

Competitive Strategy Analysis on Traders in Manonda Inpres Market Palu (Islamic Business Ethics Perspective)

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Abstract. The purpose of this research is to describe the competitive strategy and analyze the perspective of Islamic business ethics on the competitive strategy of traders in the Manonda Market Palu. This study uses the Participatory Action Research (PAR) research method. The result of this research is Competitive Strategy traders at Manonda Inpres Market, Palu City, covering price strategies, promotions, and products. Some of these strategies have not been implemented properly. In terms of ethics business with the characteristics that the Prophet exemplified: Siddiq (honest), Amanah (Trust), Fatanah (Intelligent), and Tablig (Argumentative and Communicative). not running as it should be, To reap big profits, one way is done by traders in the Manonda Presidential Market still often playing cheating, there has been a trading strategy pattern holding the trust of A business person's ability to communicate products or goods most appropriately.

Keywords: Competitive Strategy, Islamic Perspective, Islamic Business Ethics.

1 Introduction

In the era of globalization, business is a part of economic activity that has a very vital role in meeting the needs of human life. Therefore, business activities affect all levels of human life whether, individually, socially, regional, national, and international. It was found [1], that everyday humans there are processes of interaction, buying and selling, producing, showing off, working, and so on as a profit-making process [2].

Business in the world of commerce is one of the things that are very important in human life. It is with that purpose that humans are competing to pursue wealth by way of doing business. As stated in [3], that Islam obliges its followers to always work in fulfilling all their lives [4].

One of the centers of economic activity in trade is the market, both traditional markets as well as modern markets. The market is a public facility that is vital to the economy of a region. Apart from being a pulse, the market is also a barometer for the level of economic growth of the community. Trading strategies are steps that must be carried out by traders. This strategy is very important, as well whatever the quality of the goods and the market position it takes will not work if it is not followed with the right strategy. Because of the measure of the success of a trader when able to implement strategies that can provide satisfaction to customers.

In the Islamic view, business is not just about making a profit, however blessing. Doing business is not allowed to violate Islamic law. The provisions of the sharia are good in capital, strategy, process, practice, and so on. Islam has its tools Sharia, namely religious norms in all aspects of life including business and business. The researcher chose the Masomba market location in Palu City because this market is sufficient developing, but in the practice of buying and selling things that are not by Islamic law, for example mixing good quality goods with good of poor quality, increasing the price significantly ahead of Ramadan and Hari Raya Eid Al-Fithr.

The focus of this paper is centered on answering the question "How to behave in a competitive strategy and provide an analysis of Islamic business ethics perspectives on the competitive strategies of traders in Manonda Market, Palu City?".

2 Methods

The research method used is Participatory Action Research (PAR) such as stated in [5], namely research activities carried out in a participatory manner recognizes social relationships and values the reality of our experiences, thoughts, and feelings. This research is looking for something to link the research process into the process of social transformation. This research recognizes that change poses is a topic that can be researched. [6] This research brings the research process into the circle of people's interests and finding practical solutions to common problems and issues requiring action and joint reflection, and contribute to practical theory.

3 Result and Discussion

Basically, in the discussion of Competitive Strategy Analysis for Traders in the Market Manonda Inpres Manonda Kota Palu (Islamic Business Ethics Perspective) can be seen in Concept of Strategy and Competing, the development and importance of business ethics and perspectives Islamic Business Ethics on Traders' Competitive Strategies in the Manonda Presidential Market in Palu City.

3.1 Concept of Strategy and Competitive Strategy

In the current economic conditions, it is not easy for entrepreneurs to survive developing. Every business organization is faced with two types of environments, namely the internal environment, and the external environment. The bigger the business, the more complex it is the form, type, and nature of the interactions that occur in dealing with both types of environment. Entrepreneurs need to understand the internal environmental conditions broadly and deeply to be able to find out the weaknesses and strengths they have. Besides knowing the strength and weaknesses, business people also need to pay attention to the opportunities that exist and take advantage of them for business activities to have a competitive advantage. The strategy is a large-scale plan that is oriented towards long-term interactions with a competitive environment [7]. As stated, in this case understand that the strategy chosen is to be able to win minds share customers, after that determine the market segmentation that will be entered and finally direct customers with trust. Furthermore, According to the views [8], The traditional view of the competition will be developed into five competitive forces consisting of competition among existing companies, the threat of new competitors, the threat of product substitution, supply power of suppliers, and the buying power of the buyer [9].

The stages of evaluating competitors can be seen as follows:

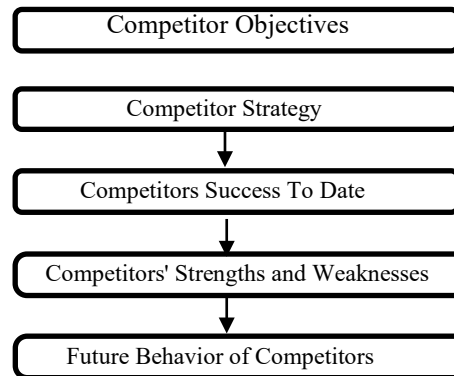


Figure 1. Competitor Evaluation Stage

In states that competitive strategy is the search for a competitive position profit able within an industry, the fundamental arena in which it occurs competition [10] The marketing strategy is further stated that marketing is a set of goals and objectives, policies and rules that give direction to business marketing from time to time, at each level and its references and allocations, especially as a response of a businessman in the face of the environment and circumstances ever-changing competition [11].

The forms of competition for traders in the Manonda Commercial Market are Strategy Pricing, it is further explained that an amount of money is needed to forget many combinations of goods and services. Marketers are expected to provide a value (value) to consumers. It was argued that, in addition to paying attention to the product objectives above, marketers must think of the five product levels. Each level adds more customer value and these five form a customer value hierarchies [12].

1. The most basic level is the core benefit, which is the basic service or benefit that the customer bought.
2. At the second level, marketers must convert the core benefits into basic products (basic product)
3. At the third level, marketers prepare an expected product) which is a set of attributes and conditions that the buyer usually agrees with the product.
4. At the fourth level, marketers provide an augmented product) that can meet customer desires beyond their expectations.
5. At the fifth level, there are potential products, which include: all the improvements and transformations that the product will eventually experience in the future.

This is where the company is aggressively looking for new ways to satisfy customers and differentiate the offerings. Then the link between each product and the products Competitor Objectives Future Behavior of Competitors Competitor Strategy Competitors' Strengths and Weaknesses Competitors Success To Date Potential Product Augmented Product Expected Product. Basic Product Core Benefit certain others cause a hierarchy of products ranging from basic needs to products that satisfy a specific need. Next, marketers usually do classify.

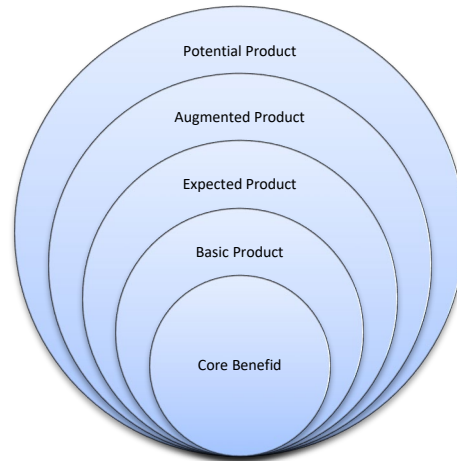


Figure 2. Product Hierarchy Level

Competition now occurs at the incremental product level. Additional products require marketers to look at the buyer's consumption system "the way a buyer uses the product to get what he wants" this way the marketer will know the opportunities that can be added to the offer by way effective.

From the results of the interview above, it can be concluded that there are traders in the Presidential Market Manonda Palu City who determine prices according to market conditions. If other traders increase the price of their merchandise, then other traders also raise the price of the merchandise. Besides, it also provides a deep picture pricing of goods greatly affects sales results. Promotion strategies and strategies Product [13] argued Promotion is one of the determining factors the success of an endeavor [14]. Promotion is all activities aimed at introducing, persuade, and remind customers of the product.[15] Furthermore, [16] stated that the elements in the business competition are:

- a. Competing parties: for a Muslim, the business is a process of developing assets that are owned. Islam teaches its people to vie for goodness. That is, competition in business is not mutually deadly but done to give and help each other's efforts the best.
- b. In terms of how to compete: business is a part of muamalat human life. Therefore businesses cannot be separated from the laws that govern life humans. The form of a business behavior attitude that justifies any means is an effort that must be eliminated because it is against Islamic principles.
- c. Goods and services that are competed for: things that are often competed for are product, price, place, and service.

In the aspect of competition, [17] it is stated , that it is influenced by 5 strengths, namely:the threat of new entrants, bargaining power of customers, bargaining power of suppliers, the threat of products and competition among the existing contestants [18]. The results of the researchers' observations were that not all traders were in the Manonda Presidential Market Palu City uses a promotional strategy. Even some traders don't use itpromotional strategies in marketing the goods, furthermore, products are everything which can be offered to the market for attention, purchase, use or consumption to satisfy consumer wants and needs.

Based on the results of the research and discussion above, it can be concluded that there is a competitive strategy trader at the Inpres Market Manonda Palu City, including pricing strategies, promotions, and products.

Some of these strategies have not been implemented properly. For example in terms of promotional strategy. Where the merchant is just waiting for the buyer to come and there is no effort to promote their merchandise. Furthermore, in terms of product quality strategies, traders are still found mixing old goods with new ones or good quality goods with damaged ones. Events like this of course violate existing ethics in business.

3.2 Development of Business Ethics

Historically, business or trading activities have never escaped ethical ties. Due to ethical concerns for business as long as the business itself. It is dap to see, that since humans carry out the process of trading or transactions. So he knows about possible fraud. Commercial activities always deal with ethics means that there is always an effort to consider what can and cannot be done. In its development never before in history, business ethics received such attention so great and intense as it is today. Business ethics attained Scientific and academic status with its own identity. Since there was a business, since then business has been linked to human behavior or ethics, as well as ethics, which is always associated with the form of human life, such as politics, family, sexuality, and various other professions [19]. As stated that, ethics in business has a very long history, while the lifespan of business ethics still young. Business ethics in a special sense that first emerged in the United States in the 1970s and quickly expanded to the world region; others.

3.3 The Importance of Business Ethics

Ethical aspects are very important for business people. Because morality is formed from the impetus to the mental state that is manifested when carrying out the profession as a trader. In business, it is not uncommon for the concept of an end to justify any means. Even an action criminal is also needed to get a big profit. The happening reprehensible deeds in the world of commerce do not seem to appear as a trend but on the contrary, are very worrying. Because of more and more days more increasing. The act of breaking promises, mark-ups, no longer displaces interests and public unrest, disregarding environmental aspects, corruption cases, bribery is a classic view of business behavior on business ethics. By looking at the treats view the hustle and bustle of trade where we are we can juxtapose the principles of business ethics in an interactive relationship pattern integrated into the relationship. The business nuance has now changed. The process of Change from the development of this world demands proactive action to make improvements in business ethics.

3.4 Perspectives of Islamic Business Ethics on Competitive Behaviors and Strategies of Traders in

Manonda Presidential Market in Palu City

The strong influence of Western secularism business today makes competition in the world business and commerce are increasingly out of control. The evidence and facts can be seen for your self, that the existing competition is growing and leads to practices free, an illegal competition which justifies various means of getting profit and success. Competition, among others, can be seen in the Product aspect, Price Aspect, Place Competition, and Service competition.

Meanwhile, in the Islamic concept, business ethics is a process and an effort to know and do things right. Consistently enforce law and justice on the principles of truth. So that is running a business, business actors are required to run their business by Islamic business ethics. Some of them are:

- a. The principle of Tauhid: Tauhid is the basic theology of human activity that relies on that human are divine creatures; divine beings and all its activities cannot be separated from the guidance and supervision of Allah SWT.
- b. The Principle of Responsibility. Namely: business people in running their business to be responsible to Allah SWT for his business behavior. Because of the deep treasure, Islam as a business commodity in Islam is a mandate from Allah SWT to be accounted for.
- c. The principle of wise and honest, namely: trying to provide benefits for others, and didn't harm him. Honest behavior in Islam is a character of business behavior must-have.

As for the Islamic perspective, [20] as stated in, competition should be used as a means to achieve fair and healthy performance (Fastabiquil al-Khaerat). Here in lies the difference between Western and Islamic thought. Based on observations, some of the facilities available at the Manonda Palu Inpres Market are as follows:

Table 1. Manonda Inpres Market Facilities, Palu

No	Facilities	Location	
		Inside	Outside
1.	Ruko		✓
2.	Sale place Kaili	✓	
3.	Sale place butcher and the like	✓	
4.	Sale place clothes seller and the like	✓	
5.	Fish stall	✓	
6.	Sale Place dried fish and the like	✓	
7.	Sale place mixed traders	✓	
8.	Sale place vegetable and seasoning seller	✓	
9.	Sale place seller of snack/cakes and drinks	✓	✓
10.	Sale place seller of gold jewelry, accessories and the like	✓	✓
11.	Sale place seller of children's toys and the like	✓	✓
12.	Sale place shoe seller and the like	✓	✓
13.	Sale place household furniture seller, kitchen and the like	✓	✓
14.	Sale place milling	✓	✓
15.	Mushalla		✓
16.	Public toilet		✓

Source: Self-professed data

The number of business establishments available at the Inpres Manonda Palu market is:

Table 2. Recapitulation of Business Places in Manonda Inpres Market, Palu

No	Type of place of business	Total
1.	Stall	1.171
2.	Shophouse	131
3.	Sale place	556
4.	Street vendor	452
	Total	2.310

Source: Manonda Market Office, 2017

Based on the data above, the number of business establishments provided is 2,310 with 1,171 stalls, 131 shop houses, 556 booths, and street vendors as many as 452.

The business world is dynamic in nature, marked by changes from time to time and there is a connection with one another [21]. Therefore, it was proposed that a strategy is needed in running a business in the form of a competitive strategy.

Pricing and Promotion Strategy.[22] The results of the research showed that the cause of the soaring prices of necessities in the month Ramadan and Eid due to policies in perspective capitalist where prices are left to the market mechanism. the strategy of competing traders on The Manonda Presidential Market in Palu City includes pricing, promotion, and product strategies. not yet done well. For example in terms of promotion strategies. Where only traders waiting for buyers to come and there is no effort to promote merchandise.

The business ethics of a Muslim are shaped by faith which is his view of life, namely provides basic norms for the building and fostering all *muammalah* activities.[23] As stated that the future vision of doing business is ethics the first and foremost outlined in the Koran so that business people do not just seek temporary but future-oriented profits. [24] As for Islamic trading ethics exemplified by the Messenger of Allah. [25] all of which are implemented from the characteristics of the Prophet are: *shiddiq, Amanah, fathanah, and tabligh*.

The business has always played an important role in the economic and social life of all society. argued that Islam from its birth, allowed there is a business because Rasulullah saw. itself at first also did business in the long run for quite a long time. Based on the results of the interview, it can be understood to reap big profits, one way that traders still do the Manonda Inpres Market often play cheating, [26] As said , that a businessman should be can be trusted as exemplified by the Prophet Muhammad. in holding Amanah.Rasulullah saw [27]. teaches that trust is the main capital in do business [28]. And a businessman argued that he must be able to communicate the product or goods in the most appropriate way that it can attract prospective buyers in terms of scales [29]. Though playing that cheating for bringing in prospective buyers is not done by waiting but must implement in the right way [30]. The nature of this Tablig can be varied in form communication and argumentation in conveying something. But in practice, not just conveyed, but must be packaged in a way that is communicative and argumentative so that the essence of the message to be conveyed can be conveyed. Any advantages and disadvantages of the goods being marketed must be conveyed to customers or consumers. Likewise in presentation, it must be done with the same technique true so that the intent and purpose and everything are conveyed correctly.

4 Conclusion

Based on the research results, there are several conclusions as follows:

- a. The competitive strategy of traders in the Manonda Presidential Market in Palu City has not been implemented well. This is due to the lack of knowledge of traders against promotional strategies so that their perception of getting customers can only be done by waiting.
- b. Competitive Strategies for Traders from the Perspective of Islamic Business Ethics in the Manonda Presidential Market Palu City is not yet by the Islamic values exemplified by Rasulullah saw. Among them, some traders are dishonest and dishonest open about the goods sold.

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