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Research Article

The Perspective of Demographic Variables on Dynamic Capabilities in the Context Indonesian Traditional Market Trader

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Abstract

This study motivated by the need to understand the determinants of dynamic capabilities in the traditional market traders in the context of the Indonesian traditional market. The purpose of this paper is to examine the relationship of demographic variables such as gender, level of education and experience with the dynamic capabilities of traditional market traders. A survey has a to 400 traders of traditional markets in 16 traditional markets around Bandung, Indonesia. One-way ANOVA is used to test different groups, and previously the reliability and homogeneity of variance. The result of this research that there is no difference of demography (gender, level of education and experience) on the dynamic capabilities of traditional market traders in Bandung. The same is true for each dimension, they are; sensitivity capability, absorption capability, integration capability and innovation capability. Nevertheless, there are several dimensions with different capabilities seen from a gender for absorptive the and innovation capabilities, and experience for sensitivity capabilities.

Keywords: demographic and dynamic capabilities

1. Introduction

The Indonesian Retail Report (2013) is associated with the growth in the value of sales share in supermarkets/hypermarkets and minimarkets when compared to traditional markets. Shows that the market share of traditional market share tends to decline since 2002, amounted to 74.8%, then in 2005 fell to 67.6% and in 2011 fell to 55.8%. Suryadarma, Poesora; Budiyati, Akhmadi, and Rosfadhila (2007) from his research mentioned there are 11 (eleven) causes of business sluggishness in traditional market, that is; lack of buyers, increased competition with other traders, increased competition with supermarkets, higher prices, increased competition with street vendors, higher supplier prices, increasing competition with minimarket, worsening market conditions, increasingly difficult supply of goods, and access to credit is increasingly difficult.

However, in order to reduce traditional market failures by enhancing its dynamic capabilities, as Hou (2008) argues that the concept of dynamic capabilities has enhanced a resource-based view by overcoming the evolutionary nature of corporate resources and capabilities in relation to environmental change and permitting the identification of specific processes company or industry that it is important for the evolution of a company or industry. Furthermore, Tsai and Shih (2013) state that a strategy of downsizing responsibility can improve the performance of larger enterprises for the development and improvement of the company's dynamic capabilities. Wang and Shi (2011) dynamic capabilities is very important for every organization, especially micro, small and medium enterprises (SMEs) to compete and succeed in the business environment, due to lack of MSME resources and vulnerability to lead and fierce competition.

Research on dynamic capabilities has created a focus of research on processes within a

company aimed at developing and renewing its resource base to cope with dynamic environmental change (Teece, 2007; Hou, 2008; Pavlou and El Sawy, 2011; Zheng, Zhang, Wu and Du, 2011). However, demographic variables such as gender, educational level, and work experience determine the degree of dynamic capabilities of business actors, as Hambrick and Mason (1984) argue that demographic characteristics influence the decisions they make and therefore the actions adopted by the organizations to which they lead. Brush (1992) found that individual dimensions such as age, education, and work experience affect business performance.

The purpose of this study is to evaluate the relationship of retail service quality on satisfaction and trust and impact on loyalty in the context of the Indonesian traditional market. So, the objectives of this research are to determine the effect of the perspective demographic variable (such as gender, level of education and experience) on dynamic capabilities of the traditional market trader.

2. Literature Review and Hypothesis

2.1 Dynamic Capabilities

Teece (2007) defined that dynamic capabilities are a capability that emphasizes the transformation of environmental characteristics and how the firms manage to adapt, and integrate, and reconfigure internal and external organizational resources to compete with dynamic environmental conditions. Hou (2008) defined dynamic capabilities as the company's capability to deploy new configurations of the operational competencies relative to competition with effective environmental sensitivity, as well as absorption, integration and innovative engagement.

Meanwhile, Pavlou and El Sawy (2011) defined that the dynamic capabilities as capabilities that assist in internal parts extend, modify, and reconfigure existing operational capabilities to new capabilities more suited to environmental change. Dynamic capabilities are defined by Zheng, et al, (2011) as the company's capability to integrate, build, and reconfigure internal and external competencies to cope with rapidly changing environments. Lin and Huang (2012) argue that dynamic capabilities can be found positively related to innovation in products since product innovation is a very important aspect in a competitive global market where economics and technology continue to change at an uncertain rate. Dadashinasab and Sofian (2014) the dynamic capabilities as the company's capability to update, integrate, recreate and reconfigure their capabilities and resources, and the effect of dynamic capabilities.

Therefore, some experts provide groups or the dimensions of dynamic capabilities. Teece (2007) distinguishes the dynamic capabilities into 3 (three), namely; (1) the capability to perceive opportunities and threats, (2) the capabilities to seize opportunities, and (3) the capabilities to maintain competitiveness through enhancement, integration, protection, and, if necessary, reconfiguration of tangible and intangible corporate assets. Hou (2008) mentions that the core component of dynamic capabilities consists of; sensitivity capability, absorptive capability, integration capability, and innovation capability (Hou, 2008, Najib, Kartini, Suryaatmaja and Sari, 2017). Pavlou and Elsawy (2011) mentioned that dynamic capabilities consist of; sensitivity capabilities, learning capabilities, integration capabilities, and coordination capabilities. While Zheng et al (2011) mentioned the dynamic capabilities include; knowledge acquisition capabilities, knowledge generation capabilities, and, knowledge combination capabilities. Wang and Shi (2011) mentioned that dynamic capabilities consist of; market response capability, learning capability, coordination capability and integrative capability. Gathungu and Mwangi (2012) divide the dynamic capabilities into; sensing capability, learning capability, integrative capability and coordination capability. Next, Nedzinskas et al (2013) mention the dynamic capabilities include; sensing capability, seizing capability, reconfiguring capability, and Tiantian et al (2014) divided the dynamic capabilities into integrative capability, absorptive capability, and innovation capability.

2.2 Demographic Variables and Dynamic Capabilities

Hambrick and Mason (1984) mentioned that demographic characteristics (such as gender,

educational level, and experience) influence in the decisions they make, and therefore the actions adopted by the organizations they lead. Furthermore, Brush (1992) found that individual dimensions such as age, education, and work experience affect business performance. On the other hand, the level of education affects performance. Some studies support this view (Box, White, and Barr, 1993) suggests that better-educated managers are more receptive to new ideas. In addition, since formal education can help one accumulate absorptive capacity, such as self-confidence, knowledge, and skills (Daneels, 2008), highly educated of entrepreneurs can produce a successful performance. An entrepreneur's experience is positively correlated with performance (Box et al., 1993; Box, Watts, and Hisrich, 1994; Cooper, 1981; Yusuf, 1995). Boohene (2009) finds that a lack of education and work experience contribute to the inability of female owners to effectively manage a business. Therefore, the hypothesis is;

H_1: Differences in gender will affect on the dynamic capabilities of traditional market traders with their sub-hypotheses; $H_{1.1}$ Gender differences will affect the sensing capability; $H_{1.2}$ Gender differences affect the absorptive capability; $H_{1.3}$ Gender differences will affect the integration capability; $H_{1.4}$ Gender differences will affect the innovation capabilities.

H_2: The different levels of education will affect the dynamic capabilities of traditional market traders with their sub-hypotheses; $H_{2.1}$ The different levels of education will affect the sensing capability; $H_{2.2}$ The different levels of education will affect the absorptive capability; $H_{.2.3}$ The different levels of education will affect the integration capabilities; $H_{2.4}$ The different levels of education will affect the innovation capabilities.

H_3: Differences in experience of the trader will affect the dynamic capabilities of traditional market traders with their sub-hypotheses; $H_{5.1}$ The difference in experience will affect the sensing capability; $H_{5.2}$ The difference in experience will affect the absorptive capability; $H_{5.3}$ The difference in experience will affect the integration; $H_{5.4}$ The difference in experience will affect the innovation capability.

3. Methodology

3.1 Questionnaire design

The questionnaire was developed to adopt the concept of capabilities by Hou (2008) and Najib et al (2017) where the dynamic capabilities consist of sensing capability, absorption capability, integration capability and innovation capability. Questionnaires used to collect data will use a Likert scale. Likert scale most often used is summated rating scales. Its scales consist of statements that express an attitude, either favorable or unfavorable to an interesting object (Cooper and Schindler, 2014).

Each item is ranked according to the Likert Scale Summated Rating method with five alternative answers; 1-2-3-4-5. Respondents' choice of answers is the answer score for each item. This means that the Likert Scale can compare a respondent's score with the well-defined distribution of scores from the sample group. Sekaran and Bougie (2009) mentioned that Likert scale is designed to test how strongly respondents agree or disagree with the given statement.

3.2 Sample

This research used a non-probability sampling item, namely convenience sampling. A sample size of 400 traders of the traditional market was collected. The sample size Considered representative since the respondents collected randomly from 12 traditional markets around Bandung, Indonesia.

3.3 Analysis

Data were tested by reliability testing. Then further analysis through descriptive analysis and One Way ANOVA test to test the difference of the average of independent data groups. Data were tested by reliability testing. Then further analysis through descriptive analysis and One Way ANOVA test to evaluate the difference of the average of independent data groups. Operational

calculations apply for SPSS program.

4. Results

4.1 Respondent's profile

This study was conducted in 12 traditional markets in Bandung City, with a sample size of 400 respondents of traditional market traders. Profile of respondents from traders of the traditional market as shown in table 1.

Tabel 1: Profil Respondent

Descriptions	Freq	%	Description	Freq	%
A. Level of Education			**B. Experience**		
1. Elementary School	44	11%	1. Over 15 years	50	13%
2. Junior High School,	112	28%	2. 10 years to 15 years	57	14%
3. Senior High School	223	56%	3. 5 years to 10 years	9	2%
4. Diploma-III	13	3%	4. Less than 5 years	43	11%
5. Bachelor/Diploma IV	8	2%	**Total**	19	5%
Total	**400**	**100%**	**C. Gender**		
			a. Man	218	55%
			b. Female	182	46%
			Total	**400**	**100%**

4.2 Reliability Analysis

Reliability analysis is a test of the level of stability, accuracy, consistency, and level of homogeneity of measuring instruments used in a study. A good question is a clear question, easily understood by the respondent, detailed, high consistency, unambiguous, non-causal; Obviously and the language used is to be the language of the respondents in question. Good questionnaires are used over and over again but will get consistent and consistent answers from the respondents. Reliability test is measured by using a Cronbach Alpha coefficient. (Malhotra, Baalbaki and Bechwati 2003; Nunally, 1978), reliability is satisfactory if the Cronbach Alpha coefficient is more than 0.7, so reliability is said to be very reliable. The reliability results of dynamic capabilities of traditional market traders in Bandung City as shown in table 2.

Table 2: Reliability Statistics of Dynamic Capabilities

Variable/Dimensions	Number of items	Reliability Statistics (Cronbach's' Alpha)
Overall Scale	16	0,851
Sensing Capability	4	0,714
Absorptive Capability	4	0,780
Integration Capability	4	0,794
Innovation Capability	4	0,881

Based on table 2 shows that the Cronbachs' Alpha for each dimension as well as the outcome, it shows reliable or unreliable results, whereas the overall Cronbachs' Alpha value is 0.851. Similarly, for each dimension, where the Cronbachs' Alpha values are all above 0.7, as Malhotra, Baalbaki, and Bechwati (2003), and Nunally (1978), say that Cronbach Alpha values above 0.7 are very reliable.

4.3 Test of Homogeneity of Variance

The test of Homogeneity of Variance describes the homogeneity test. The assumption in ANOVA testing is that the data group variant is the same or homogeneous. The test criterion is if the

significance <0.05, then the data group variance is not the same, if the significance> 0.05, then the data group variant is the same. The homogeneity test of demographic factors consisting of, sex, level of education, and duration of effort from traditional market traders in Bandung, to its dynamic capabilities along with its dimensions consisting of; sensing capability, absorptive capability, integration capability and innovation capability, as shown in table 3.

Table 3: Test of Homogeneity of Variances

Demographic Factors	Dimension and Sub Dimension	Levine Statistic	df1	df2	Sig.
Gender	Sensing Capability Absorptive Capability Integration Capability Innovation Capability Dynamic capabilities	,001 9,848 ,411 4,252 ,954	1 1 1 1 1	398 398 398 398 398	,977 ,002 ,522 ,040 ,329
Level of Education	Sensing Capability Absorptive Capability Integration Capability Innovation Capability Dynamic capabilities	1,251 1,107 1,476 ,663 1,764	4 4 4 4 4	395 395 395 395 395	,289 ,353 ,209 ,618 ,135
Experience	Sensing Capability Absorptive Capability Integration Capability Innovation Capability Dynamic capabilities	7,578 ,913 ,704 2,056 ,327	1 1 1 1 1	398 398 398 398 398	,006 ,340 ,402 ,152 ,568

The finding showed in Table 4.8 describes the homogeneity test, the assumption in ANOVA testing is that the data group variances are the same and homogeneous. Testing criteria is if the significance < 0.05, then the data group variants are not equal, and if the significance > 0.05, then the data group variant is the same.

From the SPSS output as table 4.8 for gender to dynamic capabilities can be seen significance> 0,05 (0,329> 0,05). So it can be concluded that the variants of both groups of men and women are equal, so this has fulfilled the basic assumptions. When considered on sub-dimensions, namely; sensing capability can be seen significance> 0,05 (0,977> 0,05) and integration capability can be seen significance> 0,05 (0,522> 0,05), so it can be concluded for sensing capability and integration capability that the variants of both groups of men and women are the same, then this has fulfilled the basic assumption. However, for absorption capability and innovation capability the level of significance are <0.05, (0.02 <0.05) for absorptive capability and (0.040 <0.05) for innovation capability, so it can be concluded that the second variant groups of men and women are not the same, then this does not meet the basic assumptions.

From the test output of the Homogeneity of Variance for the level of education of dynamic capabilities can be seen significance> 0,05 (0,235> 0,05). So it can be concluded that the variants of the five groups of level education, that are an elementary school, junior high school, senior high school, diploma III and bachelor/Diploma IV are the same, then this has fulfilled the basic assumption. Likewise for sub-dimensions, namely; for sub dimension of sensing capability can be seen significance> 0,05 (0,289> 0,05), sub dimension of absorptive capability with significance value> 0,05 (0,353> 0,05), sub dimension of integration capability with significance value> 0, 05 (0,209> 0,05), and sub dimension of innovation capability with significance value> 0,05 (0,618> 0,05), so can be concluded that all of dimension that are; sensing capability, absorptive capability, integration capability and innovation capability that variants of the five group of level education, that are; elementary, junior high, high school, DII and S1 / DIV levels are the same, so this has fulfilled the basic assumption

As Table 4.8 presented for the experience variable with dynamic capabilities can be seen significance> 0,05 (0,568> 0,05). So it can be concluded that the variant of the experience that has been more than 15 years, between 10 to 15 years, between 5 to 10 years and less than 5 years are

the same, then this has fulfilled the basic assumption. When considered on each dimensions, namely; absorption capability with significance value> 0,05 (0,340> 0,05), integration capability with significance value> 0,05 (0,402> 0,05), and innovation capability with significance value> 0 , 05 (0,152> 0,05), so it can be concluded for absorption capability, integration capability and innovation capability that variant of four groups that the trader have experience more than 15 years, between 10 to 15 years, between 5 to 10 years and less of 5 years are the same. This has fulfilled the basic assumption. In contrast, for sub-dimensions of the sensing capability the level of significance is <0.05, (0.006 <0.05), so it can be concluded that the variance of the trader have experience for more than 15 years, between 10 to 15 years, between 5 to 10 years and less than 5 years is not the same, then this does not meet the basic assumptions.

4.4 One-Way ANOVA

One Way ANOVA is used to test the differences of the demographic group consisting of; gender, level of education, and experience of traditional market traders in Bandung related to the dynamic capabilities with the dimensions. That is; sensing capability, absorptive capability, integration capability and innovation capability.

4.4.1 Gender

The respondent's perception of the dimensions of dynamic capabilities in terms of the gender by using One Way -ANOVA Test. The purpose of this test is to determine whether there are differences in dynamic capabilities and dimensions of the traders of traditional markets in Bandung between male and female traders. For more details can be folded in table 4.

Table 4: ANOVA – Gender

		Sum of Squares	df	Mean Square	F	Sig.
Sensing Capability	Between Groups Within Groups Total	5659.598 1006284.152 1011943.750	1 398 399	5659.598 2528.352	2.238	.135
Absorptive Capability	Between Groups Within Groups Total	16247.911 1527727.089 1543975.000	1 398 399	16247.911 3838.510	4.233	.040
Integration Capability	Between Groups Within Groups Total	15929.519 1998670.481 2014600.000	1 398 399	15929.519 5021.785	3.172	.076
Innovation Capability	Between Groups Within Groups Total	17679.585 2420514.165 2438193.750	1 398 399	17679.585 6081.694	2.907	.089
Dynamic capabilities	Between Groups Within Groups Total	13405.906 861950.934 875356.840	1 398 399	13405.906 2165.706	6.190	.013

The finding on table 4 it can be seen that the significance of the gender factor to dynamic capabilities and its dimensions if obtained F_{value}> F_{table} (H_o is rejected), which means there is the difference from gender factor to dynamic capabilities and its dimension. The output of SPSS on sensing capability obtained F_{value} value is 2,238 with F_{table} of 3,865, then F_{value} <F_{table} (2,238 <3,865), it is accepted by H_o. So it can be concluded that there is no difference between male and female to the sensing capability of the traditional market traders in Bandung.

The SPSS output obtained a value of sensing capability (F value is 4.233 with a table of 3.865), it shows that value> F_{table} (H_o is rejected). Which means that there are differences in male and female on the absorptive capability of the traditional market traders in Bandung. The result also obtained a value of integration capability (F value is 3.172 with table equal to 3,865) it shows that

H_o is accepted. Which means that there is no difference between male and female to the integration capability of the traditional market traders in Bandung. The value of innovation capability (F_{value} is 2.907 with F_{table}) it shows that $F_{value} < F_{table}$ (H_o is accepted). Which means that there is no gender difference to the innovation capabilities of the traditional market traders in Bandung. The results of dynamic capabilities value (F_{value} is 6.190 with F_{table} of 3.865), it shows that $F_{value} > F_{table}$ (H_o is rejected). Which means that there is no difference between male and female to dynamic capabilities of the traditional market traders in Bandung.

4.4.2 Level of Education

The results of dynamic capabilities in terms of an educational level using One Way -ANOVA Test is to determine whether there are differences in dynamic capabilities with the level of education of the traditional market trader (elementary school, junior high school, senior high school, D-III and D-IV / Bachelor). For more details can be folded in table 5.

Table 5: ANOVA-Level of Education

		Sum of Squares	df	Mean Square	F	Sig.
Sensing Capability	Between Groups	16961.490	4	4240.372	1.683	.153
	Within Groups	994982.260	395	2518.942		
	Total	1011943.750	399			
Absorptive Capability	Between Groups	9678.592	4	2419.648	.623	.646
	Within Groups	1534296.408	395	3884.295		
	Total	1543975.000	399			
Integration Capability	Between Groups	20455.221	4	5113.805	1.013	.400
	Within Groups	1994144.779	395	5048.468		
	Total	2014600.000	399			
Innovation Capability	Between Groups	62496.496	4	15624.124	2.598	.036
	Within Groups	2375697.254	395	6014.423		
	Total	2438193.750	399			
Dynamic Capabilities	Between Groups	17208.917	4	4302.229	1.980	.097
	Within Groups	858147.923	395	2172.526		
	Total	875356.840	399			

As table 5 presented. It can be seen that the significance of educational level factor to dynamic capabilities and its dimensions. If obtained $F_{value} > F_{table}$, then H_o is rejected, which means there are differences from a level of education factor (elementary school, junior high school, senior high school, Diploma III, and Diploma IV/Bachelor) to the dynamic capabilities along with its dimensions. The results obtained sensing capability value (F_{value} is 1.683 with F_{table} of 2.395), it shows that $F_{value} < F_{table}$ (H_o is accepted). Which means that there is no difference in the level of education to the sensing capability of the traditional market traders in Bandung. The result of the value of absorptive capability (F_{value} is 0.623 with F_{table} of 2,395), it shows that $F_{value} < F_{table}$ (H_o is accepted). Which means that there is no difference in the level of education to capability absorption of traditional market traders in Bandung.

The results obtained the value of integration capability F_{value} is 1.013 with F_{table} of 2.395, it shows that $F_{value} < F_{table}$ (H_o is accepted). Which means that there is no difference in the level of education to the integration capabilities of the traditional market traders in Bandung. The result of the value of innovation capability of F_{value} is 2,598 with F_{table} equal to 2,395, that show that $F_{value} > F_{talbe}$ (H_o is rejected). So it can be concluded that there are differences in the level of education to the innovation capability of the traditional market traders in Bandung. The results obtained dynamic capabilities value F_{value} is 1.980 with F_{table} of 2.395, it shows that $F_{value} < F_{table}$ (H_o is accepted). Which means that there is no difference in the level of education against to the dynamic capabilities of the traditional market traders in Bandung.

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4.4.3 Experience

This result of the dynamic capabilities and its dimensions in terms of experience (over 15 years, 10 to 15 years, 5 to 10 years and less than 5 years) of respondents using One Way -ANOVA Test. The purpose of this test is to find out whether there are differences in dynamic capabilities along with the dimensions of the traditional market traders in Bandung who have experienced more than 15 years, 10 to 15 years, 5 to 10 years and less than 5 years. For more details can be folded in table 6.

Table 6: ANOVA-Experience

		Sum of Squares	df	Mean Square	F	Sig.
Sensing Capability	Between Groups	1812.017	3	604.006	.237	.871
	Within Groups	1010131.733	396	2550.838		
	Total	1011943.750	399			
Absorptive Capability	Between Groups	1200.296	3	400.099	.103	.958
	Within Groups	1542774.704	396	3895.896		
	Total	1543975.000	399			
Integration Capability	Between Groups	37399.814	3	12466.605	2.497	.059
	Within Groups	1977200.186	396	4992.930		
	Total	2014600.000	399			
Innovation Capability	Between Groups	27761.099	3	9253.700	1.520	.209
	Within Groups	2410432.651	396	6086.951		
	Total	2438193.750	399			
Dynamic Capabilities	Between Groups	8189.983	3	2729.994	1.247	.292
	Within Groups	867166.857	396	2189.815		
	Total	875356.840	399			

The impact of the experience of the traditional market (more than 15 years, between 10 to 15 years, between 5 to 10 years, and less of 5 years) to the dynamic capabilities and its dimensions, when $F_{value} > F_{table}$, it show that H_o is rejected. Which means there is a difference between the experience of the dynamic capabilities and its dimensions. The results obtained sensing capability value (F_{value} is 0.237 with F_{table} of 2.627), it shows that $F_{value} < F_{table}$ (Ho is accepted). So it can be concluded that there is no difference in the experience of the sensing capability of the traditional market traders in Bandung. The result of the value of absorptive capability is F_{value} is 0,103 with F_{table} equal to 2,627, it shows that $F_{value} < F_{table}$ (Ho is accepted). Which means that there is no difference in the experience to the absorptive capability of the traditional market traders in Bandung.

The result of the integration capability value (F_{value} is 2,497 with F_{table} of 2,627), it shows that $F_{value} < F_{table}$ (H_o is accepted). Which means that there is no difference in experience (more than 15 years, between 10 to 15 years, between 5 to 10 years, and less than 5 years) to the integration capability of traditional market traders in Bandung. The results value of innovation capability (F_{value} 1.520 with F_{table} of 2.627), it shows that $F_{value} < F_{table}$ (H_o is accepted). Which means that there is no difference in the experience (more than 15 years, between 10 to 15 years, between 5 to 10 years, and less than 5 years) to the innovation capability of traditional market traders in Bandung. The results obtained dynamic capabilities value (F_{value} is 1.247 with F_{table} of 2.627), it shows that $F_{value} < F_{table}$ (H_o is accepted). Which means that there is no difference in the experience (more than 15 years, between 10 to 15 years, between 5 to 10 years, and less than 5 years) to the dynamic capabilities of traditional market traders in Bandung.

4.5 Discussion

From the research results, it can be seen that demographic factors (gender, level of education, and experience) and its effect on dynamic capabilities and its sub-dimensions (sensitivity capability,

absorptive capability, integration capability and innovation capability). The formulated hypothesis can be known as Table 7.

The results of hypothesis testing are known, that the first hypothesis (H_1) shows that reject H_a, so it can be concluded that there is a difference in dynamic capabilities of traditional market traders in Bandung between male and female. Male has better capability than women, this condition occurs because male respondent is bigger than female, and a general trend in the traditional market, husband and wife couple become traders in the same place. This condition is not in line with Hambrick and Mason (1984) states that the characteristics of managers (eg, demographic characteristics) influence the decisions they make and therefore the actions adopted by the organizations they manage. However, it differs from the sub-hypothesis. Where the sensing capability ($H_{1.1}$), integration capability ($H_{1.3}$), and innovation capability ($H_{1.4}$), it shows that H_a is accepted. So it can be concluded that there is no difference of male and female in the sensing capability, integration capability, and innovation capability. While for absorption capability ($H_{1.2}$), it shows that H_a is rejected. So it can be concluded that there is a difference absorption capability between male and female from the traditional market traders in Bandung

Table 7: Hypothesis Test

Hypothesis and Sub-Hypothesis		F	Sig.	Result	
				H_a	H_o
H_1		6,1900	,013	rejected	accepted
	$H_{1.1}$	2,2380	,135	accepted	rejected
	$H_{1.2}$	4,2330	,040	rejected	diterima
	$H_{1.3}$	3,1720	,076	accepted	rejected
	$H_{1.4}$	2,9070	,089	accepted	rejected
H_2		1,9803	,097	accepted	rejected
	$H_{2.1}$	1,6834	,153	accepted	rejected
	$H_{2.2}$	0,6229	,646	accepted	rejected
	$H_{2.3}$	1,0129	,400	accepted	rejected
	$H_{2.4}$	2,5978	,036	rejected	accepted
H_3		1,0600	,304	accepted	rejected
	$H_{3.1}$	0,6340	,426	accepted	rejected
	$H_{3.2}$	1,5080	,220	accepted	rejected
	$H_{3.3}$	0,8090	,369	accepted	rejected
	$H_{3.4}$	3,2390	,730	accepted	rejected
H_4		3,6610	,560	accepted	rejected
	$H_{4.1}$	7,1620	,008	rejected	accepted
	$H_{4.2}$	0,1690	,681	accepted	rejected
	$H_{4.3}$	3,9810	,047	rejected	accepted
	$H_{4.4}$	0,5060	,477	accepted	rejected
H_5		1,2470	,292	accepted	rejected
	$H_{5.1}$	0,2370	,871	accepted	rejected
	$H_{5.2}$	0,1030	,958	accepted	rejected
	$H_{5.3}$	2,4970	,059	accepted	rejected
	$H_{5.4}$	1,5200	,209	accepted	rejected

The result of the second hypothesis (H_2) shows that H_a is accepted. So it can be concluded that there is no difference of dynamic capabilities to the level of education of the traditional market traders in Bandung. This condition occurs because the level of education of respondents is a mostly high school (56%), then junior high (28%), those who are educated diploma or bachelor with a very small (5%). The facts show that people who have higher education tend to choose the profession, not as a trader. This research finding is different from Box, White, and Barr, (1993) which states the level of education influences the achievement of results. The same thing was also expressed by Daneels (2008) and Birley and Norburn (1987). Other findings show that most of the sub-hypotheses, namely; sensing capability ($H_{2.1}$), absorptive capability ($H_{2.2}$), and integration capability

($H_{2.3}$), it show that H_a is accepted. so it can be concluded that there is no difference in the level of education of traditional market traders in Bandung in the sensing capability, integration capability and the innovation capability. While for the absorption capability ($H_{1.2}$), it shows that H_a is rejected. So it can be concluded that there is a difference between innovation capability of the level of education from the traditional market traders in Bandung.

The last hypothesis (H_3) showed that H_a is accepted. So it can be concluded that there is no difference in dynamic capabilities to the experience of the traditional market traders in Bandung. This condition occurs because the average trader has traded in the traditional market for 10 to 15 years and they have been walked down the huddle of parents. The facts show that the experience carried out is not an absolute requirement of the merchants to be able to increase their capability in obtaining, producing and combining knowledge resources aimed at the feeling, exploring and environmental dynamics. in traditional markets (Zheng, et al; 2011). This finding is different from Box et al (1993) which suggests that an entrepreneur's experience is positively correlated with performance, this opinion is also supported by subsequent research such as Box, Watts, and Hisrich (1994); Yusuf (1995). In addition, Boohene (2009) found that lack of education and work experience contribute to the inability of female owners to effectively manage a business. While many studies have looked at the direct effect of demographic characteristics on performance, we estimate that the owner's age, educational level, and prior experience affect the strategic capabilities of each company and in turn the overall performance of the company. It's also for sub-hypothesis, that is; sensing capability ($H_{3.1}$), absorptive capability ($H_{3.2}$), integration capability ($H_{3.3}$) and innovation capabilities ($H_{3.4}$), all accept H_a. So it can be concluded that there is no difference in experience in sensing capability, absorptive capability, integration capability and innovation capability.

5. Conclusion

Based on the results the demographic perspective on the dynamic capabilities of the traditional market traders in Bandung, it can be concluded that the dynamic capabilities of traditional market traders in Bandung, descriptively seen from the perspective of demography shows. Viewed from the level of education, indicates that the level of dynamic capabilities in the category is good enough, for the overall dynamic capabilities as well as each dimension, both sensing capability, absorptive capability, integration capability and innovation capability. Just as at the level of educational, it shows that there is no difference in dynamic capabilities at a sufficiently good level. Similarly, for the sensing capability, absorption capability, integration capabilities and innovation capabilities.

The demographic difference to the dynamic capabilities of the traditional market traders in Bandung shown, that the gender does not differ in dynamic capabilities, as well as for each dimension; sensing capabilities, integration capabilities and innovation capabilities, only the absorptive capability there are differences between male and female. The level of education as a whole does not show the different levels of dynamic capabilities of the traditional market traders in Bandung, along with their dimensions, namely; sensing capability, absorption capability, and integration capability. While the innovation capability shows the different levels of education.

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