

## ANALYSIS OF QUALITY OF SERVICE AND PRICE ON DECISIONS OF INTENTION TO BUY IN THE TRADITIONAL MARKET IN SEMARANG CITY

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**Abstract.** Market is a meeting place for sellers and buyers to carry out buying and selling transactions in the form of goods or services. A market is a collection of buyers and sellers whose actual or potential interaction determines a product. Here we will analyse the quality of service and price on buying interest decisions in traditional markets in the city of Semarang. Management study program. Faculty of Economics and Business, Wahid Hasyim University Semarang. This study aims to determine: (1) How is the quality of service on buying interest decisions in traditional markets in Semarang City. (2) How is the price of buying interest decisions in traditional markets in Semarang City. The type of research used is qualitative with data collection techniques using exact science, namely through observation, documentation, and interviews by determining information using Snowball Sampling. Primary data is determined through in-depth interviews with several informants related to how the quality of service and price influences the decision to buy in traditional markets in Semarang City. Secondary data obtained through reference books; journals related to research topics related to research titles. The results of this study indicate that the quality of service and price on buying interest decisions in traditional markets in Semarang City are very significant, this results in the relationship between sellers and buyers having to be well established.

**Keywords:** Quality of Service; Price; Purchase Intention; Decision

### INTRODUCTION

According to the study of economics, the market is a process of interaction between demand (buyers) and supply (sellers) of a good or service, so as to finally set the market price and the amount traded. According to Saifudin (1990), the development of the market became a meeting canter between people from several wider areas, for example several sub-districts. The market as an economic canter, launches economic activities. In terms of distribution, the market plays a major role in the distribution of goods for the needs of the community.

Traditional markets are places where sellers and buyers meet and are characterized by direct seller-buyer transactions and there is usually a bargaining process with buildings usually consisting of stalls, loss and open grounds opened by sellers or a market manager. Goods that are traded are usually daily necessities such as food ingredients such as fruit fish, vegetables, eggs, meat, and the like and non-food items such as: cloth, clothing, electronic goods and others. In addition, there are also those who sell pastries and other goods.

In 2021, there are 56 Traditional Market units under the auspices of the Semarang City Trade Office which are divided into 6 UPTDs, namely: UPTD Johar with 8 markets spread across Central Semarang and Gayam sari sub-districts, UPTD Karimata with 8 markets spread across Gayamsari and East Semarang sub-districts, UPTD Bulu with 7 markets spread across North Semarang, Gajah mungkur, West Semarang and South Semarang sub-districts, Karangayu UPTD has 9 markets in West Semarang, Ngaliyan, Tugu, Gunung pati and Mijen sub-districts;

Jatingaleh UPTD has 10 markets in South Semarang, Candi sari, Banyu manik and Tembalang sub-districts; Pedurungan UPTD has 14 markets in Genuk, Pedurungan, Gayamsari and Tembalang sub-districts. The number of traders in all traditional markets in Semarang City in 2021 is 17,661 traders.<sup>1</sup>

In traditional markets, location is an important factor for people to buy all their needs with easy access to transportation. According to Fure (2013), important indicators for the location of traditional markets include: availability of parking lots, spacious market conditions, market locations with easy access to transportation and strategic market positions. Meanwhile, Raf (2012) supports this opinion that the location factor is also an influential thing, with the choice of location also being considered regarding its strategic location in terms of transportation availability showing the condition of the ease of the market to be reached including by public transportation. The product diversity factor according to Engel & Roger (1995) is influenced by the diversity of products sold with various qualities, as well as the availability of products at each seller. Fure (2013) argues that product diversity is closely related to the number and type of products traded in the market,

## **METHOD**

### **a. Types of research**

Qualitative is the method used in this study, which can be interpreted as a research method based on a postpositive philosophy, assigned to examine the conditions of scientific objects, as an experiment where the researcher is the key instrument, data collection techniques are carried out in combination, data analysis is qualitative

### **b. Time and Place of Research**

This research was conducted from January to May 2023 and the location of this research was carried out at the Traditional Market in Semarang City which focused on the Gajah Mungkur sub-district area.

### **c. Research subject**

The research subjects consisted of sellers and buyers of traditional markets in the city of Semarang. The number of research subjects was 8 people with details of 4 sellers in traditional markets and 4 buyers in traditional markets in Semarang City.

### **d. Object of research**

The object of research in this study is consumer perceptions of service quality and prices in traditional markets in the city of Semarang. Consumer perceptions of service quality and traditional market prices are measured through several dimensions, such as cleanliness, price comparison, convenience, market physical conditions, quality of goods, and the level of purchasing decisions for services provided. This research will also explore the extent of buying interest in traditional markets in the city of Semarang.

### **e. Data Analysis Techniques**

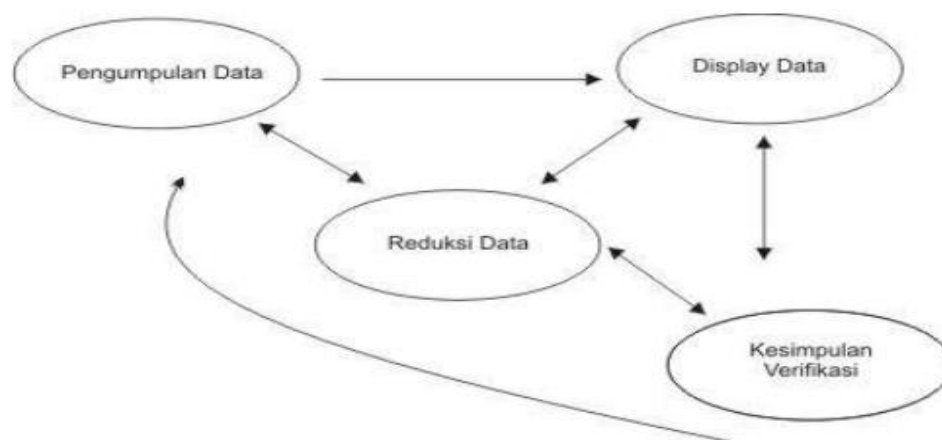
Data analysis according to Milles and Huberman (in Sugiyono 2016: 246) consists of three components of analysis namely data reduction, data display, drawing conclusions/verification. This analysis the writer considers to be able to translate easily.

All existing data becomes an information activity in analyzing qualitative data, namely:

a. Data reduction Data obtained from the field because there are many, it needs to be recorded carefully and in detail. Reducing the data which is done repeatedly is one way for the author to get validation of the data obtained. So that it can give a clearer picture.

b. Presentation of data/data display Data is arranged and presented in an easy-to-understand form, thus providing the possibility of drawing conclusions. c. Verification/conclusion drawing The data obtained is then drawn a conclusion. And these conclusions are continuously verified so that grounded conclusions will be obtained. The following is a picture of the data analysis of the interactive model according to Milles and Huberman.

Figure 1  
Components of Interactive Analysis and Models



## RESULTS AND DISCUSSION

### a. Service Quality Analysis

Various facilities are offered to buyers or consumers to get services, carried out to provide the best service for the community. even though the market in Semarang is not as good as other markets in Indonesia, it does not mean that it necessarily ignores consumer satisfaction. the assumption that the community will prioritize the facilities that have been provided. In terms of competition, indeed several shops and stalls in the market have their own uniqueness and advantages for each seller in the market. However, it is customer satisfaction that influences buying interest in that market. The services provided by each seller to the buyer, of course, are the main concern of every seller in traditional markets. The quality of services provided includes the provision of seats for consumers, ample parking space, and strategic locations. consumer dissatisfaction with the services provided will have a negative impact on sellers who provide bad service, for that avoid this, for that avoid this behavior, the seller must maximize service quality

To find out the quality of service, especially the quality of service for consumers in traditional markets, it can be assessed using the following indicators: Physical evidence (Tangibles), namely merchant stalls and floor and aisle cleanliness, hospitality given to prospective buyers, seats provided for buyers along with ample parking space for consumers.

Reliability, timeliness when providing services is a proof that every store can be relied upon. Reliability or store employees in providing services as promised and reliable is something that is expected by consumers. Responsiveness, namely the ability of sellers to serve buyers accurately and quickly. From the results of interviews with several market consumers, sellers are responsive in helping buyers when buyers experience difficulties in choosing products by providing explanations about products that are unknown to consumers. Assurance, sellers in traditional markets offer guarantees regarding the quality of the products they sell. . They provide guarantees that the products they sell are fresh, defect free. sellers in traditional markets offer the best price guarantee to buyers. They sell products at competitive prices or even offer special discounts if buyers find cheaper prices elsewhere. They can commit to providing friendly, helpful service and providing accurate information about the products they sell.

The advantages regarding service quality and price on buying interest in these traditional markets are that there are several places that are so comfortable provided by sellers in the market and there are various choices and what needs consumers want to look for at quite various prices. The matter of cleanliness at the Traditional Market is fairly clean with the provision of trash bins which in some places generally Traditional markets are not generally free of existing waste, there are still many traditional markets that are not literate about market cleanliness which causes buying and selling activities to be quite disturbed, will but the local government is strict in discipline regarding market cleanliness, said the sweeper at the market when asked about the cleanliness of the market he replied "traders at the market should work together to maintain the cleanliness of the market so that cleanliness around the market where transactions with consumers becomes comfortable in shopping if cleanliness is always guarded and other facilities.

So basically the effect of service quality on buying interest decisions at Traditional Markets in Semarang, especially at Gajah Mungkur, has a very strong influence on buying interest decisions because without good quality service for consumers and potential consumers (the public) it can affect the income of sellers in shops or kiosks. Accordingly, consumers are reluctant to make buying and selling transactions with sellers if the services provided to consumers are not in accordance with what they expect.

#### **b. Price Analysis on Buying Interest Decisions**

Various kinds are offered at the Gajah Mungkur traditional market. Consumers will buy products according to their wishes when the price offered by the seller to the buyer is in accordance with what the buyer wants. However, sellers must consider this, because in price competition in traditional markets it is not uncommon for sellers to offer goods at a lower price but with the same quality or even at a higher price. Therefore, the role of the seller in determining the price greatly influences the level of consumer buying interest in a market. The results of interviews and observations by researchers regarding the effect of price on buying interest decisions in Semarang City Traditional Markets can be concluded that, most sellers are capable of offering prices and there are some who say that the price set is in accordance with the quality of the price given. However, there are some who say that there are some sellers who charge quite high prices for the products they sell, causing consumers to be reluctant to buy the products in the store.

Another indicator that researchers see is the monthly income of sellers, if the price offered is too low, they also get a little profit, there are sellers who say that they get unstable

income every month because every day is uncertain. The seller only gets around IDR 400,000 and it could be less, said the seller. However, during the month of Ramadan until the Eid holiday, the sellers sometimes earn IDR 600,000 per month. In this case, the relationship between the seller and the buyer can be intimate, you can be sure that the buyer will come back to the kiosk to buy goods at the kiosk and can subscribe so that they can get slightly cheaper prices with the products offered by the buyer to their consumers. In the traditional market in Semarang, we conducted interviews to find out the prices and quality of the products offered by several sellers. Buyers said some of the products offered were exactly what they wanted. This can be seen by people who shop, especially in traditional markets, but there are also customers who complain because most sellers raise the prices of the products they sell every afternoon until late at night, which usually makes consumers shop. There are still many consumers who say that the prices offered by sellers in traditional markets in Semarang City are quite affordable because each product offered by sellers to buyers is according to the pockets of the local community. quite satisfying, but the information is that there are still many consumers who are overshadowed by the price offered by the seller, especially during the day the price of the product offered increases slightly, so that there are still many consumers who choose to buy directly from distributors. Based on the results of interviews with buyers and sellers, it can be concluded that the prices offered by each shop and kiosk at the Semarang City Traditional Market have different prices, and are still affordable for those who come to the market even though it's late.

## **CONCLUSION**

In the traditional market in Semarang City, especially in the Gajah Mungkur area, the quality of service for each seller includes a fairly large and clean parking lot. This market also has prayer rooms and public toilets specially prepared for shoppers. Sellers must also be smart to offer prices that suit their needs. Products offered to potential buyers can be evaluated using measures such as physicality, reliability, responsiveness, assurance, empathy. Based on the results of observations and interviews, it can be concluded that the quality of service provided to consumers or buyers, especially in traditional markets in the city of Semarang, can be seen from the results of interviews with sellers and buyers, with the most number. gave quite a positive response. Answers to consumers such as parking lots right outside, places of worship that are easy to reach, and public toilets that support service quality. It is hoped that in the future the market in the city of Semarang will further improve comfort and quality prices according to the product so that consumers will not switch to shopping elsewhere

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