

How Consumers Perceive Towards Traditional or Modern Markets: Proven by Consumer Preference Logistic Regression

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Article Info	Abstract
<p><i>Article history:</i> Received October 21, 2022 Revised November 25, 2022 Accepted December 15, 2022 Available online December 31, 2022</p> <p>Keywords: Consumer Preference, Traditional Market, Modern Market, Logistic Regression</p> <p>JEL Classification; D9; D90; D91</p> <p>Copyright (c) 2022 Kyandra, Suharno, Fauzi This is an open-access article under the CC - BY NC SA license</p> 	<p><i>Indonesia is ranked 4th as the country with the most population in the world. The large population in Indonesia causes an increase in the demand for basic needs. A large population has caused the market that supplies basic needs to increase. Undeniably, some consumers have switched to the modern market because of the rapid development experienced by the current market. The current market can meet the needs of very diverse consumers. This study aims to determine whether the rapid growth of the modern market ensures that consumer preferences shift towards the current market. Analyze whether income factors, distance from home to the nearest traditional market and the closest modern market, facilities, and operating hours influence consumer preferences in choosing a place to shop for basic needs. This study uses logistic regression as a quantitative analysis. Based on the research and data analysis results, two variables affect consumer preferences: facilities and distance from home to the nearest modern market. In comparison, three variables do not affect consumer preferences: income, distance from home to the nearest traditional market, and operating hours. Based on the results obtained through interviews with as many as 110 respondents, there were 70 respondents, or 64 percent of respondents, chose to shop at the modern market. The thing that consumers want most when shopping is convenience. Consumers in Indonesia itself are very diverse. Therefore, traditional and contemporary markets can increase this convenience in several ways, such as the neat arrangement of goods, a clean environment, and big parking lots.</i></p>

INTRODUCTION

Recently, the modern market has experienced rapid development in several big cities such as Purwokerto. In Indonesia, the number of traditional markets is much more than conventional markets. Still, in some cities, the number of modern markets is much more than the number of traditional markets (BPS, 2021); This is what makes this topic interesting, whether the more significant number of modern markets makes consumer preferences change to current markets or consumers still choose to shop at traditional markets

Nowadays, the region's development is identical with the existence of modernization because of globalization. A form of modernization that occurs extensively is the influx of foreign investors who invest in Indonesia. One form of investment is the emergence of modern markets in various regions in Indonesia (Asribestari & Setyono, 2013). Purnomo et al., (2018) state that the emergence of multiple nontraditional markets can increase competition between traditional and modern needs. Competition in this market is in the form of competition to attract consumers to carry out shopping activities. This form of competition in the market is supported by changes in people's behavior which are now increasingly modern, resulting in a tendency to move shopping places from traditional markets to current needs.

According to Setijawan et al., (2021), traditional markets have a reasonably high role in running the wheels of the Indonesian economy because traditional markets can be a medium for employment. The conventional market sector can provide benefits to the area in the form of providing basic needs and fulfilling people's livelihoods and profits. According to Yusmalina et al., (2021), traditional markets allow consumers to negotiate prices. Traditional market collateral consists of stalls and an open foundation set up by the market manager and the sellers. The traditional market sells daily necessities such as fish, fruits, vegetables, eggs, meat, fabrics, electronic clothing, services, and more. Some conventional markets also sell cakes and other items.

In the modern era like today, the form of the market has shifted from a traditional market to a current need. The public's perception of conventional markets has become very negative. The main reason that is often faced by traditional markets is that they have not been managed professionally. So there is a negative perception from consumers about conventional markets, for example, bad smells, dirty, unsafe, and shabby, traders are not orderly in selling, and goods are less hygienic. They are considered less competitive with modern stores (Soelarso et al., 2019). This dirty and muddy environment is the opposite of current market conditions, be it clean with air conditioning and neatly arranged and attractive items. The modern market is a market that is managed with a modern management system. The current market is more concerned with consumer convenience when shopping, so most modern needs are attractively packaged and neatly arranged. However, the price of products in the current market is generally higher than that of the traditional market, given its higher operating costs (Dwicahyani & Arif Mut, 2019).

The high population leads to a higher demand for necessities. The increased demand for basic needs results in rising markets supplying these basic needs. Usually, consumers visit the modern market for several reasons, the variety of goods, the availability of finished goods, cleanliness with additional entertainment facilities for children, and parking for spacious cars. Modern markets have managed to capture consumer needs and can meet consumer desires and tastes. In contrast, traditional markets have been slow to respond to changes in consumer shopping behavior that are increasingly dynamic. As a

result, consumer shopping behavior has changed and shifted to modern markets (Pramudiana, 2017).

In Indonesia, the position of the modern and traditional markets is always placed close together. This factor makes the position of the conventional market as a place to shop displaced by the current market, coupled with the growth of the current market, which is very fast and has begun to enter community settlements. According to Martin, (2017), the adjacent position between the modern market through the advantages possessed in comparison with the traditional market has led to the shift of buyers from the conventional market to the current market. Secondly, regarding the turnover of money in the regions, initially, most of the turnover of money was contributed by SMEs. However, it automatically understated their contribution, as SMEs and traditional markets decreased because they were less competitive with modern needs. While on the other hand, the existence of a current market in an area does not significantly contribute to the local economy because the income obtained from the modern market usually comes only from taxes. Many previous studies that analyzed consumer preference using logistic regression have been carried out, including Ami & Mahasan (2019), Dwicahyani & Arif Mut (2019), Grahadita et al. (2022), Ayuningasi (2013), Rahmawaty et al., (2016), Slamet & Nakayasu, (2016)

The research of Dwicahyani & Arif Mut, (2019), stated that as many as 200 samples of respondents were taken in Surakarta City. The result is that 61% still choose a traditional market as a place to shop. Factors influencing consumers' decisions in determining the type of market are education, income, and distance to the market. Based on the analysis results, it was concluded that the binary logistic regression equation is quite reliable in estimating consumer preferences in choosing traditional or modern markets. In their research, Ami & Mahasan, (2019), showed that 52% of the change in the choice of contemporary retail format is due to product variety, price, location, courtesy of the staff, and store atmosphere. And this means that 42% of the change in choice of traditional retail format is due to location, product variety, courtesy of staff, price, and store atmosphere. In the research of Ayuningasi, (2013) it was obtained that the factor of consumer preference in shopping at the traditional market in Denpasar City was formed from the variable frequency of visits to traditional markets before revitalization. The frequency of visits to traditional markets after regeneration and respondents' liking for conventional markets.

Usually, consumers visit the modern retail store for several reasons, such as variety, easy availability, and cleanliness with an additional entertainment facility for children and parking for cars and comfortable restaurants, etc. However, unlike the upper age groups who prefer to visit traditional stores, the younger generation has more tendencies toward organized retail. Therefore, due to such increased competition by modern retail stores, many conventional shops have increased the size of their shops and enhanced the merchandise in their store. The transformed traditional shops now provide different facilities to

attract customers, like online payment and delivery services (Ami & Mahasan, 2019). This research is expected to be an evaluation material for modern markets and traditional markets to support the convenience of consumers' shopping, revitalizing traditional markets to attract consumers to shop at traditional markets and facilitate the turnover of money from conventional market traders.

This study analyzes consumer preferences in choosing a traditional or modern market as a place to shop. Analyze independent variables such as income, distance from home to the nearest current market, distance from home to the nearest traditional market, facilities, and operating hours that affect consumers' tendency to choose a place to shop for necessities. The previous research that has been described above consists of several variables and several objects. For example, income, distance, facilities, and several objects. The objects are mini-markets, supermarkets, hypermarkets, and grocery shops. However, this research's object is the modern and traditional markets. It consists of a mini-market, supermarket hypermarket, and groceries store.

The difference between this study and previous research is the operating hours variable. The expected contribution to this newest variable is associating operating hours variables with preferences because, usually, operating hours are more directed towards merchant income. The difference between the working hours of modern and traditional markets makes consumers adjust market operating hours to the open hours of consumers. For example, the consumer with employee and student status prefers to shop in the afternoon, and the housewife consumer prefers to shop in the morning, so the employee and student choose a shopping place that has operating hours until night, and the housewife prefers to choose a shopping place that opens from the morning. Therefore, this study was created to complement the existing research. This research exists to complete previous studies and has the latest variable, operating hours, making this topic enjoyable to discuss.

RESEARCH METHODS

This study uses the quantitative approach with logistic regression analysis techniques. Data collection techniques in this study are interviews and literature reviews. The population used in this study was the traditional and modern market consumers in South Purwokerto. The data used in this study is primary data. Based on data from Banyumas in numbers 2021, the population in South Purwokerto was 72.304 people. Using the Lemeshow formula Caniago & Rustanto, (2022), the sample used in this study was 110 consumers of the modern and traditional market in South Purwokerto. This research took the piece in South Purwokerto because the current needs are more significant than the conventional market. The sampling used in this research is an accidental sampling technique by conducting consumer interviews in traditional markets with 55 respondents and modern needs with 55 respondents. The consumer criteria in this study are students with 46 respondents, employees with 41 respondents, and homemakers with 23 respondents because consumers of modern markets and traditional markets are

very diverse. Three of these criteria have summarized all the answers that researchers need

This study defined the traditional market selection as a place to shop for consumers as 0. In contrast, the selection of the modern market as a place to shop for consumers is defined as 1. The selection of independent variables was income, distance from home to the nearest traditional market and nearest modern market, facilities, and operating hours that are strongly suspected to affect preference as the dependent variables. The data analysis method used in this research is Binary Logistic Regression Analysis to estimate probabilistic consumers in choosing a traditional or modern market (Dwicahyani & Arif Mut, 2019). The data analysis tool used is SPSS 25 and Microsoft Excel Home. The regression model was formulated as follows:

$$L_Y = L_n \left(\frac{P_i}{1-P_i} \right) \beta_1 + \beta_2 X_{1i} + \beta_3 X_{2i} + \beta_4 X_{3i} + \beta_5 X_{4i} + \beta_6 X_{5i} + \varepsilon$$

Where is LY= Consumer Preference; Ln= Logaritma Natural; Pi= Choose to Shop at Modern Market or Traditional Market; 1-Pi= Not Choosing to Shop at Modern Market or Traditional Market; β_1 = Intercept; β_{12345} = Slope; X_1 = Income; X_2 = Distance from Home to the Nearest Modern Market; X_3 = Distance from Home to the Nearest Traditional Market; X_4 = Facilities; X_5 = Operating Hours; ε = Error Term.

RESULT AND DISCUSSION

Logistic Regression

This study used logistic regression to analyze the influence of income, distance from home to the nearest modern market, distance from home to the nearest traditional market, facilities, and operating hours on consumer preferences in choosing a current need or formal demand in South Purwokerto.

Table 1. Logistic Regression

Variable	B	Wald	<i>p-Value</i>	Exponential (B)
Constant	-21.705	5.198	0.023	-
Income	0.02	2.560	0.110	1.002
Distance from Home to the Nearest Modern Market	-0.471	5.092	0.24	0.415
Distance from Home to the Nearest Traditional Market	-0.167	0.463	0.496	0.847
Facilities	1.465	11.161	0.001	4.326
Operating Hours	1.148	1.268	0.260	3.153

Based on the results of the analysis using SPSS 25 in table 4. above, the following regression equation is obtained: $LY = -21.705 + 0.02X_1 - 0.471X_2 - 0.167X_3 + 1.465X_4 + 1.148X_5$

Where is LY= Logistic Regression; X_1 = Income; X_2 = Distance from home to the nearest modern market; X_3 = Distance from home to the nearest traditional market; X_4 = Facilities; X_5 = Operating hours.

Odds Ratio

Based on the result of logistic regression in Table 1. The odds ratio value obtained from this study can be applied as a multiplier value generated by independent variables to dependent variables, namely preferences towards traditional or modern markets. Based on Table 4, The odds ratio of income is 1.002, implying if the consumer income increases, the consumer preference for the current market will increase by 1.002 times. Based on Table 4 odds ratio of the distance from home to the nearest modern market is 0.415 means a more considerable distance, people's preference for the traditional market increases by 0.415 times. Based on Table 4 odds ratio of the distance from home to the nearest traditional market is 0.847 means a more considerable length, and the people's preference for the modern market increases by 0.847. Based on Table 4 odds ratio of facilities is 4.326 means a convenient facility increases the probability of people's choice for the contemporary market 4.326 times. Based on Table 4 odds ratio of operating hours is 3.153 means longer working hours, people's preference for the traditional market increases by 3.153 times.

Wald Test

Calculation of the value of the t table with $\alpha = 0.10$ ($\alpha = 10\%$) and the degree of freedom ($df = n - k = 105$), then the t table value is 1.98282. Based on the results of the logistic regression analysis in table 1. The first hypothesis (H_1) is that income affects consumer preferences in choosing a modern or traditional market in South Purwokerto. The Wald test (t) results show that the value of t_{counts} 2.560 with a *p-value* of 0.110. The $t_{calculated}$ value is greater than the t_{table} of 1.98282 ($2.560 > 1.98282$), and the *p-value* greater than 0.05 ($0.110 > 0.05$) indicates that H_0 is accepted, meaning that income has no partial effect on consumer preferences in choosing the modern market or traditional market in South Purwokerto.

Based on the results of the logistic regression analysis in Table 1. The second hypothesis (H_2) is that distance from home to the nearest modern market affects consumer preferences in choosing a modern or traditional market in South Purwokerto. The Wald (t) test results show that the calculated t-value is 5,092 with a *p-value* of 0.024. The $t_{calculated}$ value is greater than the t_{table} of 1.98282 ($5.506 > 1.98282$), and the *p-value* smaller than 0.05 ($0.024 < 0.05$) indicates that H_0 is rejected, meaning that the distance from home to the nearest modern market has a partial effect on consumer preference in choosing a current need or traditional market in South Purwokerto.

Based on the results of the logistic regression analysis in Table 1. The third hypothesis (H_3) is that the distance from home to the nearest traditional market affects consumer preferences in choosing a modern or traditional market in South Purwokerto. The Wald test (t) results show that the value of t_{counts} 0.463 with a *p-value* of 0.946. The $t_{calculated}$ value is smaller than the t_{table} of

1.98282 ($0.463 < 1.98498$), and the *p-value* greater than 0.05 ($0.496 > 0.05$) indicates that H_0 is accepted, meaning that the distance from home to the nearest traditional market has no partial effect on consumer preferences in choosing a modern market or traditional market in South Purwokerto.

Based on the results of the logistic regression analysis in Table 1. The fourth hypothesis (H_4) is that facilities influence consumer preferences in choosing a modern or traditional market in South Purwokerto. The Wald test (t) results show that the value of t_{counts} 11.161 with a *p-value* of 0.001. The $t_{\text{calculated}}$ value is greater than the t_{table} of 1.98282 ($11.161 > 1.98498$), and the *p-value* is less than 0.05 ($0.001 < 0.05$), indicating that H_0 is rejected, meaning that the facility has a partial effect on consumer preferences in choosing a modern market or traditional market in South Purwokerto.

Based on the results of the logistic regression analysis in Table 1. The fifth hypothesis (H_5) is that operating hours affect consumer preferences in choosing a modern or traditional market in South Purwokerto. The Wald test (t) results show that the value of t_{counts} 1.268 with a *p-value* of 0.260. The $t_{\text{calculated}}$ value is smaller than the t_{table} of 1.98282 ($1.268 < 1.98282$), and the *p-value* greater than 0.05 ($0.260 > 0.05$) indicates that H_0 is accepted, meaning that operating hours have no partial effect on consumer preferences in choosing the modern market or traditional market in South Purwokerto.

Overall Model Fit

This test compares the value of -2LL at the beginning or before the independent variable is entered (*block number* = 0) with the value of -2LL at the end or after the independent variable is entered (*block number* = 1).

Table 2. Overall Model Fit

Information	Value
-2 Log Likelihood at the start (<i>block number</i> = 0)	144.206
-2 Log Likelihood at the end (<i>block number</i> = 1)	118.477

Based on the result of the Overall Model Fit Test in Table 2. The analysis results have shown that the value of *-2Log initial likelihood (block number = 0)* before being inserted into an independent variable of 144,206. After all, four independent variables were inserted into the model, the resulting value of *-2Log likelihood (block number = 1)* decreased to 118,477. The difference between *-2Log initial likelihood* and *-2Log final likelihood* shows a decrease of 25,729; This follows appendix 11 in the summary model table, which shows that *-2Log likelihood* is 25,729. So, it can be concluded that the value of *-2Log initial likelihood (block number = 0)* is greater than the value of *-2Log likelihood end (block number = 1)*. So the occurrence of this decrease indicates that between the hypothesized models is appropriate (*fit*) with the data, so the addition of independent variables to the model shows that the regression model is getting better, or in other words, H_0 is accepted.

Coefficient of Determination (Nagelkerke R Square)

Coefficient determination (R Square) is used to measure how deep the model's capabilities are when describing variations of independent variables. The coefficient of determination is between 0 and 1. A smaller R Square value means limited ability between bound variables. The value of the coefficient of judgment in this study is seen from the value of Nagelkerke R Square.

Table 3. Nagelkerke R Square

Model Summary		
-2 Log Likelihood	Cox & Snell R Square	Nagelkerke R Square
25.729	0.659	0.903

Based on the result of the Nagelkerke R Square Test in Table 3. It that the value of Nagelkerke R Square is 0.747. For the coefficient of determination (R²), which is $0.903 \times 100 = 90.3$ percent. It can be concluded that the independent variables: namely income, distance from home to the nearest traditional market, distance from home to the nearest modern market, facilities, and operating hours are jointly able to explain the dependent variable, which is consumer preference of 90.3 percent, while other variables outside the study demonstrate the remaining 9.7 percent.

Hosmer and Lemeshow Goodness of Fit

The regression model feasibility test was assessed using Hosmer and Lemeshow's Goodness of Fit Test as measured by chi-square values. Hosmer and Lemeshow's Goodness of Fit Test tested the null hypothesis that the empirical data matched or corresponded to the model or that there was no significant difference between the model and the data so that the model could be said to be fit.

Table 4. Hosmer and Lemeshow Test

Hosmer and Lemeshow Test		
Chi-Square	df	Sig.
9.946	8	0.269

Based on the result of the Hosmer and Lemeshow Test in Table 4. The goodness of Fit test results from the Hosmer and Lemeshow Test analysis. They relied upon the table, realizing that the Chi-Square value is 9.946 with a significance of 0.269. The significant matter is more than 0.05 so that the hypothesis is accepted, implying there is a match between the observed value and the observation data so that the model is in a state of fit and can use for additional analysis

Consumer Tendency in Choosing a Place to Shop for Basic Needs

Consumer preferences show consumer preferences from a wide selection of existing products. Preferences can describe a person's liking for goods or services that individual, product, and environmental characteristics influence. Consumer preferences can be known by measuring the usefulness and value of a product (Cantika et al., 2021).

Table 5. Consumer Tendency by Preference

No	Type of Market	Frequency	Percentage (%)
1.	Traditional Market	40	36%
2.	Modern Market	70	64%
	Sum	110	100%

Based on consumer tendency by preference in Table 5. The consumer tendency by preference test is obtained through interviews with 110 traditional and modern market consumers in Sout Purwokerto. This study was dominated by respondents who chose the current market, namely as many as 70 consumers, with a percentage of 64 percent. In comparison, respondents who chose the traditional market were 40 consumers, with a ratio of 36 percent. According to [Todd et al., \(2018\)](#) the modern market, it is felt better to understand the voice of customers and be able to provide products according to the needs or desires of consumers. Especially in the current environment characterized by a fast and rapid speed of technology changing customer preferences ([Wang et al., 2015](#)), failure to include the voice of consumers in new product development will reduce the competitiveness of differentiation that will have an impact on the performance of the company.

These results are in line with the research conducted by [Medina, \(2017\)](#) on convenient locations, low prices, diverse product choices, comfortable places, good quality, and a store environment are why consumers prefer the modern market as a place to shop. Then there are more products and many promotions that make consumers prefer to shop in the current market. However, for certain goods, consumers prefer to buy goods in traditional markets. [F. Wibowo et al., \(2022\)](#) found that when consumers choose traditional markets, consumers consider the shopping place a place of social interaction and a source of the consumer economy.

DISCUSSION

In consumer behavior, the perception of an object is through feelings from sight, hearing, smell, touch, and taste. Eventually, the already precipitated and inherent perception will become a preference. Perception is a process by which individuals can choose, organize, and interpret stimuli into something meaningful ([Dewi et al., 2018](#)). Stimulants that give rise to perception can take various forms that directly hit the consumer's senses (sensory receptor), such as everything that is smelled, seen, heard, and palpable.

Consumer preferences can be defined as an individual's tendency, or lack thereof, to consume or use a product or service. Consumer choice indicates an individual's preference for a choice variety of products. Therefore, consumer preference can be seen as a person's predisposition to select goods that they perceive as enjoyable. Certain factors have been reported to influence consumer preferences towards the traditional market or modern markets, such as quality, price, degree of support for the local economy, and product origin ([Arsil et al., 2018](#)). The diversity of consumers in Indonesia gives every consumer a different perception, especially towards traditional and modern markets.

The first hypothesis (H1) states that income does not affect consumer preference in choosing the traditional or modern market in South Purwokerto. Based on the results of the t-test with $\alpha = 0.10$ ($\alpha = 10\%$), they are indicating that $t \text{ count} > t \text{ table}$, that income level does not significantly influence consumer preference. So, the first hypothesis is accepted. There is no positive and significant effect between income and consumer preference. Based on the results obtained through consumer interviews of traditional and modern markets in South Purwokerto, consumers with a minor income in this study amounted to Rp. 1,000,000, and consumers with the most significant income in this study amounted to Rp. 5,100,000. 26 respondents had an income of Rp.1,000,000. Out of 26 respondents, there were 17 respondents chose to shop at the modern market, and the remaining nine chose to shop at traditional markets. Furthermore, there was one respondent who had an income of Rp. 5,100,000 respondents decided to shop at the modern market; This indicates that consumers with smaller incomes do not always shop at traditional markets. Consumers with larger incomes do not always shop in current markets; This ensures that income is not a benchmark for consumers in choosing their place to shop for daily necessities.

This study aligns with the research of (Grahadita et al., 2022), which showed that income level does not significantly influence consumer preferences. Traditional and modern markets have different characteristics but some similarities, namely the meeting of sellers and buyers and the presence of goods being traded. So that the diversity of consumers in these markets cannot be limited, and consumers of various income levels choose modern markets or traditional markets based on meeting needs. According to Engel's theory in Fadhli et al. (2021), if income increases, then the percentage of expenditure on food consumption is getting smaller. Both ratios in spending on clothing consumption are relatively fixed and do not depend on income level. All three percentages of consumption expenditures for home expenses are somewhat limited and do not depend on income level. Fourth, if income increases, the percentage of spending on education, health, recreation, luxury goods, and savings will increase. So, if viewed from the first and third conclusions of the Engel theory, it strengthens the results of this study that if income increases, food consumption expenditures will be small. The reality on the ground shows that in the modern era, like today, if a person's income is high, he prefers to spend his income more wisely.

The second hypothesis (H2) states that distance from home to the nearest modern market positively affects consumer preference in choosing a current need in South Purwokerto. Based on the results of the t-test with $\alpha = 0.10$ ($\alpha = 10\%$), they are indicating that $t \text{ count} < t \text{ table}$, that distance from home to the nearest modern market does have a negative and significant influence on consumer preference. So, the second hypothesis is rejected. There is a negative and significant effect between distance from home to the nearest modern market and consumer preference, which means that the closer the current market is to the reach of consumers, the more consumer preference in choosing

the contemporary market will increase and vice versa. Based on the interviews obtained from consumers of traditional markets and modern needs in South Purwokerto. The average distance consumers travel is 9 KM to go to the current market, and the average distance traveled by consumers is 3 KM to the traditional market; This proves that the longer mileage does not affect the tendency of consumers to shop in modern markets. However, to increase the frequency of consumer spending in current needs. The construction of modern markets adjacent to residential areas, such as mini-markets that do not require too much land, or the opening of supermarket branches, increases the frequency of consumers shopping in the modern market. This research is in line with the study conducted (Dwicahyani & Arif Mut, 2019), which says the distance from home to the nearest modern mark significantly influences preferences.

According to Wardhani et al., (2016), distance becomes an essential variable in determining consumer preferences. Based on observations, the modern market has made in the South Purwokerto area is reasonably far from the city center, but this does not reduce the intention of consumers to shop at the modern market. Because it can be above the consumer using a private vehicle to go to the current market located in South Purwokerto. According to Carn in Medina, (2017), consumers' attitude in shopping centers is that if the frequency is not too frequent, consumers will travel to shopping places farther away. Vice versa, if the product needed is a need that must be met immediately, then consumers will travel a short distance to get goods at the shopping place that provides the needs.

The third hypothesis (H3) states that distance from home to the nearest traditional market positively affects consumer preference in choosing a traditional or modern market in South Purwokerto. Based on the results of the t-test with $\alpha = 0.10$ ($\alpha = 10\%$), they are indicating that $t_{count} > t_{table}$, that distance from home to the nearest modern market does not significantly influence consumer preference. So, the third hypothesis is accepted. There is no significant effect between distance from home to the nearest traditional market and consumer preference. Based on the interviews obtained from consumers of conventional markets and modern needs in South Purwokerto, respondents who choose to shop at traditional markets travel a shorter distance to the established market than current market markets. Based on interviews obtained with consumers of conventional markets and modern needs in South Purwokerto, consumers who choose to shop at traditional markets are dominated by homemakers. According to Slamet & Nakayasu, (2016), business hours are very crowded in the conventional need. Many homemakers go there to search for what they can buy to cook cheaply. Wide varieties of vegetables, and usually low prices, are the characteristics of the products in traditional vegetable markets; This is as it says Medin (2017). If the product needs are met immediately, consumers will travel a short distance to get goods at the shopping place that provides their needs.

The results of this study are not in line with the research of Dwicahyani & Arif Mut, (2019), which states that distance from home to the nearest

traditional market has a positive and significant effect on consumer preference. It is undeniable that the modern market in Indonesia is growing very significantly. Current needs not only carry out development on a large land area but also modern market forms that do not require a prominent place and can stand in the middle of community settlements, namely mini-markets. According to [Wibowo et al., \(2015\)](#), this is related to the preferences of people who can tend to switch to shopping at convenience stores; Because traditional markets and mini-market locations within one service range will also significantly affect people's preferences in determining where to shop. If the location of the conventional market and the location of the mini-market are within one scope of service, then it is likely that people will shop at the mini-market.

The fourth hypothesis (H4) states that facilities positively and significantly affect consumer preference in choosing the traditional or modern market in South Purwokerto. Based on the results of the t-test with $\alpha = 0.10$ ($\alpha = 10\%$), they indicate that $t \text{ count} < t \text{ table}$, facilities do have a positive and significant influence on consumer preference. So, the fourth hypothesis is rejected. There is a positive and significant effect between facilities and consumer preference, which means that the more facilities available, the more consumer preference in choosing the modern market will increase and vice versa. The public facilities represent physical evidence of services, which is one of the supporting factors in achieving the company's goals as a form of its service to consumers. This research is in line with the research conducted by [Wardhani et al., \(2016\)](#), which says facilities have a positive and significant effect on consumer preferences. According to [\(Lutfhi, 2020\)](#), Complete facilities will support consumers in determining their consumption choices.

Traditional markets and modern markets have their uniqueness in the eyes of consumers. The facilities provided by conventional markets offer a variety of diverse local goods, relatively lower prices for goods, and friendly services. They can negotiate the cost of goods purchased. In contrast to the traditional market, the modern market provides comfort when shopping, a variety of imported goods, neatly arranged products, the physical condition of the market, and age facilities such as clean bathrooms and air conditioners. These advantages will shape consumer preferences in choosing a place to shop for needs. Facilities are closely related to the formation of consumer perceptions of a company, and these customer perceptions will shape consumer decisions.

The fifth hypothesis (H5) states that operating hours positively and significantly affect consumer preference in choosing the traditional or modern market in South Purwokerto. Based on the results of the t-test with $\alpha = 0.10$ ($\alpha = 10\%$), they indicate that $t \text{ count} > t \text{ table}$, operating hours do not have a positive and significant influence on consumer preference. So, the fifth hypothesis is Accepted. There is no significant effect between operating hours and consumer preference. Traditional and modern markets have different working hours, so consumers can place themselves to come to the market according to their needs and chosen time. Every consumer has preferences in determining the time to

shop for necessities. For example, homemakers who prefer to shop in the morning will choose shopping places that have been operating since the morning, or employees and students who like to shop at night will choose shopping places that work until the evening.

Based on observations, the opening hours in the current market range from 05.30 to 06.30, and the closing time ranges from 21.00 to 22.00. However, modern markets have 24-hour operating hours, such as mini-markets. One of the advantages of mini-markets is the invalidation of rest hours by closing the store. The prevailing system is the imposition of shifts for its workers, the number of which is more than one. While traditional markets have fewer operating hours, the opening hours of traditional markets range from 05.00 to 06.00, and closing times vary from 12.00 – 01.00. The variable operating hours in this study are up to date compared to previous studies. In the last survey, irregular operating hours were consistently associated with income and producers. In this study, operating hours were associated with preferences and consumers. According to [Prihatminingtyas, \(2019\)](#) variable working hours are thought to have a positive relationship and a significant influence on the income of traders.

CONCLUSION

Based on the research on Consumer Preference in Choosing a Traditional Market or Modern Market in 2022, The tendency of consumers to shop in modern markets is more than those of consumers shopping in traditional markets. Income does not significantly affect consumer preferences in choosing a current need or a formal demand in South Purwokerto. The distance from home to the nearest traditional market has no significant effect on consumer preferences in selecting a modern or traditional market in South Purwokerto. Operating hours do not significantly affect consumer preferences in choosing a modern or traditional market in South Purwokerto.

The distance from home to the nearest modern market negatively affects consumer preferences in choosing a current need in South Purwokerto. The average distance consumers travel 9 KM from the current market. Therefore, many consumers make purchases only once every two weeks in the modern market to increase the frequency of consumer spending on everyday needs. The construction of current markets adjacent to residential areas, such as mini-markets that do not require too much land, or the opening of supermarket branches, increases consumer shopping frequency in the modern market. Facilities have a significant positive effect on consumer preferences in choosing a current need in South Purwokerto. The current market has adequate facilities to support comfort for consumers when shopping. Convenient when the traditional market does not own shopping; therefore traditional market must improve its facilities to attract more consumers. Operating hours do not significantly affect consumer preferences in choosing a modern or traditional market in South Purwokerto. The current and classic needs can extend their working hours to support consumers' time efficiency.

In the era of modernization at this time, it has changed the shape of the market. That was originally a traditional market to a modern market. Modern society as it is today prefers practical things. Therefore, consumer preferences tend to shift towards the current market, resulting in negative consumer perceptions of traditional markets. In the eyes of consumers, the modern market can follow the developments experienced by consumers and be implemented in the form of convenience that consumers get when shopping. Therefore, the role of the government is significant in developing traditional markets and revitalizing traditional markets into movements that can change consumer perceptions and revive the economy in conventional markets.

In this study, other variables outside the model affect consumer preferences, such as education, status, security, number of family dependents, and others. Respondents sampled in the study were limited to consumers of traditional and modern markets in South Purwokerto. As for the research location that includes more needs, it is suspected that it can influence this study. The study results cannot be generalized to industries in other regions because the conditions of each area are different.

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