Distribution and Aglomeration of Business in Education Area (Case Study of Jember University Area)

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Abstract: Business in the broadest sense is a general term that describes activity and institution that produces goods and services in everyday life. The Region is a space which is a geographical unit along with all related elements at the boundary and the system is determined based on administrative aspects and functional aspects. Urban area is an area that has the main activity not agriculture with the arrangement of functions of the area as urban settlements, centralization and distribution of government services, social services and economic activity services. In the context of geographic economics, the concept of agglomeration is related to the spatial concentration of the population and economic activity. This is in line with what Iskandar said in Kuncoro (2007) that agglomeration is the spatial concentration of economic activity in urban areas because of the savings due to adjacent locations that are associated with spatial clusters of companies, workers, and consumers. The Region is a space which is a geographical unit along with all related elements at the boundary and the system is determined based on administrative aspects and functional aspects. Urban area is an area that has the main activity not agriculture with the arrangement of functions of the area as urban settlements, centralization and distribution of government services, social services and economic activity services. Educational an area is a place that has the characteristics and specificity of conducting educational activities. In addition to conducting educational activities, this also provides benefits for economic activities. These economic activities can be in the form of goods and services which can provide convenience for the surrounding community and many types of businesses that can be developed around the area. Therefore, business people must understand the development of a region or region to be made a place of business. Regions that have a carrying capacity in business development will have a large influence on income. Not only that the selection of business places also provides benefits to consumers at affordable prices and strategic places are things that are considered by consumers to choose a suitable and suitable place, so that consumers feel satisfied and traders can compete with other traders in marketing their products. The University of Jember is said to be an educational area because of the area influences in supporting educational activities. The University of Jember is also called an agglomeration area because it is related to the spatial concentration of the population and economic activities.

Keywords: Distribution, Aglomeration, Regional Businesses Education

INTRODUCTION

Business consists of all activities and businesses which according to existing theory aim to seek profit by providing the goods and services needed for the economic system, some businesses produce tangible goods while others provide services. Business in a broad sense is a general term that describes an activity and institution that produces goods and services in everyday life (Laily, 2012: 11). In doing business, the most important thing to pay attention to is where the location or business area will be built. Geographers and experts, economists, city planners, business strategists, regional scientists, and social scientists have provided explanations about "why" and "where" economic activity is located. A business tends to agglomerate in areas where the potential and capabilities of the region meet their needs, and they benefit from the location of companies that are close to each other (Iskandar, 2007).

The choice of business location by an organization (company) will affect the risk (risk) and profit (profit) of the company as a whole. This condition occurs because location greatly influences fixed costs (fixed costs) and variable costs (variable costs), both in the medium and long term. In organizational management, business location should be taken into account when planning, so that the business to be carried out can be organized in the future (Heizer and Render, 2004). Industrial location in regional development or regional development must be calculated carefully and determined precisely, so that industrial development activities can take place effectively and efficiently. The process of determining the optimal industrial location is closely related to the "location factor", because this "location factor" will provide optimal location requirements for the continuity of industrial activities in a region. The optimal location allows industrial activities to be in an appropriate industrial location, and can develop properly (Arsyad, 1997).

The unequal distribution of resources creates disapiritas in the rate of economic growth between regions. This inequality of resources is reflected in the concentration of economic activity that occurs in certain areas. Areas where the concentration of economic activity takes place to benefit are called agglomeration economies. Furthermore, the existence of an agglomeration economy can have a positive influence on the rate of economic growth. As a result, areas that are included in agglomeration generally have a higher growth rate compared to areas that are not agglomerated (Iskandar, 2007).

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In the economic context of geography, the concept of agglomeration relates to the spatial concentration of population and economic activity. This is in line with what Iskandar said in Kuncoro (2007) that agglomeration is the spatial concentration of economic activity in urban areas due to savings due to proximity (economic proximity) associated with spatial clusters of companies, workers, and consumers. Area is a space that is a geographical unit along with all elements related to boundaries and the system is determined based on administrative and/or functional aspects. An urban area is an area that has non-agricultural main activities with an arrangement of area functions as a place for urban settlements, centralization and distribution of government services, social services and economic activity services (Hendra, 2009).

The educational area is a place that has characteristics and specificities for carrying out educational activities. In addition to carrying out educational activities, this also provides benefits for economic activities. These economic activities can be in the form of goods and services which can provide convenience for the surrounding community as well as many types of businesses that can be developed around the area. Therefore, business people must understand the development of an area or area to be used as a place of business. Areas that have the carrying capacity for business development will have a major influence on income. Not only that, choosing a place of business also provides benefits to consumers, affordable prices and a strategic place are things that consumers pay attention to choosing a suitable and appropriate place, so that consumers feel satisfied and traders can compete with other traders in marketing their products (Hendra, 2009).

The University of Jember is said to be an educational area because the area has an influence in supporting educational activities. The University of Jember is also known as an agglomeration area because it is related to the spatial concentration of the population and economic activities. In the initial observation that the distribution of business in the Jember University area there are 109 business units spread across several locations such as:

- 1) Jalan Mastrip has 10 photo copy business units, 10 restaurant business units, and 5 food stalls.
- 2) Jalan Riau has 5 photo copy business units, 10 restaurant business units, and 8 food stalls.
- 3) Jalan Kalimantan has 10 photo copy business units, 7 restaurant business units and 5 food stalls.
- 4) Jalan Jawa there are 11 photo copy business units, 9 restaurant business units and 4 food stalls.
- 5) Jalan Sumatera has 10 photo copy business units, and 5 restaurant business units.

From some of the descriptions above, it can be said that the distribution pattern of these business units is centered on the Jember University area. In addition, patterns of concentration or agglomeration can occur due to differences in specialization between one region and another and patterns of concentration or agglomeration are expected to have a positive impact on economic growth around the region. With the discovery of the phenomena that occur from the description above, this study intends to analyze these conditions, by taking the title "Distribution and Agglomeration of Educational Area Businesses (Case Study of the University of Jember Region)".

METHODS RESEARCH

Types of research:

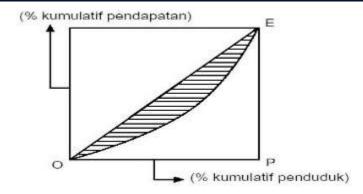
This type of research is classified as descriptive research. Descriptive research is research that leads to the disclosure of a problem or situation as it is and reveals the facts that exist, although interpretation or analysis is sometimes given. This research needs to utilize or create scientific concepts, as well as function in establishing a specification regarding physical and social phenomena. Besides that, this research must be able to formulate exactly what you want to study and what techniques are appropriate to use to analyze it. The results of his research are focused on providing an overview of the actual state of the object under study (Tika, 2005: 4). This study has 109 business units in the Jember University Area.

Analysis Method:

The analytical method in this study uses the Gini Ratio and the Herfindhal-Hirschman Index (HHI). Where explained as follows:

1. Gini Ratio (Gini Coefficient):

The Gini ratio or coefficient is a tool to measure the degree of inequality in population distribution. It is based on the Lorenz curve, which is a cumulative expenditure curve that compares the distribution of a certain variable (eg income) with a uniform distribution that represents the cumulative percentage of the population. The Gini coefficient (Gini Ratio) is a measure of inequality or aggregate (overall) inequality, whose numbers range from zero (perfect equality) to one (perfect inequality). The Gini coefficient can be obtained by calculating the ratio of the area that lies between the diagonal line and the Lorenz curve divided by the area of half the plane on which the Lorenz curve is located. Pay attention to the following picture:



From the figure above, the horizontal axis depicts the cumulative percentage of the population, while the vertical axis represents the share of the total income received by each of these population percentages. Meanwhile, the diagonal line in the middle is called the "perfect evenness line". Because each point on the diagonal line is the seat of the percentage of the population that is equal to the percentage of income received. The farther the Lorenz curve is from the diagonal line, the higher the level of inequality. Conversely, the closer the Lorenz curve is from the diagonal line, the higher the level of equity in the income distribution. In the figure above, the magnitude of inequality is described as the shaded area. From the description above it can be said that an income distribution is more even if the Gini Coefficient value is close to zero (0). Conversely, an income distribution is said to be more unequal if the value of the Gini Coefficient is closer to one. Observe the following table:

Tingkat ketimpangan rendah
Tingkat ketimpangan sedang
Tingkat ketimpangan tinggi

According to the Regulation of the Minister of Manpower and Transmigration of the Republic of Indonesia Number Per.25/MEN/IX/2009 concerning the Level of Development of Transmigration Settlements, the gini ratio is a measure of income distribution calculated based on income class in 10 income classes (decille)

Gini Ratio Formula: $GR = 1 - \sum fi[Yi + Yi - 1]$

Ket: fi = total percent (%) of class i income recipients. Yi = cumulative amount (%) of income in class i. The GR value lies between zero and one. If GR = 0, income inequality is perfectly even, meaning that everyone receives the same income as everyone else. If GR = 1, it means that income inequality is perfectly unequal or that income is only received by one person or one group.

2. Herfindhal-Hirschman Iindex (HHI):

Industry concentration is a measuring tool that refers to the number of sellers in the industry. Commonly used measurement tools are the Concentration Ratio (CR) and the Herfindhal-Hirschman Index (HHI). The Herfindahl Index or HHI, is a methodology used to measure the distribution of market share or calculate market concentration in an industry.

$$H = S_1^2 + S_2^2 + ... + S_N^2$$

dimana:

S₁ = pangsa pasar perusahaan terbesar di sektor tsb.

S₂ = pangsa pasar perusahaan kedua terbesar di sektor tsb.

 S_N = pangsa pasar perusahaan N terbesar di sektor tsb.

- The more concentrated an industry is, the market power (market power; ability to set prices) of a company in an industry will also increase.
- Monopoly is the highest form of industrial concentration

The analysis of the HHI score is as follows:

- 1. HHI < 1000, market structure in the industry tends towards free competition (open market).
- 2.1000 < HHI < 1800, tends towards oligopoly.
- 3. 1800 < HHI, market structure tends towards monopoly.

PENGUASAAN PASAR MARTABAK					
NO	PERUSAHAAN	PENJUALAN	MARKET SHARE (S)	S ²	
1	A	30	5.5%	72,25	
2	н	80	22,6%	510,76	
3	c	29	8,2%	67,24	
4	D	43	12,7%	161.29	
5	E	35	9,9%	98,01	
6	F	25	7,1%	50.41	
÷	G	60	16,9%	285.61	
8	н	50	14,1%	198,81	
	TOTAL			1444,38	

The Herfindahl index HHI level = total market share (2) is 1444.38 The HHI value is between 1000 and 1800, so the market structure in the industry tends towards oligopoly competition.

RESULT AND DISCUSSION

1. Business Distribution:

Is one aspect of marketing. Distribution can also be interpreted as a marketing activity that seeks to expedite and facilitate the delivery of goods and services from producers to consumers, so that their use is in accordance with what is needed (type, quantity, price, place and when needed). A distributor or a company is an intermediary who distributes products from manufacturers (manufacturers) to retailers (retailers). After a product is produced by the factory, the product is sent (and usually sold at the same time) to a distributor. The distributor then sells the product to the retailer or customer. The other three aspects of the marketing mix are product management, pricing, and promotion.

The company's decisions about distribution determine how the products it makes can be reached by consumers. Companies develop strategies to ensure that products are distributed to customers in the right place. So it is necessary to understand the right distribution channels in a business. Distribution channels are channels used by manufacturers to distribute products to consumers or various company activities that strive for products to reach consumers.

In the Indonesian dictionary, the meaning of distribution is the division of the delivery of goods to many people or to several places. In addition, the conventional economist Philip Kotler defines distribution as a collection of companies and individuals who take over rights, or assist in transferring rights to goods or services, moving from producers to consumers. In conventional economics, distribution is defined as the movement of goods from manufacturing companies to markets and finally purchased by consumers. In the perspective of Islamic Economics distribution has a broad meaning, which includes ownership arrangements, elements of production and sources of wealth. Therefore, distribution is a major problem in Islamic Economics. because, distribution has a close relationship with the level of welfare of a society. The welfare in Islamic Economics is measured based on the principle of fulfilling the needs of each individual in society, not on the basis of supply and demand, economic growth, foreign exchange reserves, currency values or price indexes in non-real markets, as experienced in the Capitalist Economic system. This is also influenced by the views of Capitalist Economists on the main problem in the economy, namely production.

Broadly speaking, distribution can be interpreted as a marketing activity that seeks to expedite and facilitate the delivery of goods and services from producers to consumers, so that their use is in accordance with what is needed (type, price, place and time needed). Based on the definition above, it can be seen that there are several important elements, namely:

1. The distribution channel is a group of institutions that exist among various institutions that collaborate to achieve a goal.

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- 2. The purpose of the distribution channel is to reach certain markets. Thus the market is the goal of channel activities.
- 3. Distribution channels carry out two important activities to achieve the goal, namely classifying and distributing.

2. Agglomeration:

Agglomeration is the spatial concentration of economic activity in urban areas due to savings due to adjacent locations (economies of proximity) associated with spatial clusters of companies, workers and consumers (Kuncoro, 2002). The advantages of spatial concentration as a result of economies of scale are called agglomeration economies (Mills and Hamilton, 1989). Spatial grouping of economic activities in a particular location and interrelated. This can be found in the concentration of high-tech industries in Silicon Valley (Ellison and Glaeser, 1997), the spatial concentration of waterfront cities (Fujita and Mori, 1996), industrial clusters (Porter, 1990-1998), and urban agglomerations (Fujita and Thiesse, 2002).

Indonesia is an archipelagic country, therefore Indonesia has many areas where economic growth is not the same. This is in accordance with Perroux's conception of agglomeration which states that growth does not occur in all places, but only in certain places. When viewed from economic growth, it can be seen that there are regions that have high economic growth and low economic growth so that it will have an impact on the emergence of agglomeration. Agglomeration means that economic activity is concentrated in certain areas so that economic growth becomes uneven.

Marshall is one of the originators of the term agglomeration which is referred to as localized industries. Localized industries arise because an industry will choose a place where it will guarantee the production process will take place in the long term (Mc Donald, 1997) whereas according to Kuncoro (2002), agglomeration is the spatial concentration of economic activity in urban areas because of the savings resulting from companies that are located close to each other and are not the result of individual company calculations.

The strength of agglomeration and deagglomeration can explain the occurrence of industrial concentration and deconcentration. There are three benefits arising from the above activities, namely: scale economies, location savings (localization economies), and urbanization economies. The agglomeration used in this study is production agglomeration because the benefits of agglomeration of production enter into scale savings. Scale savings are savings in internal production if production is increased (Adisasmita, 2005). According to Jamie Bonet (2006), explains that production agglomeration (activity concentration) is used as one of the variables used to determine regional disparities. Production agglomeration can affect regional disparities directly, namely when there are barriers to labor mobility between regions, or when there is a surplus of labor in the economy.

According to Bonet (in Sigalingging, 2008), agglomeration can be measured in several ways, the first is by using the proportion of the urban population in a province to the total population of the province and the second is by using the concept of production agglomeration.

3. Rresearch:

Research from Elsa Jusfita Taufiq¹, Dasrizal², Farida² where this study aims to analyze the distribution and agglomeration of education in the business campus of Padang State University. This type of research is descriptive. The source of the data taken is primary data obtained through direct surveys originating from business actors in the Padang State University area. This study used total sampling, totaling 126 samples. Based on the results of the analysis, it was found that: 1) Business distribution at Padang State University is generally located in Air Tawar Barat Village, most businesses are located on Jln. Belibis consists of 37 business units consisting of 13 restaurant business units, 18 photocopying business units, and 6 food stalls. The research distance limit is 150 m from the outer fence of the UNP Campus. 2) Based on the research conducted, the effect of business agglomeration at Padang State University did not occur because the results of the analysis using the Hirschman-Herfidal Index (HHI) formula proved that HHI <0.4375, so what happened was dispersion or not centered on location and on the spatial index using Glaeser et al's method is also not proven because Sir <1 so what happens is non-spatial or there is no business spread at Padang State University.

Research from Jamzani Sodik and Dedi Iskandar where the aim of this study was to examine the effect of regional agglomeration on economic growth in 26 provinces in Indonesia. Provincial pooling data for the period 1994-2003 experienced a setback using the generalized least squares (GLS) method. Factors affecting economic growth are considered such as agglomeration, labor force, inflation rate, level of provincial openness, and human capital. This study shows the influence of three variables on regional economic growth: labor force, inflation rate and provincial openness level; while the remaining two (agglomeration and human capital) are likely to have no effect.

Research from Mbina Pinem stated that this study aims to determine the socio-economic influence on the quality of settlements in Sidorejo Village, Medan Tembung District. The population in this study were all people living in the area, with a total sample of 110 households. Data was collected by observing and distributing questionnaires to respondents. The results showed that the community's economic conditions had a very positive effect on community settlements.

Research from Ardhian Setiawan Saputra, Sawitri Subiyanto, Arwan Putra Wijaya suggests that the city of Jogjakarta is one of the cities in Indonesia which has many interesting tourist attractions to visit. Tamansari is one of the tourist attractions in the city of Jogjakarta which besides having the potential for its beauty is also a tourist destination area (DTW). Based on this, a map of the Regional Economic Value Zone (ZNEK) is needed to determine the economic value based on the TCM (Travel Cost Method) and CVM (Contingent Valuation Method) methods in the area. The method of collecting respondents used in this final project

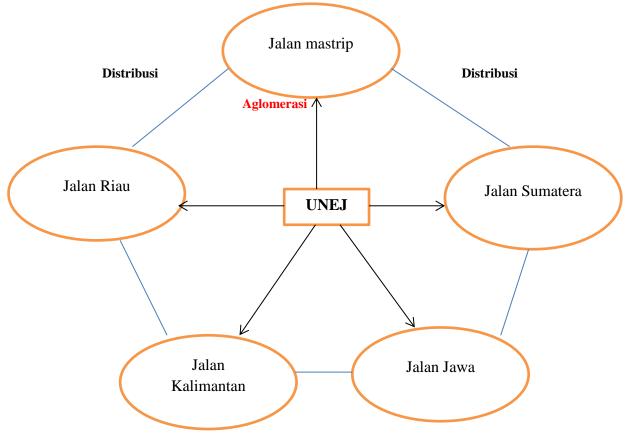
research is non-probability sampling with incidental sampling techniques, namely for respondents who were met by chance at the location of the interview. The data processing method used is multiple linear regression analysis and the calculations use Maple 17 software. In this final project research, the results are obtained in the form of a map of the Regional Economic Value Zone which has a domestic consumer surplus of IDR 2,734,791, - a surplus of foreign consumers of IDR 237,615 .621,- and a WTP value of Rp. 43,833.- for CVM so that the total economic value of Domestic Tamansari is Rp. 1,112,139,115,700.- and Tamansari Mancanegara is Rp. 15,963,237,947,900, - (consumer surplus value per individual multiplied by number of visitors in 2015).

Research from Didi Nuryadin that the purpose of this study was to examine the effect of agglomeration on regional economic growth. By using data from 26 provinces for the period 1993-2003, using the GLS (General Least Square) method to process polling data. Factors affecting regional economic growth are agglomeration (X1), labor (X2), inflation rate (X3), provincial economic openness (X4), and human capital (X5). The results of the study found that regional economic growth for the period 1993-2003 was influenced by employment (X2), inflation rate (X3), and the level of provincial economic openness (X4). However, human capital (X5) and agglomeration economies (X1) do not affect regional economic growth.

4. Conceptual Framework:

The University of Jember is said to be an educational area because the area has an influence in supporting educational activities. The University of Jember is also known as an agglomeration area because it is related to the spatial concentration of the population and economic activities. In the initial observation that the distribution of business in the Jember University area there are 109 business units spread across several locations such as:

- 1) Jalan Mastrip has 10 photo copy business units, 10 restaurant business units, and 5 food stalls.
- 2) Jalan Riau has 5 photo copy business units, 10 restaurant business units, and 8 food stalls.
- 3) Jalan Kalimantan has 10 photo copy business units, 7 restaurant business units and 5 food stalls.
- 4) Jalan Jawa there are 11 photo copy business units, 9 restaurant business units and 4 food stalls.
- 5) Jalan Sumatera has 10 photo copy business units, and 5 restaurant business units.



Gambar 2.1: Kerangka Konseptual

Business locations in the Jember University area are 109 businesses. The business distribution is evenly distributed throughout the Jember University area, namely Jalan Mastrip, where there are 10 photocopy business units, 10 restaurant business units, and 5 food stalls. Jalan Riau has 5 photo copy business units, 10 restaurant business units, and 8 food stalls. Jalan Kalimantan

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has 10 photo copy business units, 7 restaurant business units and 5 food stalls. Jalan Jawa has 11 photo copy business units, 9 restaurant business units and 4 food stalls. Jalan Sumatera has 10 photo copy business units, and 5 restaurant business units. According to researchers, business development in this area is located around student boarding houses, therefore photocopying businesses and restaurants are more dominant in this area.

Jalan Mastrip has 25 units, namely 10 photocopy business units, 10 restaurant business units, and 5 food stalls. The business distribution is evenly distributed in the area. According to researchers, business development in this area is located around the campus of the Faculty of Medicine and Faculty of Engineering, therefore the business of photocopying and food is more dominant in this area.

Jalan Riau has 23 business units, namely 5 photocopy business units, 10 restaurant business units, and 8 food stalls. The distribution of these businesses is evenly distributed in the region. According to researchers, business development in this area is on the edge of the main road, therefore the restaurant business is more dominant in this area.

Jalan Kalimantan has 22 business units, namely 10 photocopying business units, 7 restaurant business units and 5 food stalls. The business distribution is evenly distributed in the area. According to researchers, business development in this area is in the center of the Jember University campus and the school, to be precise SMP 3 Jember and SMA Negri 2 Jember, therefore the photocopying business is more dominant in this area.

Jalan Jawa has 24 business units, namely 11 photo copy business units, 9 restaurant business units and 4 food stalls. The distribution of these businesses is evenly distributed in the region. According to researchers, business development in this area is in the campus area, therefore the photocopying business is more dominant in this area.

Jalan Sumatera has 15 business units, namely 10 photocopy business units, and 5 restaurant business units. The distribution of these businesses is evenly distributed in the region. According to researchers, business development in this area is in the STIE Mandala campus area, therefore the photocopying business is more dominant in this area.

Business Distribution in the Jember University Area is generally located in Sumbersari District, precisely on Jalan Mastrip, there are 10 photocopy business units, 10 restaurant business units, and 5 food stalls. The business distribution is evenly distributed in the area. The research distance limit is 150 M from the outer fence of the UNEJ Campus. The influence of business agglomeration in the Jember University area did not occur because the results of the analysis using the Hirschman-Herfidal Index (HHI) formula proved that HHI <0.4595. then what happens is Dispersion or not centered on a location and on the spatial index using the Glaeser et al method is also not proven because Sir <1 so what happens is Non Spatial.

CONCLUSION

Based on the research results, the conclusions are as follows:

1. The pattern of business distribution in the educational area of the Jember University campus is generally located in Sumbersari District, precisely on Jalan Mastrip, there are 10 photocopy business units, 10 restaurant business units, and 5 food stalls. The business distribution is evenly distributed in the area. The research distance limit is 150 M from the outer fence of the UNEJ Campus. 2. The influence of business agglomeration in the Jember University area did not occur because the results of the analysis using the Hirschman-Herfidal Index (HHI) formula proved that HHI <0.4595. then what happens is Dispersion or not centered on a location and on the spatial index using the Glaeser et al method is also not proven because Sir <1 so what happens is Non Spatial.

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