



DOI: <https://doi.org/10.38035/gijea>
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Analysis of The Impact of Revitalization of The Blok M Area on Business Growth And Local Economic Activity

Lazarus Sinaga¹, Erwin Permana², Elsa Rachmawati³

¹Universitas Pancasila, Jakarta, Indonesia, lazarussinaga@univpancasil.ac.id

²Universitas Pancasila, Jakarta, Indonesia, erwin.permana@univpancasila.ac.id

³Politeknik Negeri Jakarta, Depok, Indonesia, elsa.rachmawati.an23@stu.pnj.ac.id

Corresponding Author: lazarussinaga@univpancasil.ac.id¹

Abstract: This study aims to analyze the impact of the revitalization of the Blok M area on urban economic dynamics through transportation integration and the development of creative public spaces. Using a qualitative method with a descriptive-analytical approach, this study examines the phenomenon of regional transformation after the integration of the transportation system and local economic activities through a literature review. The results show that the revitalization of Blok M has successfully transformed the previously stagnant area into a dynamic economic ecosystem. The application of the Transit-Oriented Development (TOD) concept significantly improves accessibility through the connectivity of the Jakarta MRT and TransJakarta. The increase in visitor flow (foot traffic) not only restores Blok M's function as a transportation hub but also makes it a relevant social destination for the younger generation. The emergence of economic agglomeration through the growth of new business units provides a multiplier effect on the local economy and empowers MSMEs. This revitalization contributes positively to the structure of DKI Jakarta's GRDP, especially in the trade sector and the provision of food and beverage accommodations. These findings confirm that an integrated urban regeneration strategy with mass public transportation is an important catalyst in driving sustainable urban economic growth.

Keyword: Revitalization, Blok M, Transit-Oriented Development, Local Economy, MSMEs.

INTRODUCTION

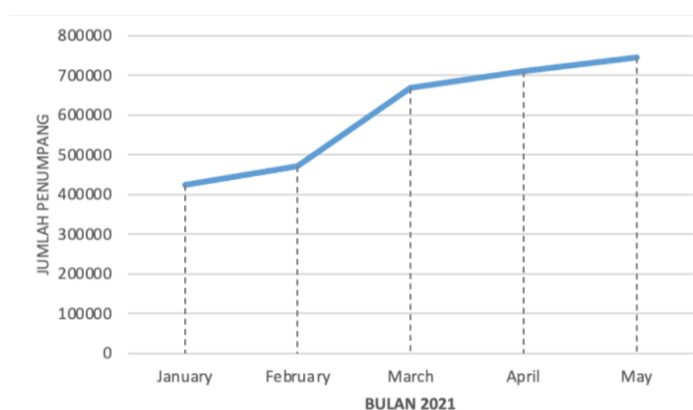
In recent years, the Blok M area has undergone significant changes, marked by increased visitor activity from various groups, particularly the younger generation. The growing trend of gathering and making Blok M a regular leisure destination has shaped new lifestyle patterns, such as weekly "quality time" activities in public spaces, culinary centers, and creative areas. This transformation is inextricably linked to changes in the city's spatial structure and increased accessibility.

As a center of economic activity, Jakarta urgently needs public mobility to support daily activities. Modal integration plays a significant role in improving interregional connectivity and efficiently expanding access (Khatami & Shodikin, 2024).



Source: mrt.mapid.io

Figure 1. 100-Meter Catchment Area of the Transit Station



Source: MRT Jakarta, 2021

Figure 2. Statistical Data of MRT Jakarta Passenger Volume in 2021

According to data from PT MRT Jakarta (2021), the daily passenger count for the Jakarta MRT has exceeded 70,000 passengers per day, with Blok M BCA Station being one of the stations with the highest passenger volume on the north-south corridor. This increased mobility has created a consistent flow of visitors to the Blok M area. High mobility has implications for increased economic transaction opportunities, the growth of culinary and retail businesses, and increased commercial space occupancy around transportation hubs.

Urban area revitalization is a development strategy aimed at reviving the social, economic, and cultural functions of a degraded area (Ulva et al., 2022). In the context of Blok M, revitalization is not only physical but also economic. This area is being revitalized as part of a transit-oriented development that integrates transportation, public spaces, cultural facilities, and a platform for MSMEs through the Blok M Hub project. This transformation is intended to support Jakarta as a global and cultural city (MRT Jakarta, 2025). This revitalization creates a more suitable space for vendors to develop their businesses, with cleaner and more organized facilities. This contributes to increased income for MSMEs, which may have previously been limited to regular customers or local residents (Angelika et al., 2024).

The turning point in Blok M's transformation is increasingly evident through the integration of Blok M MRT Station with shopping centers and creative destinations such as M Bloc Space and the presence of the Martha Tiahahu Literacy Park as a public space and literacy center. Based on research findings, these findings reinforce those of Aisyah (2024) who found that increasing MRT user density around Blok M Station significantly increases foot traffic in the retail area, boosts commercial appeal, and increases property rental values due to its competitive location as a shopping and business destination. With the TOD concept, Blok M is also designed as a pedestrian-friendly area, facilitating movement between public spaces and commercial centers. Quantitatively, before the MRT began operating, Blok M's daily visitor numbers were recorded at around 8,000–10,000 people per day. Following the integration of modes through the MRT, this figure increased to 20,000–25,000 people per day, with the potential to reach 35,000 people per day as services are optimized (Kompas.com, 2019). PT MRT Jakarta recorded 145,855 visitors at the Blok M Hub on New Year's Eve 2025–2026, demonstrating the area's role as a hub for social and economic activity post-pandemic (ANTARA, 2026).

The revitalization of this area is projected to have a significant impact on the structure of DKI Jakarta's Gross Regional Domestic Product (GRDP), particularly in the services and trade sectors. The three main subsectors with the largest contributions are culinary, film, and fashion, demonstrating the potential for business development in urban areas like Blok M if supported by infrastructure integration and revitalization policies. Therefore, this study aims to analyze the impact of regional revitalization on increasing local economic activity in the Blok M area.

METHOD

This study employs a descriptive qualitative approach to understand phenomena in depth through data in the form of words, documents, and descriptions of natural social conditions. According to Sugiyono (2018) and Creswell (2014), descriptive research aims to provide a systematic, factual, and accurate description of a phenomenon or condition occurring in a contemporary context without manipulating variables. This approach is used to analyze how the revitalization of the Blok M area, which includes improvements to pedestrian infrastructure, the integration of the Transit-Oriented Development (TOD) concept, and the strengthening of business agglomeration, contributes to the growth of MSMEs and local economic activities (Dhika & Anindito, 2022; Pratiwi, 2024).

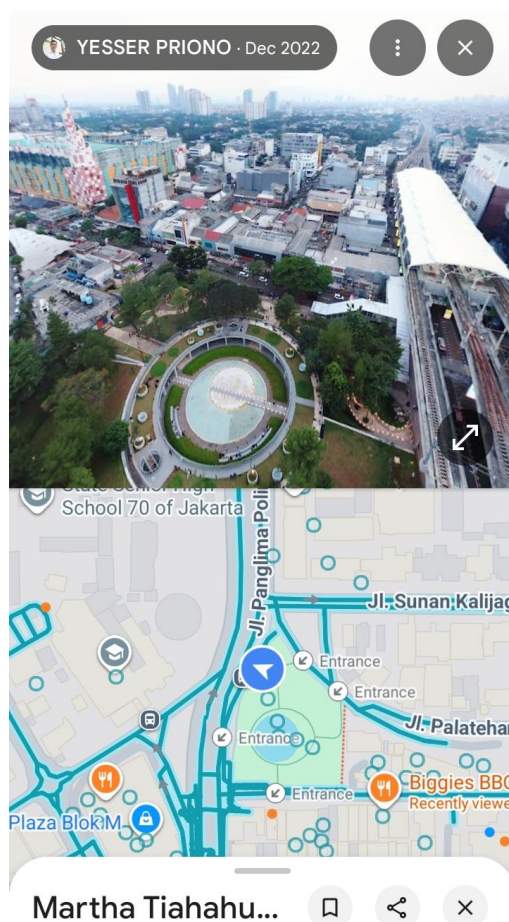
The method used is a literature study utilizing secondary data, namely data obtained from various sources such as journal articles, statistical reports (BPS DKI Jakarta), annual reports of institutions (PT MRT Jakarta), and official government documents relevant to the topic of urban regeneration. Data analysis was conducted using content analysis techniques and source triangulation to enhance the validity of the findings (Miles & Huberman, 1992). The analysis process follows an interactive model consisting of: (1) Data reduction, which involves selecting and focusing data on economic impacts and mobility; (2) Data display, presented in the form of narrative descriptions and comparative tables; and (3) Conclusion drawing, aimed at illustrating the comprehensive relationship between area revitalization, increased mobility, and local economic growth in the Blok M area.

RESULT AND DISCUSSION

Spatial Transformation and Multimodal Integration in the Blok M Area

Based on a literature review, the authors found that the revitalization of the Blok M area significantly transformed the previously degraded old commercial district into a dense and dynamic economic hub. This improvement was supported by Transit-Oriented Development (TOD)-based transportation. Based on the spatial analysis, pedestrian

improvements are not merely an aesthetic element, but rather an integration strategy that seamlessly connects the Jakarta MRT, TransJakarta BRT, and JakLingko services. Mariana & Yulis (2020) emphasized that the sustainable pedestrian design in Blok M can change public perceptions regarding public transportation choices.

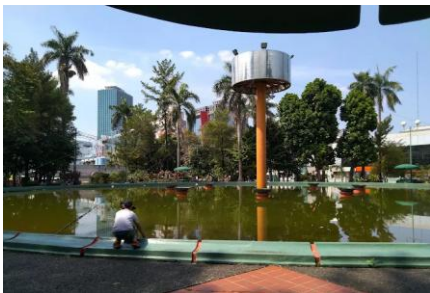







Source: maps.google.com (Yasser Pramono, 2022)

Figure 3. Integrated Transportation Hub of Blok M

The concept of modal integration within the Transit-Oriented Development (TOD) framework emphasizes the integration of transportation hubs with commercial areas and public spaces to increase accessibility and the intensity of economic activity (Cervero et al., 2004). Changes in the function of public spaces, such as the conversion of passive land into creative destinations such as M Bloc Space, Blok M Hub, and Martha Christina Tiahahu Literacy Park, have strengthened the area's role as an inclusive public space that fulfills elements of comfort, relaxation, and social engagement (Khatami & Shodikin, 2024).

Table 1. Revitalized Areas within the Blok M District

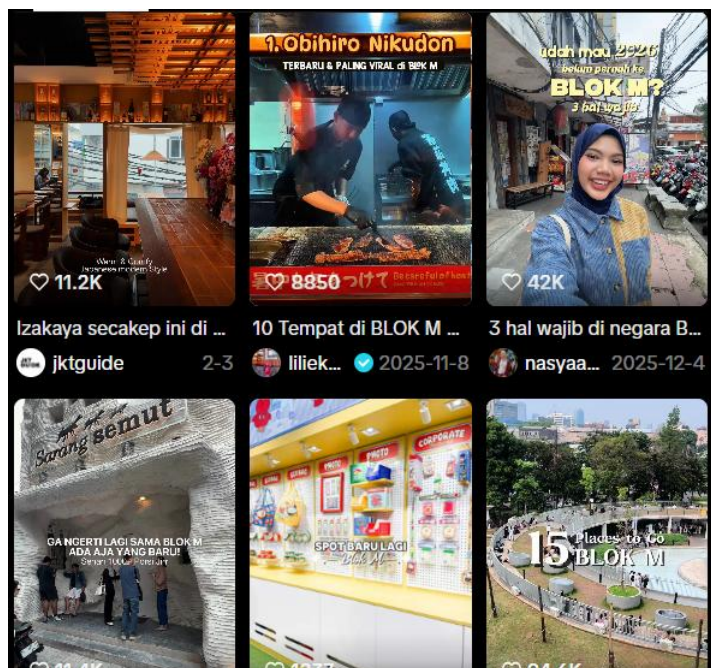
Area Before Revitalization	Area After Revitalization
 <p data-bbox="327 582 710 616">Literacy Park before Revitalization</p>	 <p data-bbox="917 582 1276 616">Literacy Park after Revitalization</p>
 <p data-bbox="327 896 702 929">Blok M Hub before Revitalization</p>	 <p data-bbox="917 896 1276 929">Blok M Hub after Revitalization</p>
 <p data-bbox="351 1232 678 1265">Abandoned Peruri Warehouse</p>	 <p data-bbox="909 1243 1284 1276">M Bloc Space after Revitalization</p>

Source: Research data

This revitalization demonstrates that the success of urban area development depends heavily on cross-stakeholder collaboration in managing spatial planning that supports sustainable mobility (Hutagalung & Hanani, 2024).

Analysis of Visitation Trends and Public Activity Dynamics

The implementation of integrated public transportation modes has triggered a surge in the volume of people moving to the Blok M area. Data shows that easy accessibility has increased public interest, particularly among the younger generation, in making this area a hub for social activities or a place to go.



Source: Processed Social Media Data (2026)

Figure 4. TikTok as a Platform for Blok M Trend Dissemination

This phenomenon aligns with the concept of urban regeneration, where the presence of public open spaces integrated with mass transportation can activate previously inactive areas into vibrant centers of activity that remain “alive” throughout the day (Angelika et al., 2024). The virality of the Blok M area on the social media platform TikTok is not merely a temporary trend, but rather a form of Digital Word-of-Mouth that is highly effective. Referring to the research of Ramdani & Sidqi (2025), social media platforms such as TikTok have a significant influence in creating a sense of “need” among the public to explore the Blok M area. This increasing trend in visits creates new dynamics in the use of urban space, where stations no longer function solely as transit points but also as gateways to modern lifestyle ecosystems. As a result, demand for MSME products that were previously unfamiliar to consumers increases, thereby accelerating the circulation of the local economy without requiring substantial conventional marketing costs. This dynamic further strengthens the attractiveness of the area for the creative tourism sector, which emphasizes experience and active visitor participation in local culture (Adrial et al., 2026).

Impact of Agglomeration on Local Economic Growth and MSMEs

The massive increase in visitor flows generates a multiplier effect on local economic growth in the Blok M area. From a regional economic perspective, the proliferation of F&B businesses, retail, and creative industries within a concentrated area represents a form of economic agglomeration. The theory of economic agglomeration suggests that the concentration of economic activities in areas capable of providing adequate infrastructure will significantly enhance combined economic growth (Nainggolan, 2024).

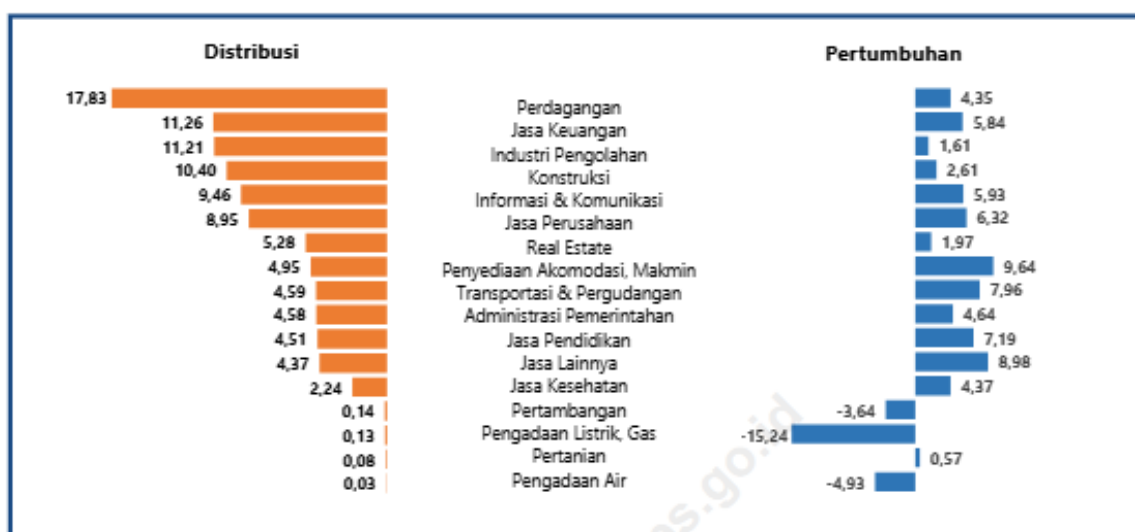
Economic growth creates significant opportunities for MSMEs to move to the next level by utilizing newly developed public spaces as marketing platforms. This is in line with the principles of Local Economic Development (LED). Collaboration between the government and community organizations in the revitalization of Blok M has stimulated the economic independence of local communities, making them more resilient to crises (Yusri, 2020). However, the rapid growth of commercial activities also brings challenges, such as rising rental prices that may trigger relocation issues for long-standing traders. Therefore, fair

mitigation policies are necessary to ensure that economic growth remains inclusive (Penangsang & Haroni, 2025). Consequently, the role of stakeholders is crucial to sustain the existing economic momentum without disadvantaging certain groups, thereby creating harmony from multiple perspectives.

Implications of Revitalization on the Macro Regional Economy

At the macro level, the revitalization of the Blok M area provides a positive contribution to the economic structure of Jakarta, particularly in the trade sector and the accommodation and food service sector. Statistical reports indicate that sectors related to creative economic activities and public mobility continue to be the main drivers of regional Gross Regional Domestic Product (GRDP) growth (BPS DKI Jakarta, 2025).

This dynamic is consistent with the economic growth of Special Capital Region of Jakarta, which in the first quarter of 2025 recorded a growth of approximately 4.95 percent (year-on-year). The increase in the accommodation and food service sector by 9.64 percent is directly proportional to the revitalization of pedestrian areas and the development of the Taman Literasi Martha Christina Tiahahu, which creates “staying power.” As a result, visitors do not merely pass through the area but also shop and consume products from local MSMEs. The largest contribution comes from the wholesale and retail trade sector, accounting for 17.83 percent. In addition, the transportation and warehousing sector also grew by 7.96 percent (year-on-year), indicating increased public mobility (BPS DKI Jakarta, 2025).



Source: Statistics Indonesia (BPS), 2025

Figure 5. Distribution and Growth of GRDP by Business Sector (percentage, year-on-year), Quarter I-2025

Based on data from the Ministry of Tourism and Creative Economy of Indonesia, Indonesia’s creative economy GDP has experienced consistent growth from 2021 to 2024. The creative economy GDP increased from Rp1,191.00 trillion in 2021 to Rp1,388.81 trillion in 2024. The Special Capital Region of Jakarta, as one of the main contributors to the creative economy, accounted for 10.8 percent of Jakarta’s GRDP in 2025 (Purwati, 2025). In 2019, the creative economy GDP of Jakarta was recorded at Rp256,449.67 billion.

The success of the Blok M area in integrating transportation mobility with commercial economic activities has become a model for the regeneration of other urban areas in Indonesia. This transformation demonstrates that investment in public infrastructure and mass transportation is directly correlated with improving urban economic efficiency and regional

sustainability (Tobing et al., 2026). This increase coincided with the completion of the sidewalk revitalization phase and the development of Taman Literasi Martha Christina Tiahahu in Blok M. This indicates the existence of an economic spillover effect from public transportation infrastructure development on local retail businesses (Syafrullah, 2024). Thus, the success of the revitalization of Blok M is not only seen from its physical transformation, but also from its ability to create a sustainable economic ecosystem for the wider community.

CONCLUSION

Based on the results of the analysis and discussion presented, this study concludes that the revitalization of the Blok M area has successfully transformed a previously degraded area into a dynamic economic ecosystem through the integration of multimodal transportation and the development of creative public spaces. Transportation integration based on the Transit-Oriented Development (TOD) concept has proven to be a determining factor in significantly increasing accessibility and community mobility.

The increase in foot traffic following the integration of MRT Jakarta and TransJakarta has not only restored Blok M's function as a transportation hub but has also turned it into a social destination (*place to go*) that aligns with modern lifestyle trends among young generations. This transformation is further supported by digital platform strategies such as TikTok, which have helped create sustainable new economic agglomeration.

The phenomenon of economic agglomeration resulting from business growth in the Blok M area has generated a multiplier effect on the local economy and the empowerment of MSMEs. The success of urban regeneration in Blok M has contributed positively to the GRDP structure of Special Capital Region of Jakarta, particularly in the trade sector and the accommodation and food service sector.

However, the rapid commercial dynamics also require fair mitigation policies related to commercial rental prices maintain economic inclusivity for long-standing business actors. The revitalization of Blok M demonstrates that strategic investment in transportation infrastructure and inclusive public spaces can serve as a driving force for sustainable regional economic growth while also becoming a model for the regeneration of other urban areas in Indonesia.

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