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The Influence of Price and Ease of Access to Decisions Purchase of Shallot Commodities by Traders in the Market New Jati Asih, Bekasi

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Abstract

Shallots are one of the vegetable commodities that are consumed by the community regularly as a daily necessity. Shallot commodity prices in the market tend to fluctuate, because the production process is influenced by the season. This research was conducted with the aim of studying the effect of price and ease of access on the purchasing decisions of shallots by traders at Pasar Baru Jati Asih Bekasi. This research is a survey with a quantitative approach, using a sample of 200 traders which is a purposive sample, taken as a quota from the population, namely all vegetable traders in Pasar Baru Jati Asih Bekasi. Data was collected by questionnaire, using data analysis*Structural Equation Modelling*(SEM). The results showed that price had a positive and significant effect on ease of access, ease of access had a positive and significant effect on purchasing decisions for shallots, while price did not have a significant effect on purchasing decisions even though it had a positive effect.

Keywords: price, access, buying decision

Background

Shallots are the seasoning commodity most widely used by people in Indonesia. Shallots are included in vegetable commodities that are needed throughout the year, but price fluctuations always occur because the success of the shallot cultivation process is influenced by seasonal conditions. Kproduction volume instabilityoften cause price fluctuations that have an impact on inflation.

In Indonesia, shallot production centers are concentrated on the island of Java. Pada In 2012, shallot production reached around 1.66 million tons. Shallot production growth tends to increase at an average rate of 2.97% per year and an average productivity increase of 6.83% per year. Data from the Central Library of the Bogor Agricultural Institute (2014) shows that shallot production during the period 2010 - 2014 tends to continue to increase with an average growth rate of 4.85% per year.

The Ministry of Agriculture (2018) predicts that the total national shallot production in 2018 will reach 1.48 million tons, this figure is up from 2017 which reached 1.47 million tons..MeEven though the average annual production of shallots increases rapidly, the price of shallots often fluctuates. This condition is because production is seasonal, where prices fall during the harvest season and prices rise during the lean season. The 2013 Bank Indonesia report stated that in 2010 shallots were the top three commodities causing inflation.Based on the Price Monitoring Survey (2018), shallot prices have begun to increase, triggered by high demand from other provinces such as Riau. The KPW BI West Sumatra Price Monitoring Survey (SPH) (2018) confirmed the trend of food and horticulture prices which tended to increase at the beginning of the first quarter of 2018.

A very important factor that can influence the purchase decision is the price factor. According to Lupiyoadi (2001) stated that pricing strategy is very significant in providing value to

consumers and influencing product image, as well as consumer decisions to buy. The prices of various commodities and various types of products, especially vegetables and fruits, can be studied in traditional markets. Pasar Baru Jatiasih, Bekasi City, is one of the traditional markets where the buying and selling process takes place, between wholesalers and retailers as well as individual consumer users. This market has joined the Bekasi City Market Price Portal Information System which can monitor the price movements of a number of commodities.

An initial study conducted at Pasar Baru Jatiasih Bekasi, obtained secondary data that commodity prices for shallots for the period April 2017 - April 2018 showed fluctuating prices. The lowest price occurred in January 2018 of IDR 20,000 and crept up to IDR 35,000 in April 2018.

In addition to the price factor, the location/ease of access factor also influences the decisions taken by consumers to buy a product.

Research Objectives

General Purpose :

In general, this research was conducted with the aim of studying consumer behavior in making decisions to buy shallot commodity products at Pasar Baru Jatiasih, Bekasi.

Special purpose :

In particular, this research was conducted to:

1. Studying the effect of commodity prices on traders' decisions in buying shallots at Pasar Baru Bekasi.
2. Studying the effect of easy access to traders' decisions in buying shallots at Pasar Baru Bekasi.
3. Studying the effect of prices on traders' decisions to buy shallots at Pasar Baru Jatiasih Bekasi.

2.3 Research Scope

The research was conducted at Pasar Baru Jati Asih, Bekasi City which is located at Jalan Jatiasih Raya, Bekasi City, Indonesia.

The time needed to carry out this research is 6 (six) months from March 2018-August 2018.

3. RESEARCH METHOD

Research Approach

This research is a quantitative descriptive researchwith data analysis using the "two step approach" analysis, namely by analyzing the measurement model aimed at evaluating the validity and reliability of the measurement model and then carrying out a structural model analysis aimed at analyzing the relationship between all latent variables the main research that forms the research hypothesis.

Data Type

The type of data source to be used in this study is primary dataAndsecondary data, both quantitative and qualitative.

Data source

The primary data source for this study was obtained directly from filling out the questionnaire by the respondents. Meanwhile, secondary data can be obtained from various documents at Pasar Baru Jatiasih, Bekasi City. Although this study uses two types of data, the data used in this research analysis is dominated by primary data.

Population

Population is a generalized area consisting of objects/subjects that have certain qualities and characteristics that are applied by researchers to study and then draw conclusions (Sugiyono, 2004). The population of this study are shallot traders, vegetable sellers who also sell shallots and staff of the Jati Asih market business unit in Bekasi city.The number of respondents, namely: 77 shallot traders, 118 vegetable traders and 5 staff of the Jati Asih Market business unit, so tthe total number of respondents was 200 people.

Sample

The sample is a subset of the population or some members of the observed population (Ferdinand, 2006). In addition, a sample can be defined as a set of data taken or selected from a population (Santoso, 2001).The type of sampling used is purposive sampling. Purposive sampling

is a sampling technique based on certain considerations, where the sample is selected with conditions deemed to have essential characteristics relevant to the research (Soeratno et al., 1999*). Purposive sampling*indicates that the information data is taken from a specific target (Now, 1992). Thus, from the existing population, groups that meet certain requirements are selected which then have the opportunity to become samples. Then the sample to be taken is based on certain criteria and considerations.

1) CriteriaManagerial:
   a) Merchant atMarketNew Jati Asih, Bekasi City.
   b) Male or female
   c) Traders who carry out red onion sales activities at Pasar Baru Jati Asih, Bekasi city
   d) Staff of Pasar Baru Jati Asih business unit, Bekasi city
2) Functional and Structural Criteria:
   a) Not traders who are carrying out sales activities.
   b) Former onion trader
   c) Onion traders are willing to fill out the questionnaire.

Determination of the sample size of the population, based on the minimum sample sizeinindicated by the analytical tool used. Because the analytical method used is the Structural Equation Model (SEM), the ideal and representative sample size is between 100-200. Depends on the number of parameters estimated. The guideline is 5-10 times the number of parameters estimated. The number of samples is 5-10 times the number of indicators (Ferdinand, 2005). Based on Ferdinand's theory (2005) if there are 25 variable indicators, then the minimum number of samples is:

n minimum = 5 x (number of indicators)
= 5 x 25 = 125 respondents

To meet the minimum requirements for the SEM analysis tool, a minimum of 125 research samples were taken. In this study, the number of samples taken was 200 respondents.

3.4 Research Instruments

The data collection method used in this study was structured interviews using personal questionnaires (Personally Administered Questionnaires). This technique deliversnot quite enoughanswer to the respondent to read and answer the questions, where the researcher can provide an explanation regarding the purpose of the survey and questions that are not understood by the respondent and responses to the questionnaire can be collected immediately by the researcher after being completed by the respondent. Respondents in this study were shallot traders, vegetable traders who also sell shallots and staff at Pasar Baru Jatisih business unit, Bekasi city.

The questions presented in the questionnaire are closed questions. Closed questions are made using a Likert scale, to obtain data which, if processed, shows the influence or relationship between variables.According to Sugiyono (2016) the Likert scale is used to measure attitudes, opinions and perceptions of a person or group of people about social phenomena.With scaleLikert, the variables to be measured are translated into variable indicators, then these indicators are used as a starting point for compiling instrument items which can be in the form of questions or statements. The indices used in this scale are:

Table 1.Score Answer Likert Scale

No.	Answer	Score
1	Strongly agree	4
2	Agree	3
3	Don't agree	2
4	Strongly Disagree	1

Source: Sugiyono (2012)

3.5 TechniqueCollectionData

Researchers collected data by distributing questionnaires and literature study

3.6 Research Instrument Testing

The questions in the questionnaire before being carried out for research must be tested for validity and reliability, after being declared valid and reliable, the question items can be used for

research and then data processing techniques are carried out with SEM.

Validity test

Validity test is used to show the extent to which a question in a questionnaire is able to reveal something that will be measured by the questionnaire. This validity test ensures that each question will be classified in the established variables (construct validity). In this study, the validity and reliability tests were carried outuse20 initial quisoners and not included in the quisoner samples used for SEM analysis. If a question is able to reveal something that will be measured by the questionnaire, the data is called valid. Another reliability measure is the variance extracted as a complement to the construct reliability measure. The recommended figure for the variance extracted value is > 0.50. Or by comparing r arithmetic with critical r to find the validity of each instrument.

Reliability Test

The Reliability Test is used to measure whether a respondent's answer is consistent or stable from time to time. If the respondent is consistent in answering the questions in the questionnaire, then the data is reliable. High reliability results provide confidence that the individual indicators are all consistent with their measurements. Generally accepted level of reliability is >0.70 while reliability <0.70 is acceptable for exploratory research. As said by Imam Ghozali, the instrument has a good level of reliability if the value of r > 0.6.

Data analysis

In this study used two kinds of analysis techniques, namelyConfirmatory factory analysis in SEM is used to confirm the most dominant factors in a group of variables, and Regression Weight in SEM is used to examine how much influence the variables have. A complete SEM model basically consists of two main parts, namely the Measurement Model and Structural Mode (Ferdinand, 2006). Measurement model or measurement model to confirm the indicators of a latent variable and a structural model that describes the causal relationship between two or more variables. Structural Model is a model regarding the structure of relationships that form or explain causality between factors.

RESEARCH RESULTS AND DISCUSSION

Research result

Respondent Demographic Analysis

This sub-chapter will explain the analysis of the demographics of the respondents in this study. This sub-chapter will explain the demographic condition of the respondents by gender, age and last education group.

1. Gender

Based on the demographics of respondents according to gender, the majority of respondents in this study were male, namely 67.33% and the remaining 41.67% were female. The number of male sexes compared to women is because men are the backbone of the family so that more work as traders is done by men.

2. Age

Based on the demographics of respondents according to age, the majority of respondents in this study were under 31-40 years old, namely 40.63%, followed by respondents aged 41-50 years, 39.45%, respondents aged <30 years, 11.49 %, and respondents aged > 50 years amounted to 8.43%. Based on the demographic results of age, it can be seen that the productive age in the trading profession is 30-50 years old. However, under the age of 30 does not rule out the possibility of working as a red onion trader, especially at the Jati Asih Bekasi new market.

3. Last education

Based on the demographics of respondents according to their last education, the majority of respondents in this study were high school graduates, namely 48.32%, followed by junior high school education, namely 28.67%, D1/D2/D3 graduates 12.98%, S1 graduates 10% , and only 3% have master's degrees. This shows that a bachelor's degree does not rule out someone's possibility of becoming a trader in the New Jati Asih Bekasi market

4. Length of Trading Period at Pasar Barujati Asih Bekasi

Based on the demographics of the respondents according to the length of time they have traded in the market, the majority of respondents in this study had a length of trading of 5.1-10 years, namely 46.87%, followed by 2.1-5 years of 38.28%, > 10 year 10.11%, and 1-2 years 4.74%. This shows that the majority of traders in Pasar Barujati Asih Bekasi are old traders, where they have been traders in the new market Jati Asih Bekasi for more than 5 years.

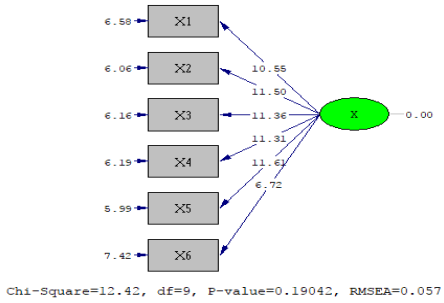
Measurement Model Analysis

The measurement model is presented by looking at the t-value and standardized loading factor for each indicator of each research variable. Considering that the approach taken in this study is a two step approach, it is necessary to analyze the measurement model first to see the validity and reliability of each indicator used in latent variables. According to Wijanto (2008) indicator validity is measured by knowing the t value which is required to be above (≥ 1.96), besides that validity can also be seen through the standardized loading factor which is required to be ≥ 0.3. The following presents the results of the analysis of each indicator used for each latent variable:

Price Latent Variables

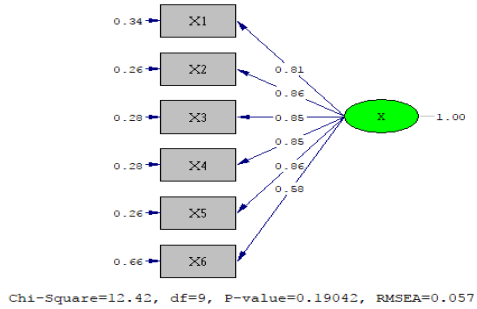
The price latent variable has 6 indicators, namely (1) price affordability, (2) price compatibility with product quality, (3) price competitiveness, (4) price compatibility with benefits, (5) price discounts, (6) payment period . Furthermore, the measurement model of price latent variables will be tested for validity and reliability.

Figure 4.1.t-value Model of Price Variable Measurement



Source: Liserel SEM Data Analysis, 2018

Figure 4.2.SLF Price Variable Measurement Model



Source: Liserel SEM Data Analysis, 2018

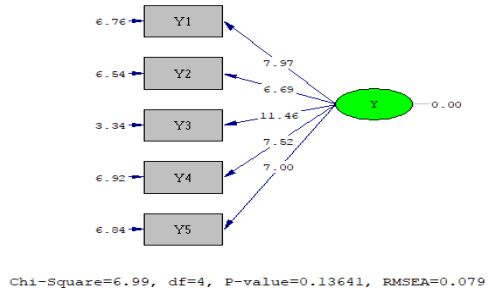
The picture above shows that the RMSEA value is 0.057 ≤ 0.08 which indicates that the overall model fit or data fit with the model is close fit. The T-values for all indicators meet the assumption requirements, namely ≥ 1.96 and the standardized loading factor (SLF) of the statement items is valid or meets the requirements because the SLF value is ≥ 0.30 (Wijanto, 2008). The price measurement model has good reliability (CR ≥ 0.95 and VE ≥ 0.65). Thus it can be concluded in general that the overall suitability of the model for the price variable measurement model is good, as well as its validity and reliability.

Ease of Access Latent Variables

The latent variable Ease of Access has 5 indicators, namely (1) ease of obtaining products, (2) purchase locations, (3) easy to reach locations, (4) completeness of products, (5) number of outlets. Furthermore, the measurement model of the distribution channel

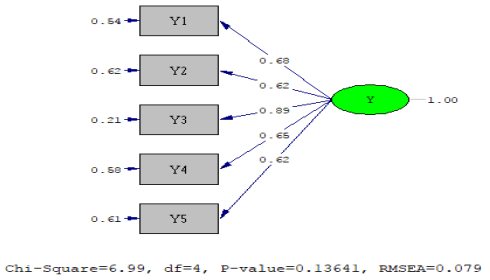
latent variables will be tested for validity and reliability.

Figure 4.3t-value Distribution Channel Variable Measurement Model



Source: Liserel SEM Data Analysis, 2018

Figure 4.4.SLF Ease of Access Variable Measurement Model



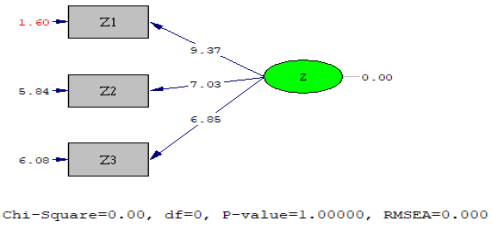
Source: Liserel SEM Data Analysis, 2018

The picture above shows that the RMSEA value is 0.079 ≤ 0.08 which indicates that the overall model fit or data fit with the model is close fit. The T-value for all indicators meets the assumption requirements, namely ≥ 1.96 and the standardized loading factor (SLF) of the statement items is valid or meets the requirements because the SLF value is ≥ 0.30 (Wijanto, 2008). The distribution channel measurement model has good reliability (CR ≥ 0.82 and VE ≥ 0.50). Thus it can be concluded in general that the overall suitability of the model for the Ease of Access variable measurement model is good, as well as its validity and reliability.

Purchasing Decision Latent Variables

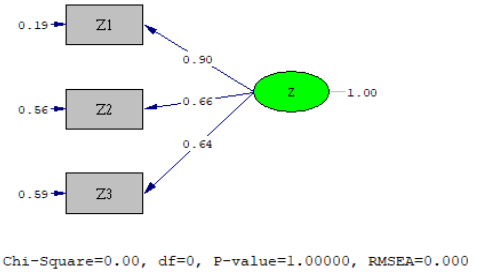
Purchasing decision latent variables have 3 indicators, namely (1) the need/desire for a product, (2) the desire to try, and (3) the stability of quality. Furthermore, the measurement model of the purchasing decision latent variable will be tested for validity and reliability.

Figure 4.5.t-value Model of Purchase Decision Variable Measurement



Source: Liserel SEM Data Analysis, 2018

Figure 4.6.SLF Model of Purchase Decision Variable Measurement



Source: Liserel SEM Data Analysis, 2018

The picture above shows that the RMSEA value is 0.000 ≤ 0.08 which indicates that the overall model fit or data fit with the model is close fit. The T-values for all indicators meet the assumption requirements, namely ≥ 1.96 and the standardized loading factor (SLF) of the statement items is valid or meets the requirements because the SLF value is ≥ 0.30 (Wijanto, 2008). The purchase decision measurement model has good reliability (CR ≥ 0.78 and VE ≥ 0.55). Thus it can be concluded in general that the overall suitability of the model for the measurement model of the purchasing decision variable is good, as well as its validity and reliability.

Structural Models

Structural Model Fit Test

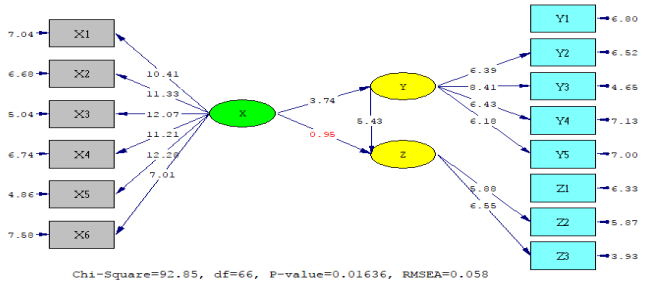
SEM analysis uses a "two step approach", therefore after the first step produces a measurement model from a valid and reliable research model, the second step is carried out,

namely structural model analysis. In hypothesis testing, a research hypothesis is accepted if the absolute number t value ≥ 1.96 with a coefficient sign in accordance with the proposed research hypothesis (positive or negative).

This research model shows the effect of price on ease of access (hypothesis 1), the effect of ease of access on purchasing decisions (hypothesis 2) and the effect of price on purchasing decisions (hypothesis 3). Estimation results from the structural model of the research model

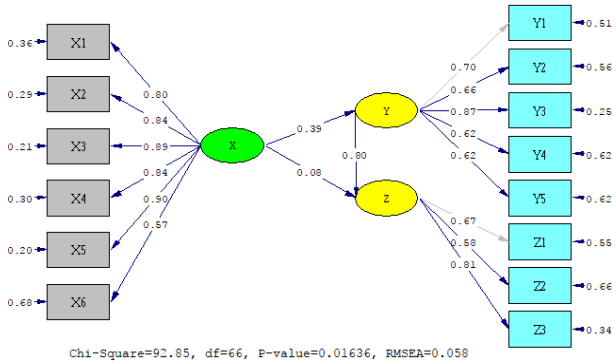
The first is shown through the following path diagram:

Figure 4.7. Research Model Hybrid Trajectory Diagram (t-score)



Source: Liserel SEM Data Analysis, 2018

Figure 4.8. Hybrid Trajectory Diagram of Research Model (Standard Solution)



Source: Liserel SEM Data Analysis, 2018

The GOFI value for the structural model of the research model can be seen in the table below:

Table 2. Goodness of Fit Indices (GOFI) Structural Model

GOFI	Calculated Result Value	Default value for model fit	Conclusion
p-values	0.01636	p-value ≥ 0.05	Marginal Fit
RMSEA	0.058	RMSEA ≤ 0.08	Good Fit
NFIs	0.99	NFI ≥ 0.90	Good Fit
NNFI	0.99	NNFI ≥ 0.90	Good Fit
CFI	0.99	CFI ≥ 0.90	Good Fit
IFI	0.99	IFI ≥ 0.90	Good Fit

Standardized RMR	0.00	Standardized RMR ≤0.05	Good Fit
GFI	0.99	GFI ≥ 0.90	Good Fit

Source: Liserel SEM Data Analysis, 2018

Based on the table above it can be seen that for the structural model, standardized RMR, p-value, standardized RMR, GFI RMSEA, NFI, NNFI, CFI, and IFI values indicate a good fit GOFI value. Thus it can be concluded that the structural model in this study is good so that the next analysis can be carried out, namely hypothesis analysis.

Testing the coefficient of determination in this study can be seen in the following equation:

$Y = 0.38*X$, Errorvar.= 0.85 , $R^2 = 0.15$

$Z = 0.80*Y + 0.083*X$, Errorvar.= 0.30 , $R^2 = 0.70$

Based on the equations in the model above, it can be concluded that the ability of the price variable to explain the distribution channel variable is 15%, while the remaining 85% is explained by other variables outside the research model. Meanwhile, the ability of price and distribution channel variables to explain the purchasing decision variable is 70%, while the remaining 30% is explained by other variables outside the research model. The results of this study indicate the important role of price and sales distribution on shallot purchasing decisions.

ResultsHypothesis test

The overview of the results of the research hypothesis analysis is shown in Table 3.

Table 3. Results of the Significance Test of the Research Structural Model

hypothesis	Hypothesis Statement	SLF	t-value	Information
H1	Price□Ease of Access	0.39	3.74	Positive-significant , the data supports the research model
H2	Ease of Access□Buying decision	0.80	5,43	Positive-significant , the data supports the research model
H3	Price□buying decision	0.08	0.95	Positive-not significant , Data does not support the research model

Source: Liserel SEM Data Analysis, 2018

Based on Table 3. The results of the Significance Test of the Structural Model of the Study can be concluded as follows:

1) **Effect of price on ease of access**

Based on the research results, it is known that the effect of price on ease of access is SLF0.39 > 0.30 and t-value 3.74 > 1.96, so H1 is accepted, meaning that there is a positive and significant effect between price and ease of access. Hypothesis 1,the price variable has a positive and significant effect on the ease of access variable.

2) **Effect of ease of access to purchasing decisions**

Based on the research results, it is known that the effect of ease of access on

purchasing decisions is that the SLF value is 0.80> 0.30 and the t-value is 5.43> 1.96, so H2 is accepted, meaning that there is a positive and significant influence between ease of access and purchasing decisions. Hypothesis 2,variable ease of access has a positive and significant effect on the purchase decision variable is accepted.

3) **Effect of price on purchasing decisions**
Based on the research results, it is known that the effect of price on purchasing decisions is that the SLF value is 0.08> 0.30 and the t-value is 0.95> 1.96, so H3 is rejected, meaning that there is a positive and insignificant effect between price and purchase decision. Hypothesis 3,the price variable has a positive and insignificant effect on the purchasing decision variable being rejected.

Discussion

This study aims to determine the effect of price, ease of access and purchasing decisions for shallots by traders at Pasar Baru Jati Asih Bekasi. Table 5.2 shows the hypothesized results of the influence of the independent variables on the dependent variable, both directly and indirectly. The discussion for each variable is as follows:

1) **Effect of price on ease of access**
The results showed that the price variable had a positive and significant effect on ease of access. This is evidenced by the results of the SLF value of 0.39 > 0.30 and the t-value of 3.74 > 1.96 which indicates that there ispositive and significant influence between the price variable on the ease of access variable. Based on the results of this study, it can be concluded that if the price of shallots is in accordance with that offered by the trader, then consumers will seek easy access to the merchant's place so they can buy shallot commodities. The results of this study are in accordance with the researchNarendraputi (2013) which states that location, in this case ease of access, has the greatest influence on pricing policy

2) **Effect of ease of access to purchasing decisions**
The results of the study show that the effect of ease of access on purchasing decisions is positive and significant. This can be proven from the SLF value of 0.80> 0.30 and the t-value of 5.43> 1.96 which means that there is a positive and significant influence between ease of access and purchasing decisions. Based on the results of this study, it can be interpreted that if there is easy access in buying shallot commodities, it will affect the increase in purchasing decisions. This ease of access can be from the ease of obtaining products, strategic and easily accessible purchase locations, completeness of products and the presence of several outlets or shops that provide these products. The results of this study are in accordance with Granimata's research (2012) which stateslocation (ease of access) has a positive and significant effect on purchasing decisions and research by Nurjanah (2013) which states that the price perception variable has a positive and significant effect on consumer purchasing decisions.

3) **Effect of price on purchasing decisions**
The research results show that the effect of price on purchasing decisions is positive and not significant. This can be proven from the SLF value of 0.08> 0.30 and the t-value of 0.95> 1.96 which means that there is a positive and insignificant effect between price and purchase decision. Based on the results of this study, it can be concluded that there is no influence between price and purchasing decisions. This study contradicts researchNurjanah (2016) stated that price has a positive and significant effect on consumer purchasing decisionsand Pratiwi's research (2016) which states thatPrice has a positive and significant effect on buying interest.

CONCLUSION

Based on the results of the analysis in the previous sub-chapter, the following conclusions can be given in this study, namely:

1) Pricehas a positive and significant effect on the ease of access to red onion commodities in the New Jati Asih Bekasi market
2) Ease of accesshas a positive and significant effect on purchasing decisions for shallots at the New Jati Asih Bekasi market
3) Pricehas a positive but not significant effect on purchasing decisions for shallots at the New Jati Asih Bekasi market

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