# MARKETING STRATEGY AT LAKESSI MARKET IN PAREPARE, SOUTH SULAWESI DURING THE COVID 19 PANDEMIC

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## *ABSTRACT*

*This study aims to determine the effect of marketing strategy and service quality on business competition at Lakessi Market during the Covid 19 pandemic. The measurement of marketing strategy in this study was carried out because people's purchasing power was weakening so that a marketing strategy was needed to gain profits during the Covid 19 period. Research method This method uses convenience sampling or purposive sampling where the proportional quota is 50 respondents. Analysis of the data used is descriptive analysis to describe the symptoms of the research results, while to see the effect of marketing, service quality on business competition in the Lakessi Parepare Market (quantitative data) using multiple linear regression analysis tools. The results show that marketing strategy has no effect on business competition and service quality has a positive effect on business competition and then significantly on business competition by 76.2%. For business actors (traders) it is expected to pay more attention to service quality because from the results of research on service quality which is very influential on business competition during the Covid-19 period, if they can excel in business competition, traders will get a bigger profit.*

## INTRODUCTION

During the Covid 19 pandemic, competition in the business world is getting tougher, because people's purchasing power is weakening, business competition in the Lakessi Parepare market requires traders to maximize their business, of course, by improving service quality and effective and efficient strategies to increase the number of consumers. selected must be managed professionally so as to be able to provide profits so that the business continues to run. An effective marketing strategy is very important because the strategy is a target-setting plan that will later provide instructions on the activities to be achieved (Arif, 2012).

Marketing strategy is all forms of management in the field of marketing with the intention of meeting the needs of the community (Sunyoto, 2013), this includes services to buyers to formulations that can be used in order to compete, therefore the strategy is highly dependent on consumer behavior and service quality (Daryanto, 2011).

Service Quality has a customer value which is a comprehensive assessment of the customer's perception of the usefulness of the product with what is sacrificed. The higher the customer value, the more positive the transaction even though it is long-term, the formulation of strategies and service programs must be based on the interests of consumers (Kasmir, 2006) in improving this quality it is necessary to have the best quality and quality to attract consumer interest so that this is able to provide success in business, (Kotler, 2000) success in providing quality services can be determined by the five dimensions of service quality that have been developed by Parasuraman, Zeithaml, and Berry, namely tangible, empathy, reliability, responsiveness, and assurance.

Competition in the business world will always provide an impetus to innovate more and lead to receiving the expected profit (Hermansyah, 2011), therefore it is necessary to conduct research and analysis of marketing strategies that are qualified for market participants (merchants) to be able to compete during the pandemic even though purchasing power society weakens.

The purpose of this study was to determine the effect of marketing strategy and service quality on business competition at Lakessi Market during the Covid 19 pandemic

Marketing strategy is an integration of planning, implementation, promotion to the distribution process to achieve company goals which includes decisions about the target market, marketing mix and level of marketing costs (Qomariyah, 2014) according to (Kasmir, 2006) marketing strategy is the end of the marketing strategy. spearhead to get consumers as much as possible by fulfilling the needs or desires of consumers by creating products in the form of goods or services then purchased by consumers through an exchange, besides that it requires analysis and monitoring of the internal and external environment that affects the business in the form of customers, competitors, distribution channels, new entrants and substitute products that will affect the company's ability to earn profits in the target market (Kotler, 2000) provides a definition of the marketing mix as a marketing mix is a set of marketing tools factors that can be controlled product, price, promotions, lace, which the firm can blend to produce the response it wants in the target market.

Service quality is a dynamic condition as an effort to meet the needs or desires of consumers and there is accuracy in delivery so that it is able to meet the expectations and satisfaction of consumers (Triguno,1997a,Tjiptono, 2006b). The definition of service (Kotler, 2002) is an action in the form of producer behavior to meet needs or desires in the form of goods or service quality of consumers in order to achieve consumer satisfaction both before and after the transaction where winning the competition requires consistent and high-quality service that exceeds expectations. consumer expectations. Service quality or termed SEVQUAL is determined by two main things, namely expected service (expected service) and perceived service (service received) (Hasrdiansyah, 2011).

Business competition is a feud between business actors who freely try to attract consumers by offering low prices but good quality (Kuncoro, 2005) in business competition there are dynamics of competition, namely changes that occur because of the struggle for consumers within a certain period of time so special attention is needed for dynamics this (Mujahidin, 2007).

Based on the theory, it can be seen that the conceptual framework describes the relationship of the independent variables. This study aims to analyze the Marketing Strategy and Service Quality on Business Competition in the Lakessi Market. In this case, it is Marketing Strategy (X1) and Service Quality (X2), on the dependent variable, namely Business Competition (Y). These variables will be analyzed in the study so that it is known how much influence each of these variables can affect Business Competition. The following is a chart of the framework of the research:
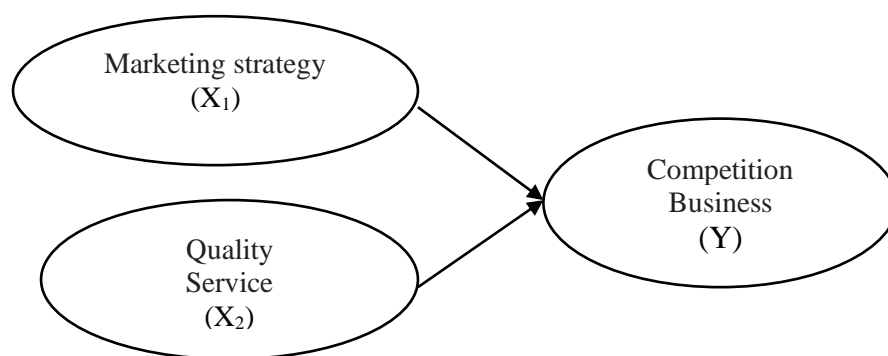


**Figure 1.** Conceptual Framework

The diagram is explained as follows:

1. Variable X is the independent variable (independent variable):
   a. Variable X1 is: Marketing strategy, indicators that must be studied are product, price, location, promotion, participant, purchasing decision.
   b. Variable X2, namely: Quality of Service, accurate indicators are physical elements, ability, response, assurance, empathy.

2. Variable Y is the number of variables that influence (the dependent variable), Business Competition whose indicators are the size of competitors, the frequency of technological changes in the industry, the frequency of new product introductions, price levels, access to marketing channels.

Oriented from the above framework, this study analyzes business marketing strategies in the lakessi parepare market during the covid 19 pandemic. It can be said that this study analyzes the factors that influence competition in business competition in a predetermined field.

**Hypotheses**

In this study the hypothesis. submitted are as follows:

1. Marketing strategy has a positive and significant effect on business competition in the Lakessi Market
2. Service quality has a positive and significant effect on business competition in the Lakessi Market
3. Variables of marketing strategy and service quality simultaneously influence business competition in Lakessi Market

## METHODS

### Data Analysis

This research was conducted at Lakessi Market, Parepare City, South Sulawesi, when this research began on December 22, 2020.

### The Technique Of Anlyzing Data

Relevant data were collected using a questionnaire or a questionnaire using the Likert method in (Sudjana, 2001) where questions were distributed to respondents. Respondents' answers to positive questions were measured by five levels, while respondents' answers to negative questions were measured by five levels.

### A. Validity Analysis

To calculate the correlation in the validity test using the Pearson Product Moment correlation.

### B. Reliability Analysis

A measuring instrument or question in the questionnaire is categorized as reliable, if the measuring instrument used can measure consistently or stable even though the question is asked at different times. (Nasution, 2016) Reliability tests are carried out on questions or statements that are already valid. This test is used to find out how far the measurement results remain consistent if two or more measurements are made of the same symptoms using the same measuring instrument (Raharjani, 2005).

### C. Normality Analysis

Normality test is a test conducted with the aim of assessing the distribution of data in a group of data or variables, whether the distribution of the data is normally distributed or not. The results of the data normality test indicate that the regression model is feasible to use, because it meets the assumption of normality (Janie, 2012)

### D. Multiple Linear Regression Analysis

In the multiple linear regression analysis of this study, testing was conducted to see the influence of the dominant independent variable affecting the dependent variable (Hadi, 2004)

## RESULTS

Validity analysis is used to measure whether a questionnaire is valid or not. Valid or appropriate instruments can be used to measure the object being measured.

**Table 1. Marketing Strategy Validity Test Results**

| Variabel | Statement | R qount | R table | Description |
|---|---|---|---|---|
| Marketing Strategy $(X_1)$ | 1 | 0,588 | 0,2787 | Valid |
| | 2 | 0,542 | 0,2787 | Valid |
| | 3 | 0,700 | 0,2787 | Valid |
| | 4 | 0,647 | 0,2787 | Valid |
| | 5 | 0,728 | 0,2787 | Valid |

*Source: the results of data processing*

Table 2 informs above, it can be concluded that the marketing strategy variable has valid criteria for all statements based on the r arithmetic criteria greater than r table 0.2787

**Table 2. Service Quality Validity Test Results**

| Variabel | Statement | R qount | R table | Description |
|---|---|---|---|---|
| Quality Services $(X_2)$ | 1 | 0,476 | 0,2787 | Valid |
| | 2 | 0,818 | 0,2787 | Valid |
| | 3 | 0,829 | 0,2787 | Valid |
| | 4 | 0,832 | 0,2787 | Valid |
| | 5 | 0,485 | 0,2787 | Valid |

*Source: the results of data processing*

Table 3 above it can be said that the service quality variable has valid criteria for all statements based on the criteria r count is greater than r table 0.2787.

**Table 3. Business Competition Validity Test Results**

| Variabel | Statement | R qount | R table | Description |
|---|---|---|---|---|
| Business Competition (Y) | 1 | 0,813 | 0,2787 | Valid |
| | 2 | 0,847 | 0,2787 | Valid |
| | 3 | 0,820 | 0,2787 | Valid |
| | 4 | 0,755 | 0,2787 | Valid |
| | 5 | 0,791 | 0,2787 | Valid |

*Source: the results of data processing*

Table 4 features that the business competition variable has valid criteria for all statements based on the criteria r count is greater than r table 0.2787.

**Table 4. One-Sample Kolmogorov-Smirnov Test**

| | | Unstandardized Residual |
|---|---|---|
| N | | 50 |
| Normal Parameters[a,b] | Mean | .0000000 |
| | Std. Deviation | 1.30301897 |
| Most Extreme Differences | Absolute | .131 |
| | Positive | .131 |
| | Negative | -.071 |
| Kolmogorov-Smirnov Z | | .928 |
| Asymp. Sig. (2-tailed) | | .356 |

*Source: the results of data processing*

The table 5 explained it can be seen that the unstandardized residual value has an Asymp value. Sig. (2-tailed)0.356 which means 0.356> 0.05. This proves that the data is normally distributed.

**Table 5. Multiple Linear Test Results**

| Model | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. | Collinearity Statistics | |
|---|---|---|---|---|---|---|---|
| | B | Std. Error | Beta | | | Tolerance | VIF |
| (Constant) | .668 | 1.765 | | .379 | .707 | | |
| Marketing 1 Strategy | .113 | .098 | .096 | 1.149 | .256 | .728 | 1.373 |
| Quality Services | .846 | .086 | .819 | 9.824 | .000 | .728 | 1.373 |

*Source: the results of data processing*

The regression equation from the results of the above analysis is:$Y = 0.668 + 0.113X1 + 0.846X2 + e$. The results of the multiple linear regression model above can be explained that the significance value of marketing strategy (x1) is 0.256 > probability 0.05, so it can be concluded that H1 or the first hypothesis is rejected, meaning that there is no influence between marketing strategy (X1) on business competition (Y) then for the significance value of service quality (X2) of 0.000 < 005, the second hypothesis is accepted, meaning that there is an influence between service quality (X1) on business competition (Y).

**Table 6. Partial Test (t Test)**

| | Model | Sum of Squares | df | Mean Square | F | Sig. |
|---|---|---|---|---|---|---|
| | Regression | 266.325 | 2 | 133.162 | 75.228 | .000[b] |
| 1 | Residual | 83.195 | 47 | 1.770 | | |
| | Total | 349.520 | 49 | | | |

*Source: the results of data processing*

From the results of the ANOVA test above, the calculated F is 75.228. Based on the table with a significance level of a = 5% or 0.05, it is known that the F table formula is k; n-k k = 1 (the number of independent variables or X) while n = the number of respondents. So (1;50-1) = (1:49). Then it was found that the value of the F table was 3.19. Based on the calculated F value and the F table that has been obtained, it shows that the calculated F value (75.228) > F table (3.19) and the significance value is 0.000 < 0.05 then the hypothesis is accepted where the marketing strategy (X1 ) and service quality (X2) simultaneously affect business competition during the Covid 19 period.

**Coefficient of Determination Test (R2)**

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**Table 7. Test of Determination (R2)**

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| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-----|----------|-------------------|----------------------------|
| 1 | .873ª | .762 | .752 | 1.33045 |

*Source: the results of data processing*

Table 8 above explained about the coefficient value of R2 (adjusted R Square) is 0.762 or 76.2%. This shows that marketing strategy (X1) and service quality (X2) have an effect of 76.2% on business competition (Y), while the remaining 23.8% is influenced by other variables not examined.

**DISCUSSION**

In a study about Marketing Strategy and Service Quality on Business Competition in the Lakessi Market during the Covid-19 period, with marketing strategy (X1) and service quality as a variable (X2) and business competition as a variable (Y) the researchers took a sample of 50 respondents who are market participants (traders). Collecting data in this study using a google form questionnaire and through calculations using the SPSS version 21 application. Based on the results of data analysis, it can be concluded that marketing strategy and service quality have a positive and significant influence on business competition. Positive means that by increasing the level of marketing strategy and service quality, business competition will also increase. The results of multiple linear regression obtained the equation $Y = 0.668 + 0.113X1 + 0.846X2 + e$. From this equation, it can be interpreted that the value of the constant ($\alpha$) is 0.668, meaning that if the independent variable is marketing strategy and service quality $= 0$, then the value of the dependent variable will be 0.668The results of the multiple linear regression model above can be explained that the significance value of marketing strategy (X1) is $0.256 >$ probability 0.05, so it can be concluded that H1 or the first hypothesis is rejected, meaning that there is no influence between marketing strategy (X1) on business competition (Y) then for The significance value of service quality (X2) is $0.000 < 005$, so the second hypothesis is accepted, meaning that there is an influence between service quality (X1) on business competition (Y).

To find out how much influence the variables of marketing strategy and service quality have on business competition, it can be seen from the value of determination, which is 0.762. This means that the level of business competition is determined by the marketing strategy and service quality variables of 76.2%, while the remaining 23.8% is influenced by other variables not included in this study.

**CONCLUSIONS**

The analysis above concludes that overall Marketing Strategy has no effect on business competition and Service Quality has a positive effect on business competition and

based on the table, the coefficient of determination $R^2$ (adjusted Rsquare) is 0.762 or 76.2%. this shows that marketing strategy and service quality affect business competition during the Covid 19 pandemic, while the remaining 23.8% is influenced by other variables not included in this study

**Recommendations**

After analyzing and making a conclusion based on the theory and the findings, there are suggestions expressed, namely:

1. For business actors (traders) it is expected that they pay more attention to service quality because from the results of research on service quality which greatly affects business competition during the Covid-19 period, if they can excel in business competition, traders will get a reward in the form of greater profits.

2. For future researchers, it is hoped that they can examine other variables outside of the variables that have been studied so as to obtain more varied results.

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