

# Analysis of factors affecting consumer loyalty for shopping in Indonesia traditional market

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This research aims to determine the effect of experiential marketing to consumer loyalty in Krian traditional market, Sidoarjo, Indonesia. The object of this research is the people who shop at the Krian traditional market. The sampling technique used a purposive sampling method, namely the technique of determining the sample by considering certain criteria that have been determined in advance by the researcher. The sample was taken by as many as 100 respondents. The data analysis test used the F test, T test, and multiple linear regression methods with the PSS 21 tool. The results of this study indicate that experiential marketing has a positive and significant effect on consumer loyalty in Krian traditional market.

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## Introduction

The rapid development of modern markets today will greatly affect the survival of traditional markets that exist in urban areas. By using a more complete product sales concept, shopping convenience for consumers and a more professional management, making modern markets have a greater opportunity to be attracted by consumers. Many studies also show that the presence of modern markets has an impact on decreasing turnover of traditional markets [1].

Apart from the issue of better business management, the cultural shift of some people today prefers shopping in modern markets which are cleaner and more comfortable than traditional markets. In addition, the architectural design weaknesses of traditional markets also have an impact on the existence of traditional markets. This situation indirectly benefits the modern market. Traditional markets are deemed unable to compete or stand on par with modern markets [2].

Even so, the existence of traditional markets in society cannot be ignored and even replaced by modern markets. The traditional market as a place of transaction and trade center is one of the pillars of economic growth in society. Through its various functions and strategic roles, traditional markets become one of the vessels or means that are not only limited to conducting transactions, but also become a place for community communication to be established. Traditional markets provide a form of personal service between producers and consumers, giving rise to experiential marketing that cannot be obtained in modern markets [3].

Traditional markets are also a forum for people to sell basic necessities produced by medium and small-scale economic actors, most of which are cheap and affordable products and sell agricultural products. Although the number of modern markets is increasing and the shopping culture of people in modern markets is also increasing, not all products can be sold in modern markets [4].

In fact, the presence of modern markets is a threat to the survival of traditional markets. The competition between traditional and modern markets will continue until consumer needs are met. This condition affects changes in consumption patterns and consumer behavior. In order to minimize this shift in consumer behavior, traditional markets must improve their management, especially from the market image [4].

The traditional market which has been impressed with slum, unkempt, and poorly organized shop



arrangement has made service to consumers less comfortable. This problem must be overcome by still paying attention to the wants and needs of its consumers in order to survive amid the growing development of modern markets in the domestic market [5][6].

The conditions had previously been anticipated by the Krian Old Market. Where the Krian Old Market is a retailing that is directly related to the final consumer which aims to serve the daily needs of consumers. The choice of a location on the Krian highway was part of the main strategy for the establishment of the Krian Market, where the road is the main access to the sub-district city which is often used by vehicles.

Pasar Lama Krian, which is located in Krian sub-district, Sidoarjo regency, is facing a modern market. The researcher observed that people's interest in shopping tends to prefer traditional markets compared to modern markets which can be said to be more comfortable than traditional markets. This is what makes the author interested in conducting research on "Factors Affecting Consumer Loyalty to Shop at Krian Traditional Market".

## Methods

The population in this study are all consumers who buy at the Krian traditional market. Sampling was taken using a purposive sampling type method, the sample was determined by considering certain criteria, and namely the sample was a customer of the Krian traditional market who had visited more than 2 times. Sampling was carried out in the Krian traditional market with a total sample of 100 respondents.

## Result and discussion

### Reliability Test

Variable	Cronbach Alpha	Critical Value	Information
Experiential Marketing	0.926	0.7	Reliable
Price	0.893	0.7	Reliable
Market Image	0.847	0.7	Reliable
Loyalty	0.827	0.7	Reliable

**Table 1. Reliability Test Results in Research**

**Table 1** shows that the reliability coefficient value is *Cronbach Alpha* > 0.70, so it can be said that the questionnaire instrument used is said to have reliability.

### Validation Test

Variable	Item	r-count	r-table	Description
Experiential Marketing (X1)	X <sub>1.1</sub>	0.786	0.165	Valid
	X <sub>1.2</sub>		0.760	0.165
	X <sub>1.3</sub>		0.797	0.165
	X <sub>1.4</sub>		0.835	0.165



	X <sub>1.5</sub>	0.805	0.165
	X <sub>1.6</sub>	0.756	0.165
	X <sub>1.7</sub>	0.757	0.165
	X <sub>1.8</sub>	0.768	0.165
	X <sub>1.9</sub>	0.764	0.165
	X <sub>1:10</sub>	0.763	0.165
Price (X2)	X <sub>2.1</sub>	0.811	0.165
		X <sub>2.2</sub>	0.815
		X <sub>2.3</sub>	0.811
		X <sub>2.4</sub>	0.828
	Imagery Markets( X3)	X <sub>3.1</sub>	0.795
			X <sub>3.2</sub>
			X <sub>3.3</sub>
			X <sub>3.4</sub>
		Loyalty(Y)	Y <sub>.1</sub>



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**Table 2. Results of Validation Test Research**

Source: Processed primary data

The table **Table 2** shows that the validity value for all variable statement items (X) and (Y) the value of  $r_{count} > r_{tabel}$  where  $r_{tabel}$  is 0.165. So it can be said that the questionnaire statement items from variable (X) and variable (Y) are declared valid and can be used to measure the variables that have been studied.

## Multiple Regression Test

Coefficients <sup>a</sup>								
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics		
			B			Std. Error	Beta	
	1	(Constant)	, 245	, 188			1,306	, 195
			Experiential Marketing	, 349	, 122		, 343	2,860
			Price	, 325	, 137		, 327	2,367
		Market Image	, 257	, 099		, 264	2,595	
a. Dependent Variable: Loyalty								
Source: Processed primary data								

**Table 3. Multiple Linear Regression Test Results in Research**

Based on **Table 3**, the results of multiple linear regression calculations are as follows:

$$Y = 0.245 + 0,349 X_1 + 0,325 X_2 + 0,257 X_3 + e$$

## F Test

ANOVA <sup>b</sup>						
Model		Sum of Squares	df	Mean Square	F	Sig.
1		27.016	3	9.005	138.422	Regression,000 <sup>a</sup>
		Residual	6.246	96	065	
		Total	33.262	99		



a. Predictors: (Constant), Market Image (X3), Experiential Marketing (X1), Price (X2)
b. Dependent Variable: Loyalty (Y)

**Table 4.** Results of F Test in Research

The calculated F value in the table above is 138.422 greater than the significant level of 0.05, so it can be concluded that the estimated linear regression model is appropriate to use to explain the effect of experiential marketing, price, and market image on the dependent variable of loyalty.

## Correlation Coefficient

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson

**Table 5. Summary Model**<sup>b</sup> a. Predictors: (Constant), Market Image (X3), Price (X2), Experiential Marketing (X1)b. Dependent Variable: Loyalty (Y)

Based on the table [Table 5](#), the value of R is generated between the influence of experiential marketing, price and market image on loyalty of 0.901 or 9.01%, meaning that experiential marketing, price and market image have a fairly strong influence on consumer loyalty. in Krian traditional market, Sidoarjo Regency.

## Conclusion

Analysis shows that experiential marketing (X1) has a positive effect on consumer loyalty (Y). Meanwhile, based on the results of multiple linear regression, it shows that the experiential marketing variable has a significant effect because the sig value is smaller than the predetermined significant level, so that the variable is significant in influencing consumer loyalty. The results of the analysis on the independent variable price (X2) have a positive effect on consumer loyalty (Y). Meanwhile, based on the results of multiple linear regression, it shows that the price variable is significant because the sig value is smaller than the predetermined significant level, so that the variable is significant in influencing consumer loyalty. Meanwhile, the independent variable market image (X3) has a positive influence on consumer loyalty (Y). Meanwhile, based on the results of multiple linear regression, it shows that the market image variable is significant because the sig value is smaller than the predetermined significant level, so that this variable is significant in influencing consumer loyalty. Overall the variables (X1, X2, X3) have a positive influence on the dependent variable consumer loyalty (Y), in the Krian traditional market. Meanwhile, based on the results of multiple linear regression, the three variables have a significant effect on consumer loyalty.

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