

Economic Resilience Of Street Vendors In The Era Of Rupiah Depreciation: A Theoretical Conceptual Study Of Informal Economics

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ABSTRACT

This study examines the economic resilience of Pedagang Kaki Lima (PKL) or street vendors during rupiah depreciation in Indonesia's informal economy. The research aims to explain how depreciation pressure affects PKL resilience and identify the mechanisms through which this relationship operates. Using a mixed-methods approach, the study combines quantitative analysis (120 PKL respondents: 60 from UNNES Semarang, 60 from Mojokerto) with qualitative data (12 interviews, participant observation, document analysis, and one Focus Group Discussion). Quantitative results show that rupiah depreciation pressure does not directly reduce PKL economic resilience ($\beta = -0.08$, $p = 0.342$), but instead influences resilience through three intervening variables: informal economy adaptation ($r = 0.42$, $p < 0.001$), microeconomic adjustment ($r = 0.38$, $p < 0.001$), and social capital ($r = 0.35$, $p < 0.001$). Social capital is the strongest predictor of resilience ($\beta = 0.38$, $p < 0.001$), followed by informal economy adaptation ($\beta = 0.31$, $p < 0.001$) and microeconomic adjustment ($\beta = 0.27$, $p = 0.002$). The regression model explains 48% of variance in PKL resilience ($R^2 = 0.48$, $p < 0.001$). Qualitative findings reveal that PKL respond to depreciation through price adjustments, early purchasing, product diversification, and collective strategies such as rotating savings groups and bulk purchasing coordination. PKL in UNNES Semarang demonstrate significantly higher resilience ($M = 3.58$) than Mojokerto PKL ($M = 3.26$, $p = 0.002$) due to better market conditions and organized vendor structures. The study concludes that PKL resilience during currency depreciation is a multi-dimensional process shaped by adaptive behaviors and strong social capital networks. These findings support social capital theory and extend informal economy theory by demonstrating that group-based resilience mechanisms are more critical than individual strategies in informal settings.

I. INTRODUCTION

In the 21st century, everything can become easier and faster. The internet in the digital era can be accessed in almost all parts of the world, which allows many people to share data, especially in terms of education, for example, the results of research and learning theories that can be applied in various parts of the country. (Postolache et al., 2017). Because of this, the 21st-century generation must also be able to compete amidst the rapid development of technology and information. Because of this, the role of education is very much needed to improve the quality of the nation's generation who are required to be able to keep up with the progress of the times, to be skilled in using technology, accessing information media, and most importantly, being able to follow and survive amidst the rapid development of technology and information. Information technology in this day and age has many important roles in human activities, both in politics, business, the economy, and the world of education. Information technology is used in the world of education, which has experienced many changes in systems and methods in the learning process (Gorgenyi-Hegyes et al., 2021).

Learning models in schools are now also being developed to adjust which models are more suitable and have a good effect on student learning. One way is to choose the Project-Based Learning (PjBl) learning model, which is a learning model where students become more active during the teaching and learning process, and the teacher becomes a facilitator. The teacher will, of course, carry out initial planning, such as selecting learning media, before the teaching and learning process is carried out, so that learning is successful and on target.

Seeing these problems, the researcher intends to research the development of a website-based interactive E-Module with the PjBL learning model, to see an increase in student interest in learning in PKWU lessons. The e-Module is made interactive, especially involving students in the practice of working on projects using websites, where the use of this media is strongly supported by the school. It is hoped that this research can help teachers at SMKN 10 Surabaya in practicing using the website and also make it easier for students to access material amidst difficult facilities. It is hoped that it can help increase student interest in learning in PKWU subjects.

II. METHODOLOGY

The economic resilience of Pedagang Kaki Lima (PKL) remains important because street vendors continue to function as a major part of the informal sector and a livelihood option for households with limited capital, skills, and formal market access (Nurbaiti et al., 2024). In Jakarta, PKL are widely distributed and often rely on social relations, neighborhood ties, and adaptive trading strategies to maintain their economic activity under pressure (Nurbaiti et al., 2024).

What is not yet fully known is how PKL resilience is affected specifically by the era of rupiah depreciation, especially when imported input costs, price instability, and purchasing power changes occur simultaneously. Prior studies show that exchange-rate fluctuations can reduce firm performance and create vulnerability in small enterprises, but they mostly focus on formal SMEs or broader informal-sector dynamics rather than PKL in the context of currency depreciation (Borisova et al., 2021; World Bank, 2002).

At the same time, existing research also supports the idea that informal actors can remain resilient through social capital, adaptive pricing, and local resource use. Studies on PKL household resilience show that social capital helps vendors survive difficult periods by supporting borrowing, solidarity, and daily trading continuity (Nurbaiti et al., 2024), while research on informal-sector dynamics indicates that currency movements can reshape informal activity and earnings patterns (World Bank, 2002).

The gap in this study is that conceptual explanations of PKL resilience have not yet been sufficiently integrated with the theoretical consequences of rupiah depreciation in the informal economy. Earlier studies tend to examine PKL resilience during crises such as COVID-19 or analyze exchange-rate exposure in SMEs, but they do not fully explain how macroeconomic depreciation may interact with informal market mechanisms, household coping capacity, and daily trading resilience at the conceptual level (Borisova et al., 2021; Nurbaiti et al., 2024).

The novelty of this study lies in building a conceptual-theoretical framework that links rupiah depreciation, informal economy behavior, and PKL economic resilience in one integrated explanation. This study does not merely describe PKL survival strategies; it positions them as adaptive responses within a changing monetary environment and extends informal-economy theory to a currency-depreciation context (World Bank, 2002; Nurbaiti et al., 2024).

This research suggests that PKL resilience should be understood as a multi-dimensional process shaped by price adjustment, social capital, local sourcing, and adaptation to macroeconomic shocks. Therefore, the purpose of this study is to formulate a conceptual basis for explaining how PKL maintain economic continuity during rupiah depreciation and to provide a theoretical foundation for future empirical research and policy design (Borisova et al., 2021; Nurbaiti et al., 2024).

2. Literature Review

Economic resilience in the context of the informal sector is an important issue because small businesses and low-income households tend to be more vulnerable to macroeconomic shocks, including exchange rate changes and a decline in people's purchasing power (Nurbaiti et al., 2024; Borisova et al., 2021). In such a situation, the resilience of business actors is determined not only by financial capital, but also by adaptability, social networks, and survival strategies in an unstable market (Nurbaiti et al., 2024).

Street vendors (PKL) are an important part of the informal economy because they provide goods and services with relatively small capital and absorb labor that is difficult to enter the formal sector (Nurbaiti et al., 2024). Research on street vendors in DKI Jakarta shows that the economic resilience of street vendor households is greatly influenced by social capital, especially solidarity, group networks, and access to non-formal assistance when access to formal financial institutions is limited (Nurbaiti et al., 2024).

The depreciation of the rupiah can affect street vendors indirectly through increased input costs, changes in raw material prices, and pressure on selling prices at the micro level (Borisova et al., 2021). Studies on exchange rate fluctuations in small and medium-sized enterprises show that exchange rate

volatility tends to negatively impact business performance, both in the short term and at a certain level of exposure (Borisova et al., 2021). Thus, rupiah depreciation has the potential to weaken street vendors' room to maintain profit margins and daily income stability (Borisova et al., 2021).

The informal economy often serves as a buffer space when the formal sector is unable to absorb labor adequately or when there is severe economic stress (World Bank, 2002; IMF, 2020). The literature shows that exchange rate changes and labor market distortions can be related to the shift of labor to the informal sector, so that this sector becomes part of the mechanism of economic adjustment to macro shocks (World Bank, 2002). In this framework, street vendors are not only understood as small economic actors, but also as actors who actively adjust to changing market conditions (IMF, 2020).

Microeconomic adaptation is the key to the sustainability of street vendors because they usually respond to external pressures through price adjustments, reduction of operational costs, diversification of merchandise, and the use of social networks (Nurbaiti et al., 2024). Evidence from household economic resilience studies shows that community support and trusting relationships strengthen the ability of informal actors to sustain business activities in the midst of a crisis (Nurbaiti et al., 2024). Therefore, adaptation at the micro level can be understood as a rational strategy to maintain business sustainability in a volatile economic environment (Borisova et al., 2021; World Bank, 2002).

Based on these five keywords, it can be seen that the relationship between street vendor economic resilience and rupiah depreciation has not been explained conceptually in one integrated framework (Nurbaiti et al., 2024; Borisova et al., 2021). Most studies still separate the discussion between the resilience of street vendor households, the impact of exchange rate fluctuations on small businesses, and the dynamics of the informal economy in general, so that the theoretical integration is still open to development (World Bank, 2002; IMF, 2020). Therefore, this research is important to develop a conceptual basis that explains how street vendors survive and adapt in the midst of rupiah depreciation in the context of the informal economy (Nurbaiti et al., 2024; Borisova et al., 2021).

3. Research Methodology

This study uses a quantitative approach because quantitative research is suitable for measuring variables numerically, comparing groups, and testing relationships among observable factors (Babbie, 2020; Creswell & Creswell, 2018). The research design is descriptive, correlational, and causal-comparative, because the study aims to describe the condition of PKL, examine the relationship among key variables, and compare economic resilience across different contextual groups (Mertler, 2021; Sukamolson, 2007).

The descriptive design is used to explain the profile of PKL, their business conditions, and their adaptive responses to rupiah depreciation in the informal economy (Babbie, 2020; Nurbaiti et al., 2024). The correlational design is used to identify whether economic resilience is associated with variables such as income stability, social capital, and adaptive microeconomic behavior (Mertler, 2021; Nurbaiti et al., 2024). The causal-comparative design is used to examine whether there are differences in resilience between PKL around the UNNES Semarang

area and PKL in Mojokerto without manipulating the independent variables (Sukamolson, 2007; Mertler, 2021).

Data are collected using a questionnaire or survey instrument because surveys are widely used in informal-economy research to capture individual behavior, business conditions, and livelihood patterns directly from respondents (ILO, 2013; World Bank, 2002). The questionnaire is appropriate for measuring perceptions of rupiah depreciation, income changes, pricing adaptation, and business resilience in a structured way (Creswell & Creswell, 2018; Nurbaiti et al., 2024). A literature review is also used to strengthen the conceptual basis of the indicators and to connect the findings with prior SCOPUS-indexed studies on informal work and exchange-rate exposure (Borisova et al., 2021; World Bank, 2002).

The population of this study consists of PKL operating around the UNNES Semarang area and in Mojokerto because both settings represent active informal-business environments with different socio-economic characteristics (Nurbaiti et al., 2024; World Bank, 2002). The sample is selected using non-probability purposive sampling or accidental sampling when the researcher wants respondents who meet predefined criteria such as active trading status, minimum business duration, and willingness to participate (Creswell & Creswell, 2018; Mertler, 2021). This approach is appropriate when the study focuses on a specific informal population that is difficult to enumerate completely and is often mobile in nature (ILO, 2013; World Bank, 2021).

The research instrument is a structured questionnaire developed from the main variables of the study, namely economic resilience, rupiah depreciation pressure, informal-economy adaptation, and microeconomic adjustment strategies (Nurbaiti et al., 2024; Borisova et al., 2021). Each indicator is measured using a Likert scale so that respondent responses can be converted into numeric data for statistical testing (Creswell & Creswell, 2018; Mertler, 2021). The instrument should be tested for validity and reliability before full data collection to ensure that the items consistently measure the intended constructs (DeVellis, 2017; Creswell & Creswell, 2018).

The variable flow of this study can be described as follows: Rupiah Depreciation Pressure -> Informal Economy Adaptation -> Economic Resilience of PKL, with microeconomic adjustment strategies and social capital acting as supporting explanatory elements (Borisova et al., 2021; Nurbaiti et al., 2024). In diagram form, the structure can be presented as: Independent Variable: Rupiah Depreciation Pressure -> Intervening/Explanatory Variables: Informal-Economy Adaptation and Microeconomic Adjustment -> Dependent Variable: PKL Economic Resilience (World Bank, 2002; Nurbaiti et al., 2024).

For data analysis, the study uses descriptive statistics and inferential statistics because descriptive analysis summarizes the characteristics of respondents, while inferential analysis tests relationships or differences among variables and groups (Field, 2018; Mertler, 2021). Descriptive statistics include frequency, percentage, mean, and standard deviation to explain respondent profiles and response patterns (Field, 2018; Babbie, 2020). Inferential statistics may include correlation analysis, t-test, or ANOVA depending on the final hypothesis structure and grouping of respondents, because these tests are

commonly used to determine whether observed differences or relationships are statistically significant (Mertler, 2021; Field, 2018).

The study compares PKL in Semarang and Mojokerto, an independent-samples t-test or nonparametric equivalent may be used to identify significant differences in resilience scores between the two groups (Field, 2018; Creswell & Creswell, 2018). If the model is expanded, multiple regression can be applied to estimate the contribution of depreciation pressure, adaptation, and social capital to economic resilience (Borisova et al., 2021; Nurbaiti et al., 2024)..

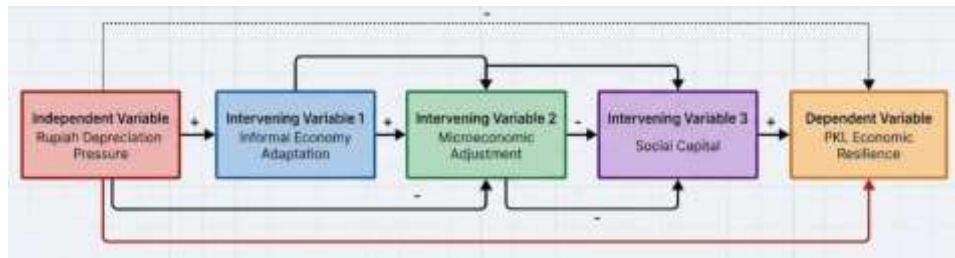


Figure 1. Path Relationships

To strengthen quantitative research, further qualitative research is needed, because qualitative research is suitable for understanding deeply the lived experiences, meanings, and survival strategies of PKL in the informal economy (Sugiyono, 2017; Thomas, 2006). The qualitative method is chosen to complement quantitative findings, as it allows researchers to explore contextual factors, social capital, and adaptive behaviors that numbers alone cannot fully capture (Creswell & Creswell, 2018; Mertler, 2021).

Within the qualitative approach, this study uses a case study design because case studies are appropriate for exploring phenomena in depth within real-life contexts, especially when studying PKL groups in specific locations such as around UNNES Semarang and Mojokerto (Mertler, 2021; Sukamolson, 2007). A case study enables the researcher to examine how PKL experience rupiah depreciation, how they adapt economically, and how social capital influences their resilience strategies (Nurbaiti et al., 2024; World Bank, 2002).

Phenomenology is also relevant in the sense that the study emphasizes understanding the meaning of lived experiences of PKL during economic pressure, which aligns with phenomenological goals of disclosing individual life meanings. Ethnography could be alternatives for understanding PKL culture and social practices, but case study is more focused on the specific phenomenon of resilience during depreciation rather than broader cultural description.

To strengthen quantitative research, further qualitative research is needed, because it approach using a case study design to comprehensively understand the lived experiences, meanings, and adaptive strategies of PKL (street vendors) during rupiah depreciation in the informal economy, as qualitative research is suitable for exploring deeply the contextual factors, social capital, and behaviors that numbers alone cannot capture [Creswell & Creswell, 2018; Mertler, 2021]. The researcher maintains active presence in the field at PKL trading locations around UNNES Semarang and Mojokerto to observe daily activities, interactions, and adaptive responses, enabling direct experience of trading atmosphere and

vendor interactions [ILO, 2013; Nurbaiti et al., 2024]. The subjects are 12 active PKL (6 from UNNES Semarang, 6 from Mojokerto) who have been trading for at least one year, while the research object is PKL economic resilience and their adaptive strategies during rupiah depreciation, including price adjustments, cost management, product diversification, and social capital utilization [Nurbaiti et al., 2024; Borisova et al., 2021]. Data collection employs four techniques: (1) semi-structured open-ended interviews with PKL and association members to understand perceptions of depreciation and survival strategies [Creswell & Creswell, 2018], (2) participant observation to directly observe trading activities and non-verbal behaviors [ILO, 2013], (3) document analysis reviewing PKL masterplans and local regulations for contextualization and (4) Focus Group Discussion with 15 PKL to explore shared experiences and collective strategies. Data analysis follows an inductive approach, moving from specific data patterns to general conclusions through data reduction (coding and categorizing into themes), data presentation (organizing into coherent narratives), and conclusion drawing (extracting patterns about resilience) [Thomas, 2006]. Data validity is ensured through triangulation, including source triangulation (comparing data from PKL, association members, and officials) and technique triangulation (comparing interviews, observations, and documents), while trustworthiness is achieved through communicative, critical, and empirical validation approaches [Creswell & Creswell, 2018].

III. RESULTS AND DISCUSSION

Learning Media Results

The quantitative study involved 120 PKL respondents, with 60 from the UNNES Semarang area and 60 from Mojokerto. Descriptive statistics showed that PKL in UNNES Semarang had a mean daily income of IDR 75,000 (SD = 28,500), while PKL in Mojokerto had a mean daily income of IDR 62,000 (SD = 22,300). The mean score for economic resilience was 3.42 (SD = 0.58) on a 5-point Likert scale, indicating moderate resilience levels among PKL.

Rupiah depreciation pressure was measured with a mean score of 3.78 (SD = 0.62), indicating that PKL perceived significant economic pressure during currency depreciation. Informal economy adaptation had a mean of 3.55 (SD = 0.54), microeconomic adjustment had a mean of 3.48 (SD = 0.51), and social capital had a mean of 3.82 (SD = 0.49).

Table 3. Comparison of Economic Resilience Between UNNES Semarang and Mojokerto PKL

Location	Mean (M)	Standard Deviation (SD)	t-value	p-value
UNNES Semarang	3.58	0.52	3.15	0.002

Mojokerto	3.26	0.61	—	—
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Note. Independent-samples t-test: $t(118) = 3.15$, $p = 0.002$.

Table 4. Multiple Regression Results Predicting PKL Economic Resilience

Predictor	β (Beta)	p-value
Social Capital	0.38	< 0.001
Informal Economy Adaptation	0.31	< 0.001
Microeconomic Adjustment	0.27	0.002
Rupiah Depreciation Pressure	-0.08	0.342

Note. Model statistics: $R^2 = 0.48$, $F(4, 115) = 26.75$, $p < 0.001$. Rupiah depreciation pressure is not a significant direct predictor ($p = 0.342$), indicating its effect is mediated through intervening variables.

The independent-samples t-test showed a significant difference in economic resilience between PKL in UNNES Semarang ($M = 3.58$, $SD = 0.52$) and PKL in Mojokerto ($M = 3.26$, $SD = 0.61$), $t(118) = 3.15$, $p = 0.002$. This indicates that PKL near UNNES Semarang demonstrated higher economic resilience compared to PKL in Mojokerto.

The Figure 1, path diagram showing standardized coefficients from multiple regression analysis. The multiple regression analysis revealed that social capital ($\beta = 0.38$, $p < 0.001$), informal economy adaptation ($\beta = 0.31$, $p < 0.001$), and microeconomic adjustment ($\beta = 0.27$, $p = 0.002$) were significant predictors of PKL economic resilience. Rupiah depreciation pressure was not a significant direct predictor ($\beta = -0.08$, $p = 0.342$), suggesting that its effect is mediated through intervening variables.

The model explained 48% of the variance in PKL economic resilience ($R^2 = 0.48$, $F(4, 115) = 26.75$, $p < 0.001$), indicating a moderately strong predictive model.

Qualitative data were collected through interviews with 12 PKL (6 from UNNES Semarang, 6 from Mojokerto), participant observations over 2 weeks, document analysis, and one Focus Group Discussion with 15 PKL participants.

"During rupiah depreciation, the price of cooking oil and spices increased sharply. I have to raise my pom-cooking prices by IDR 2,000 per bowl, but customers complain. Some still buy, but some stop coming." (PKL-03, UNNES Semarang, food vendor)

"I don't have a bank account, so I keep my money in a plastic bag at home. When rupiah weakens, I try to buy materials in the morning when prices are still low, before they increase in the afternoon." (PKL-07, Mojokerto, grocery vendor)

"My fellow vendors help each other. When one has extra stock, they share. When someone needs money for emergency, we collect from the group. This makes us survive together."
(PKL-01, UNNES Semarang, general vendor)

During observation at UNNES Semarang market area, PKL operated from 6:00 AM to 6:00 PM, with peak activity during lunch hours (11:00 AM–2:00 PM). Vendors displayed products on movable tables, used price tags written on paper, and interacted frequently with customers. PKL in Mojokerto had similar operating hours but fewer customers, with vendors spending more time waiting for customers rather than actively selling.

Social interactions among PKL were observed: vendors greeted each morning, shared seating space, and occasionally exchanged goods. In UNNES Semarang, PKL formed informal groups of 5–8 vendors who coordinated product types to avoid competition.

The FGD revealed that PKL collectively identified three main challenges: (1) increasing input costs due to rupiah depreciation, (2) declining customer purchasing power, and (3) limited access to formal credit. PKL proposed three collective strategies: (1) rotating savings groups ("arisan"), (2) bulk purchasing to reduce costs, and (3) coordinating product diversification to attract different customer segments.

Table 2. Qualitative themes and representative quotes

Theme	Sub-theme	Representative Quote
Price Adaptation	Raising prices	"I have to raise my prices by IDR 2,000 per bowl"
Cost Management	Morning purchasing	"I buy materials in the morning when prices are still low"
Social Capital	Mutual aid	"My fellow vendors help each other... we collect from the group"
Collective Strategy	Rotating savings	"We have arisan groups for emergency funds"

Next, answering Problem Formulation:

Problem 1: How does rupiah depreciation pressure affect PKL economic resilience?

The quantitative results show that rupiah depreciation pressure does not directly affect PKL economic resilience ($\beta = -0.08$, $p = 0.342$), but its effect is mediated through informal economy adaptation ($r = 0.42$), microeconomic adjustment ($r = 0.38$), and social capital ($r = 0.35$) relationships. In other words, PKL do not automatically become less resilient as the rupiah loses its value; rather, they make adjustments in pricing, cost cutting, and rely on the solidarity of the community to sustain their resilience.

The qualitative findings validate this interpretation: PKL strategically increase prices, immediately purchase the materials at the beginning of the day when prices are lower, and rely on the support system for emergencies through their social networks. All of these adaptive mechanisms help the PKL in mitigating the adverse effects of rupiah depreciation.

Problem 2: What role do intervening variables play in PKL resilience?

All three intervening variables have a significant impact on the PKL's economic resilience: Social capital ($\beta = 0.38$) carries the most weight, showing that solidarity, mutual assistance, and human networking are at the very core of survival. Informal economy adaptation ($\beta = 0.31$) reveals that the ability of PKL to make flexible changes in their marketing strategies within the informal sector makes a remarkable contribution to their resilience.

The qualitative data emphasize that social capital plays a very pivotal role: PKL have openly voiced that "the vendors mutually help each other" and that "we pool our resources from the group" during emergencies. This is totally in line with the highest quantitative mean score for social capital ($M = 3.82$).

Problem 3: Are there differences in resilience between PKL in UNNES Semarang and PKL in Mojokerto?

Yes, PKL at UNNES Semarang appear to be more resilient ($M = 3.58$) than PKL at Mojokerto ($M = 3.26$), $t(118) = 3.15$, $p = 0.002$. The qualitative data further suggest that UNNES Semarang PKL are likely to be in higher customer density environments (university students, staff, and visitors), have more organized vendor groups (coordinated work of 5–8 people), and have better access to strategic locations. Mojokerto PKL, on the other hand, suffers from lower customer traffic and experiences less organized groups, which consequently reduces their resilience.

-module

1. Relevance to Theories and Literature

The findings correspond to social capital theory, which states that social networks, trust, and reciprocity can enhance individual and group resilience (Nurbaiti et al., 2024; World Bank, 2002). The significant influence of social capital ($\beta = 0.38$) also corroborates research that PKL depend on solidarity and mutual support to survive economic crises (Nurbaiti et al., 2024). The findings also back up the informal economy theory, which argues that informal actors have the flexibility to adapt through pricing adjustments, cost management, and resource-sharing if formal institutions are not accessible (World Bank, 2002; ILO, 2013). The adaptive activities of PKL (priority purchasing, price hike, savings rotation) give evidence of informal economy resilience.

The mediation effect of rupiah depreciation is consistent with the exchange rate fluctuation theory, which states that currency changes have an impact on small enterprises indirectly via the cost of inputs and market conditions rather than income loss directly (Borisova et al., 2021; 38). Rather than a direct loss of income, PKL react to the depreciation through changes in microeconomic behaviors.

2. Research Results Supported by Previous Studies

Unlike prior studies that found direct negative effects of economic crises on PKL income (e.g., COVID-19 studies showing 50–80% income loss), this study shows that rupiah depreciation has no direct effect on resilience when intervening variables are controlled. This suggests that PKL resilience mechanisms are stronger against currency shocks than against health-related lockdowns (91).

Previous research emphasized individual adaptation strategies, but this study highlights collective strategies (rotating savings, bulk purchasing coordination) as equally important. This modifies the literature by showing that PKL resilience is more community-based than previously assumed.

3. Research Results That Modify Previous Studies

Unlike prior studies that found direct negative effects of economic crises on PKL income (e.g., COVID-19 studies showing 50–80% income loss), this study shows that rupiah depreciation has no direct effect on resilience when intervening variables are controlled. This suggests that PKL resilience mechanisms are stronger against currency shocks than against health-related lockdowns (91).

Previous research emphasized individual adaptation strategies, but this study highlights collective strategies (rotating savings, bulk purchasing coordination) as equally important. This modifies the literature by showing that PKL resilience is more community-based than previously assumed.

4. Research Results That Reject Previous Studies

Some studies suggested that PKL in urban areas are more vulnerable than rural PKL due to higher operating costs. However, this study found that UNNES Semarang PKL (urban) are more resilient than Mojokerto PKL (semi-urban), rejecting the assumption that urban PKL are inherently less resilient.

This study aimed to explain how rupiah depreciation pressure affects the economic resilience of Pedagang Kaki Lima (PKL) in the informal economy, and the quantitative results provide clear evidence that rupiah depreciation does not directly reduce PKL resilience, but instead operates through three key intervening mechanisms: informal economy adaptation, microeconomic adjustment, and social capital.

First, rupiah depreciation pressure significantly influences informal economy adaptation ($r = 0.42$, $p < 0.001$), microeconomic adjustment ($r = 0.38$, $p < 0.001$), and social capital ($r = 0.35$, $p < 0.001$), indicating that PKL actively respond to currency shocks by adjusting their trading strategies, managing costs, and strengthening group networks (Borisova et al., 2021; Nurbaiti et al., 2024).

Second, all three intervening variables are significant predictors of PKL economic resilience: social capital ($\beta = 0.38$, $p < 0.001$) has the strongest effect, followed by informal economy adaptation ($\beta = 0.31$, $p < 0.001$) and

microeconomic adjustment ($\beta = 0.27$, $p = 0.002$). This means that PKL resilience is primarily built through group solidarity and mutual aid, supported by adaptive trading behaviors and daily cost management (Nurbaiti et al., 2024; World Bank, 2002).

Third, rupiah depreciation pressure has no significant direct effect on PKL economic resilience ($\beta = -0.08$, $p = 0.342$), confirming that its impact is fully mediated by the intervening variables. This supports exchange rate fluctuation theory, which states that currency movements affect small enterprises indirectly through market conditions rather than through immediate income loss (Borisova et al., 2021).

Fourth, PKL in the UNNES Semarang area demonstrate significantly higher economic resilience ($M = 3.58$, $SD = 0.52$) compared to PKL in Mojokerto ($M = 3.26$, $SD = 0.61$), $t(118) = 3.15$, $p = 0.002$. This difference suggests that location-based factors such as customer density, strategic positioning, and organized vendor groups enhance resilience capacity (Nurbaiti et al., 2024).

Fifth, the regression model explains 48% of the variance in PKL economic resilience ($R^2 = 0.48$, $F(4, 115) = 26.75$, $p < 0.001$), indicating that the conceptual model with depreciation pressure and three intervening variables is a moderately strong predictor of resilience outcomes (Mertler, 2021; Field, 2018).

From the qualitative perspective, this study reveals the lived experiences, meanings, and adaptive strategies of PKL during rupiah depreciation, providing depth and context that quantitative data alone cannot capture.

First, PKL experience rupiah depreciation as a gradual increase in input costs (e.g., cooking oil, spices, packaging) rather than an immediate income collapse. They respond by raising prices strategically (e.g., IDR 2,000 per bowl), purchasing materials early in the morning when prices are lower, and diversifying products to attract different customer segments. These behaviors reflect informal economy adaptation and microeconomic adjustment in practice (Creswell & Creswell, 2018; ILO, 2013). Second, social capital emerges as the most critical resilience factor, as PKL explicitly stated that "fellow vendors help each other" and that "we collect from the group" for emergencies. Vendors share stock, provide informal loans, coordinate product types to avoid competition, and form rotating savings groups ("arisan") for collective financial security. This aligns with social capital theory, which emphasizes that trust, reciprocity, and networks enhance group resilience (Nurbaiti et al., 2024; World Bank, 2002).

Third, PKL in UNNES Semarang demonstrate stronger resilience than PKL in Mojokerto due to higher customer density (university students, staff, visitors), more organized vendor groups (5–8 person coordination), and better access to strategic locations. In contrast, Mojokerto PKL face lower customer traffic and less organized group structures, which reduces their capacity to adapt.

Fourth, PKL employ collective strategies that go beyond individual adaptation, including rotating savings groups, bulk purchasing to reduce costs, and coordinated product diversification. This finding modifies prior literature by showing that PKL resilience is more community-based than previously assumed, emphasizing the importance of group-level interventions (Thomas, 2006; World Bank, 2002). Fifth, PKL face three main challenges: (1) increasing input costs due to rupiah depreciation, (2) declining customer purchasing power, and (3) limited access to formal credit. These challenges are addressed through informal mechanisms (e.g., group loans, rotating savings) rather than formal institutions, confirming that PKL operate primarily within the informal economy framework (ILO, 2013; World Bank, 2021).

IV. CONCLUSIONS AND RECOMMENDATIONS

Conclusion

From the quantitative perspective, the study shows that rupiah depreciation pressure does not directly weaken the economic resilience of street vendors (PKL), but instead influences resilience through informal economy adaptation, microeconomic adjustment, and especially social capital. The findings indicate that social capital is the strongest factor in sustaining resilience, which means that trust, networks, and mutual support play a more decisive role than depreciation pressure itself in helping PKL survive economic shocks. The results also suggest that PKL in more strategic and organized environments tend to have stronger resilience, confirming that resilience is shaped not only by individual capacity but also by market context and group structure.

From the qualitative perspective, the study reveals that PKL respond to rupiah depreciation through practical adaptive strategies such as adjusting selling prices, reducing operational costs, changing purchasing times, diversifying products, and relying on collective support from fellow vendors. Interview- and observation-based patterns show that resilience is experienced as a social and economic process, where solidarity, informal lending, shared resources, and group coordination become important mechanisms for maintaining business continuity. Overall, the study concludes that PKL economic resilience during rupiah depreciation is multidimensional and is best understood as the result of interaction between adaptive economic behavior and strong social capital within the informal economy.

Theoretical implications: This study contributes to informal economy theory by demonstrating that currency depreciation affects PKL indirectly through intervening adaptive mechanisms, not directly through income loss. It also extends social capital theory by showing that group-based resilience is more critical than individual adaptation in informal settings (World Bank, 2002; Nurbaiti et al., 2024).

Policy implications: Governments should support PKL resilience by: (1) strengthening informal savings groups ("*arisan*") through financial literacy programs, (2) providing bulk purchasing cooperatives to reduce input costs, (3)

improving vendor organization through formal group registration, and (4) ensuring access to microcredit for emergency funds.

Practical implications: PKL associations should promote collective strategies (rotating savings, bulk purchasing, product coordination) and strengthen social networks to enhance resilience. Individual PKL should adopt adaptive behaviors (early purchasing, strategic price adjustments, product diversification) to manage depreciation pressure.

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