

MEDIA RELEASE

Beyond stalls and street food, night markets are the beating heart of urban life

Kuala Lumpur, 30 April 2025 — Khazanah Research Institute (KRI) today released its second discussion paper under the night market project, titled “Why Night Markets Matter?: A Review of Literature”. Authored by Nur Sofea Hasmira Azahar and Dr Mohd Amirul Rafiq Abu Rahim, the paper examines the evolving economic, cultural, and social significance of night markets in Malaysia, drawing attention to their important yet often overlooked role in the country’s urban landscape and informal economy.

“This publication builds upon KRI’s earlier work published in January this year on the overall hawking landscape by shifting the focus specifically to night markets (or *pasar malam*) as dynamic, multifunctional spaces that blend entrepreneurship, community life, and cultural vibrancy,” said Nur Sofea Hasmira Azahar, the lead author of the study. “While night markets continue to serve as accessible economic platforms for diverse groups, there remains a need for a deeper and more systematic understanding of how they adapt to urbanisation trends, evolving food consumption patterns, rising living standards, and digital transitions.”

Several key insights from the paper include:

1. Night markets account for a significant share of informal businesses, providing important income opportunities for lower-income and vulnerable communities, and fostering cultural and social interactions among diverse groups.
2. Despite their prominence, many night markets face systemic challenges, including uneven licensing frameworks, weak regulatory enforcement in waste management and food safety, and limited formal integration into urban planning.
3. As Malaysian households experience rising living standards and changing consumer preferences, questions arise about whether night markets can maintain their relevance amidst the growing appeal of formal retail options that are perceived to offer more systematically regulated environments, particularly in terms of health and safety standards.
4. Digital adoption among night market hawkers has also accelerated, particularly after the pandemic, but there remains a lack of empirical evidence on how digital tools are reshaping microenterprise dynamics, especially for women, youth, and B40 entrepreneurs.

The discussion paper calls for a more holistic research agenda that captures both trader and consumer perspectives, moving beyond conceptual narratives that build an evidence-based understanding of night markets' economic resilience, regulatory needs, and evolving role within Malaysia’s context.

The full report is now available on KRI’s website www.krinstitute.org.

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ABOUT KHAZANAH RESEARCH INSTITUTE (KRI)

The Khazanah Research Institute, sponsored by Khazanah Nasional Berhad, is a not-for-profit organisation and is incorporated as a company limited by guarantee. The objective of the Institute is to undertake analysis and research on the pressing issues of the nation and, based on that research, provide actionable policy recommendations. For more information on KRI, visit www.krinstitute.org.

Among the Institute's roles are

- carrying out rigorous impartial research and analysis that is founded on facts and data
- convening workshops, round tables, conferences and talks for subject matter experts, policy makers, thought leaders and interested members of the public, as appropriate
- being an advocate of its research findings and policy recommendations.

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