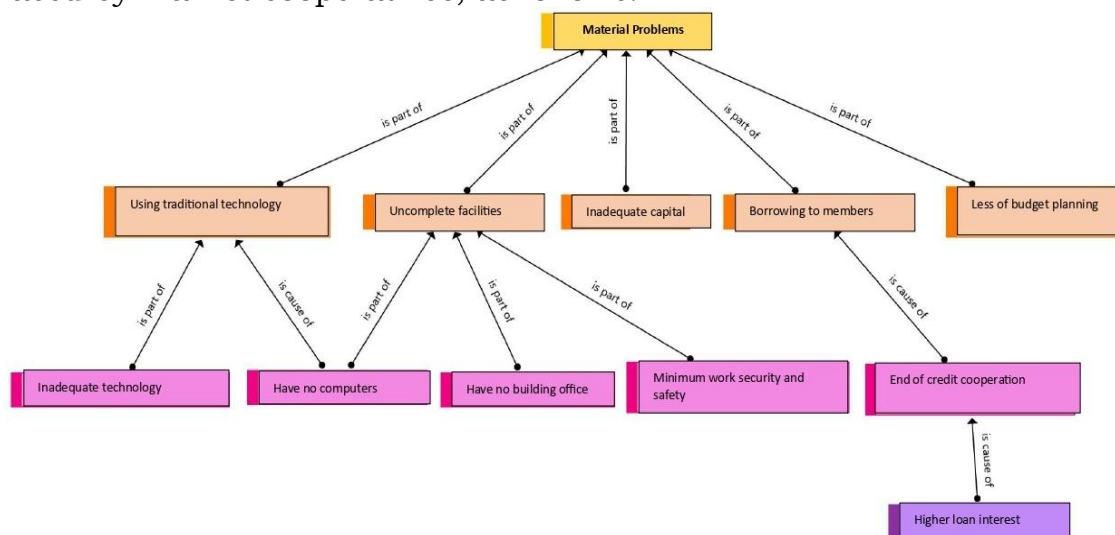


Figure 3. Material Problems

Many market cooperatives do not have their own buildings, which causes Inadequate facilities. Cooperatives are still tied to the market office for location and physical facilities, utilizing the limited and inadequate space available within the market area. The lack of their own buildings limits market cooperatives' institutional identity and the facilities they can offer to members. Some market cooperatives have inadequate and outdated buildings, with document storage in disarray. Market cooperative offices are inadequate, with cooperative-related files often strewn around the chairman's home.

Market cooperatives also face financial capital constraints due to the lack of member savings. Many market cooperative members are no longer actively saving capital, making it difficult for them to raise capital from within their members. Thus, it prevents cooperatives from expanding their businesses. Some market cooperatives struggle to access financing because banks consider them risky. Another major obstacle is collateral. Many members want to access financing or loans from cooperatives but often struggle to meet collateral requirements.

Cooperatives are also limited in providing larger loans that could help members grow their businesses.

The technology used is still manual. Most market cooperatives operate manually, making them slow and inefficient. The administration system employed by market cooperatives is still manual by using books containing members' names, reports of incoming and outgoing cash, and service receipts. Even member books are manually maintained. This system is ineffective and inefficient, as archival data requires more time to be retrieved. The lack of technology also forces administrators to manually record invoices and prepare financial reports. This reliance on manual record-keeping slows down administrative processes and is often prone to errors. Some cooperatives lack modern technology, such as computers or laptops, requiring administrators to complete technological tasks at photocopiers or internet cafes.

The problems still faced by market cooperatives above are both urgent and challenging for the innovation of multistakeholder cooperatives in the Yogyakarta people markets. The potential explored in this research interview is that the multi-stakeholder cooperative model will become a cooperative that bridges and attracts residents around the market to become part of the cooperative. The well-established relationship between producers, traders, consumers, and investors with a shared vision and mission to develop cooperatives certainly makes it likely that multi-stakeholder cooperatives can be an alternative strategy to maintain economic stability in people markets that are increasingly quiet over time. Multi-stakeholder cooperatives can ensure that all market operations can be handled by the cooperative by providing the goods needed by members, thus ensuring the cooperative's operations continue to run smoothly.

The multi-stakeholder cooperative model offers significant potential for developing cooperatives in a more inclusive and collaborative manner. By involving various stakeholders, such as government, business actors, and communities, cooperatives can more easily access resources, technology, and markets. This model also enables a better exchange of knowledge and experience, which can increase the cooperative's capacity and competitiveness. The right support will encourage cooperatives to grow and provide greater benefits to their members and the community. The multi-stakeholder cooperative model allows cooperatives to have a wider variety of resources and perspectives, which will undoubtedly increase our competitiveness and flexibility in the market. Furthermore, being part of a multi-stakeholder cooperative also opens up opportunities for broader collaboration among businesses, communities, and other financial institutions.

Strategy for initiating multistakeholder cooperative

Based on the results of problem analysis, interviews, and Focus Group Discussions (FGD) with stakeholders related to the initiation of multi-stakeholder cooperatives in the Yogyakarta people market, a strategy for pioneering multi-stakeholder cooperatives in the Yogyakarta

people market can be formulated. The development strategy refers to efforts to develop the intellectual, institutional, and material capital of cooperatives. The multi-stakeholder cooperative initiation model in the Yogyakarta people market can be described in a diagram consisting of five (5) elements are human and youth development, relevant business model, collaboration of the parties, advantages of people's market product, and people market governance reform as described follow:



Figure 4. Multistakeholder Cooperative Initiation Strategy in the Yogyakarta People Market

Field research on all people market cooperatives in Yogyakarta found that the fundamental problem faced by people market cooperatives is limited human resources. This condition creates a gap and lags behind people market cooperatives compared to other economic institutions in the trade sector. These human resource problems are an indication that solving people market cooperative problems through multi-stakeholder cooperative initiatives begins with human resource development (Reid & Fairbairn (2011). It is in line with the multi-stakeholder cooperative model that relies on the role of mentors from intellectual circles in universities (Michaud & Audebrand, 2017). The initiation of multi-stakeholder cooperatives in the Yogyakarta people market thus begins with the initiation of popular education aimed at all parties closed with multi-stakeholder cooperatives in the Yogyakarta people market.

This popular education aligns with research findings by Santosa et al. (2012) that the development of people markets begins with human resource development through the initiation of education and training centers (Market Schools) in people markets. This popular education serves as a medium for transforming values, knowledge, and skills in the management of multi-stakeholder cooperatives in the Yogyakarta people markets (Lund, 2011; Ajates, 2021). The aforementioned human resource issues are also related to the intergenerational gap, where there is no regeneration of market cooperative management and membership, which is still dominated by the older generation and the younger generation.

Therefore, after establishing a human resource development system through popular education, the next step is to develop a regeneration system in Yogyakarta people market cooperatives.

Students or undergraduates can serve as administrators, while lecturers serve as supervisors in multi-stakeholder cooperatives. Multi-stakeholder cooperatives are established through the creation of a social innovation ecosystem and collaborative learning media (Michaud & Audebrand, 2017; Ajates, 2021). Human development through human resource renewal paves the way for the development of market cooperatives through the use of digital technology in the production, marketing, and governance processes of multi-stakeholder cooperatives in people markets. Regeneration is a prerequisite for the successful digitalization of market cooperatives to keep up with technological developments.

One of the problems faced by the Yogyakarta people market cooperatives is that their business activities are limited to savings and loans. Market cooperatives can't solve obstacles and exploit business opportunities both in people markets and in the supply chain associated with people markets. Multi-stakeholder cooperatives can be established in people markets through the initiation of business models and business differentiation and services relevant to the problems, needs, and opportunities of the parties (Vezina & Girard (2014)). One relevant business model developed by multi-stakeholder cooperatives in people markets is joint wholesale. This business model can encourage efficiency so that the price of similar products, such as rice, is more optimal for people market parties, including consumers, traders, and farmers as suppliers.

A relevant business model is the multi-stakeholder cooperative, which serves as a distribution channel for its members, particularly consumers. Multi-stakeholder cooperatives can be developed through a planned distribution system for various consumer daily necessities, including direct purchases at people markets, sales distribution through consumer and worker cooperative stores, and home delivery services. This business model allows multi-stakeholder cooperatives in people markets to act as distributors (hubs), streamlining product distribution from supplier members (farmers) to consumers (workers) at fair prices for all. All parties involved in multi-stakeholder cooperatives can get benefits equally.

The problem with market cooperatives is the weak network/collaboration and the wide gap among the parties involved in the people market. This situation indicates a lack of social capital, which is a pillar for the development of people markets. The development of multi-stakeholder cooperatives is therefore guided by an institutional approach through pioneering and strengthening collaboration among stakeholders. Multi-stakeholder cooperatives can be developed as a shared platform for stakeholders in people markets to achieve shared goals, in this case, shared prosperity. This shared platform serves as the foundation for collaboration among stakeholders to build the social

capital needed for people markets to grow and develop adaptively to changing times. The gap between stakeholders, particularly between academic advisors and economic players in people markets, such as farmers, traders, and workers, can be bridged through the initiation of multi-stakeholder cooperatives.

Collaboration among stakeholders can bridge the gap that has caused market cooperatives to lag behind other market institutions. It can occur through the development of empathetic communication between stakeholders, where relationships and communication are not merely transactional but prioritize solidarity, mutualism, and brotherhood. Intense empathetic communication between stakeholders will further strengthen social cohesion (Langlois & Girard, 2005; Lund, 2011; Levi, 1998; Michaud & Audebrand, 2017; Ajates, 2021). Thus, it will foster collaboration between stakeholders in the future. Social cohesion is highly relevant in driving social transformation, specifically the development of civil economy in people markets. Multi-stakeholder cooperatives with the capacity to enhance social cohesion can be an effective instrument for economic democratization in people markets. Multi-stakeholder cooperatives are developed through community concern (Vezina & Girard, 2014; Reid & Fairbairn, 2011), empowerment of marginalized communities (Levi, 1998), and aimed to achieve social and cultural welfare of the community (Wilkinson & Quarter, 1996).

The significant potential of people markets, which has maintained their sustainability, lies in the uniqueness and superiority of the products traded there. The uniqueness and superiority of people market products serve as the basis for the initiation of multi-stakeholder cooperatives in people markets. The first advantage that needs to be developed is that people markets serve as a marketing channel for local products. Most people market product suppliers are farmers and livestock breeders in rural areas, making people markets a platform for local economic strength and exchange. Multi-stakeholder cooperatives are developed as an instrument for community and local economic empowerment (Lund, 2011).

Moreover, the second advantage of people market products is that they are mostly healthy and fresh food because they are distributed directly from rural areas, making them safer from a health perspective. The third advantage of people market products is that they are green products, which are natural and environmentally friendly. Multi-stakeholder cooperatives in people markets thus serve as an instrument for the development of local products, healthy food, and environmentally friendly products. Sustainable businesses and products are core values for the initiation of multi-stakeholder cooperatives in people markets. Multi-stakeholder cooperatives stimulate ethical values and practices that prioritize ecological surveillance (Lund, 2011; Ajates, 2021). Multi-stakeholder cooperatives are developed, starting with farmers as ethical producers and ending with communities and workers as ethical consumers. It is in line with research by Ajates (2021), which found that

multi-stakeholder cooperatives can encourage the development of alternative food systems.

One of the people market problems is centralized governance by local governments. Traders' associations and market cooperatives are not involved in managing various market assets of economic value, resulting in an underdeveloped organizational capacity. The multi-stakeholder cooperative model in people markets is being developed through market cooperative management. Democratizing people market governance, in addition to increasing participation and control among stakeholders, will also encourage improvements in intellectual, institutional, and material capital as a key to improving the socio-economic performance of market cooperatives in people markets (Santosa, 2017).

Multi-stakeholder cooperatives, given the opportunity to manage markets, will foster democratic planning practices in people markets. Thereby, they could address various structural issues that hinder market growth. Markets will develop naturally through supply and demand mechanisms, but various market failures resulting from asymmetric information, transaction costs, and unequal power relations can be addressed. The government provides support in the form of fiscal incentives for multi-stakeholder cooperatives managing people markets, in the form of tax reductions, levies, budget allocations, and profit sharing from various market assets and property management schemes. Multi-stakeholder cooperatives can manage the digitalization of people markets through marketplaces and various social media platforms that can be used to serve new market segments.

CONCLUSION

Mapping market cooperative problems using a phenomenological approach and ATLAS.ti analysis tools reveals that the problems faced by market cooperatives in Yogyakarta related to intellectual capital are limited human resources, which include inadequate human resource training, difficulties in regenerating management, and an inadequate number and quality of members, members with large loans, and members without collateral. Market cooperative problems related to institutional capital are that cooperative competitiveness is still lagging behind. It includes poor credit, lack of government support, management capabilities, and innovation.

Moreover, other problems are that cooperation networks are getting smaller, member participation is decreasing, old work methods are still being used, leadership is not changing, members have stopped selling, members still have debts, still use audit services, and members who are unwilling to pay bills. Furthermore, cooperative problems related to material capital are incomplete facilities, limited financial capital, manual technology, loans to members, and unimplemented budget planning. Multi-stakeholder cooperative development strategies in Yogyakarta people markets include human and youth development, relevant business models, collaboration between parties, superiority of people market products, and governance of people markets.

The results of this study have practical implications in that the initiation of multi-stakeholder cooperatives in Indonesia requires sustainable and systemic involvement from university intellectuals facilitated by a mentoring group within the multi-stakeholder cooperative. Institutional arrangements require state support in creating various regulations and policies conducive to the initiation of multi-stakeholder cooperatives in people markets and various other fields/sectors. Theoretically, this study implies the need to expand the theory of vertical integration as a reference for cooperatives, which has so far relied on integration in the supply chain combined with horizontal integration that includes parties in the pentahelix, such as government, communities, academics, companies, financial institutions, and the media.

Further research can be conducted specifically on the subject of people markets, qualitatively, using an action research approach and ethnographic or case study methods to capture the complex and relevant dynamics of socio-economic systems and structures in the initiation of multi-stakeholder cooperatives in these people markets. Further research should involve multiple stakeholders outside the people market environment. This research can use Soft Systems Methodology analysis to design a model and strategy for developing multi-stakeholder cooperatives that are mutually agreed upon by the parties in the people market, thus serving as a guideline for joint action by those parties.

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