

FAIR PRICING CONCEPT IN TRADITIONAL MARKETS

(Case study at Jongke Market, Surakarta)

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Keywords: consumer perception, fair price, Islamic economics, traditional market, transparency, honesty.	Abstrak
Submitted: 16/June/2025	This study aims to understand Muslim consumers' perceptions of fair pricing in Jongke Traditional Market, Surakarta. In Islamic economics, fair pricing is an important component that encompasses the principles of transparency, honesty, and fairness in transactions. This study uses a qualitative method with a descriptive approach through in-depth interviews and observations of 15 Muslim consumers. The results of the study indicate that perceptions of fair pricing are based on three main aspects: transparency in pricing, honesty of traders, and fairness in the bargaining process. Consumers feel that fair pricing is achieved when traders do not raise prices excessively and provide honest information about products. The bargaining process is seen as a means to reach a mutually satisfactory price agreement. It can be concluded that the implementation of fair pricing in traditional markets requires the application of Islamic values, which help build trust between merchants and consumers. These findings are expected to serve as a guide for merchants to create more ethical transactions in accordance with the principles of Islamic economics.
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INTRODUCTION

Justice is a fundamental principle in the Islamic economic system and must be applied in all aspects of life, including economic transactions (Batubara et al., 2023; Jaya & Arif, 2024). This principle of justice serves as the foundation for ensuring that every individual receives their rights proportionally, and that all parties involved in a transaction receive equal benefits without exploitation (H Muklis Bin Abdul Azis et al.,

2020; Permana & Nisa, 2024). In Islam, transactions that are not based on the principle of justice are considered to violate the ethics and values taught by Sharia. Justice in economic transactions, especially those related to price determination, is a major concern because prices directly affect the welfare of consumers and traders.

The concept of fair pricing has several ethical dimensions related to transparency, honesty, and trust in buying and selling interactions (Nurdiawati et al., 2024). For Muslim consumers, fair pricing is not only about the nominal price offered but also includes the moral values and honesty demonstrated by the seller. Fair prices provide satisfaction for both parties, both for consumers who feel they are getting goods or services in line with the expected quality and for traders who earn profits in line with Islamic values (Ir H Idris Parakkasi, 2020). This concept is increasingly important in the current era, when many Muslim consumers are becoming more aware of the importance of ethical values in every economic decision they make.

Traditional markets play an important role in society, particularly as centers of economic activity that support the local economy and serve as the primary place for people to meet their daily needs. The Jongke Traditional Market in Surakarta, as one of the main markets dominated by Muslim merchants and consumers, serves as an appropriate example to study how the concept of fair pricing is applied within the local Muslim community. In this market, transactions are not merely a reflection of the buying and selling process but also a mirror of the culture and local values that have developed within the community. Traditional markets have a unique characteristic where bargaining is an integral part of the transaction, giving consumers the opportunity to feel involved in determining the final price. This differs from modern markets or supermarkets, where prices are fixed and consumers have no opportunity to negotiate.

Although the concept of fair pricing is a principle expected by every consumer, in reality there are variations in consumers' perceptions of what constitutes a fair price. These perceptions are influenced by many factors, including individual factors such as personal experience, cultural values, education, and religious understanding. In the context of Muslim society, perceptions of fair prices are also influenced by Islamic values that emphasize the importance of honest transactions, free from *riba* (interest), *gharar* (uncertainty), and *maysir* (gambling). These values create a unique framework for Muslim consumers in assessing price fairness, both in terms of the nominal value and the process of determining the price.

In Islamic economics, a fair price is one that reflects honesty, openness, and equality for all parties involved. The Qur'an and Sunnah provide clear guidelines on the importance of justice in transactions, including in determining prices. Several verses of the Qur'an, such as in Surah Al-Baqarah verse 282, emphasize the importance of recording transactions as a form of transparency that protects the rights of each party. In addition, Islam also prohibits practices that contain elements of usury and uncertainty, which can cause injustice to one of the parties. Therefore, the concept of fair price in Islam is not only about fairness in the nominal price, but also fairness in the process that avoids all forms of exploitation or uncertainty that can harm the other party.

This study focuses on the perceptions of Muslim consumers in Jongke Market regarding the concept of fair price. The study aims to explore consumers' understanding and views on fair price, as well as the factors that influence their perceptions. Several factors that will be explored in this study include religious values, social interactions, and shopping experiences that influence consumers' perceptions of price fairness.

Thus, this study is expected to contribute to understanding how Islamic values play a role in shaping Muslim consumers' perceptions of fair prices, as well as how

traders can better understand consumer expectations in creating ethical and fair transactions. This study is also expected to provide practical guidance for traders in traditional markets to better understand the factors that Muslim consumers consider important in determining prices.

By enhancing transparency, honesty, and fairness in the pricing process, it is hoped that the relationship between consumers and merchants in traditional markets can improve and support sustainable economic well-being. Additionally, this study may offer an additional perspective for Islamic microeconomics research, particularly in the context of traditional markets, where social interactions and local values play a significant role in economic processes

RESEARCH METHODS

This study uses a qualitative method with a descriptive approach. The qualitative approach was chosen to deepen understanding of Muslim consumers' subjective perceptions of fair pricing at Jongke Traditional Market in Surakarta. This method allows researchers to explore individual perspectives in depth and understand the social and cultural contexts that shape their views.

This study involved 15 informants who were Muslim consumers who regularly shopped at Jongke Market. Informants were selected based on specific criteria, namely consumers who shopped at least once a week and had experience interacting with various traders in the market. Informants were determined using purposive sampling, in which researchers selected informants who were considered to have relevant and representative information on the research theme. In this case, researchers considered diversity in age, educational background, and shopping frequency to obtain diverse perspectives.

This study applied triangulation techniques to enhance the validity and reliability of the data by collecting data from various sources and methods. In addition to in-depth interviews with consumers, the researcher also conducted participatory observations to directly observe the interactions between traders and consumers regarding prices. These observations allowed the researcher to record the dynamics of interactions, bargaining practices, and consumer reactions to the prices offered.

In addition, the researchers also collected secondary data through relevant documents, such as market price information and pricing policies applicable at Jongke Market, to support the findings generated from interviews and observations. The collected data were analyzed thematically, which allowed the researchers to identify patterns, themes, and categories in the informants' responses.

The analysis process begins with the transcription of interviews and initial coding of data to identify key concepts related to perceptions of fair prices. After initial coding, researchers conduct a more in-depth analysis to group data into relevant themes. Findings from this analysis are then compared with existing theory and linked to the social and cultural context of Jongke Market.

RESULTS AND DISCUSSION

Results

From the interviews and observations, three main themes emerged regarding Muslim consumers' perceptions of fair prices in Jongke Traditional Market. These three themes reflect consumers' views on how prices should be determined and what they consider to be fairness in transactions. Each theme provides insight into the factors that influence perceptions of fair prices and the importance of ethical principles in traditional market trading practices.

Transparency in Price Determination

Transparency in price determination was the first theme raised by most consumers. They emphasized the importance of openness from traders regarding the prices and origins of the goods being sold. Consumers feel more comfortable when traders not only provide price information but also explain how the prices are determined. In interviews, several informants revealed that they feel more trust in traders who openly discuss price details. For example, if a merchant explains that the price of a particular item is influenced by transportation costs or the quality of the ingredients, consumers will appreciate it more and believe that the price is fair. This shows that transparency not only contributes to consumer comfort but also builds stronger trust between merchants and consumers.

Honesty and Trust in Merchants

The second theme that emerged was honesty and trust in merchants. Many Muslim consumers believe that fair prices can only be achieved if merchants demonstrate integrity in their pricing. Consumers expect merchants not to raise prices excessively, especially for items whose quality does not match the price offered. For example, some informants emphasized that they prefer to shop at places with a good reputation, where merchants are known to be honest and do not engage in fraudulent practices. The honesty of traders is key to creating a fair and mutually beneficial transaction environment. In this context, trust is an important asset in the relationship between consumers and traders, which, if well maintained, can increase consumer loyalty and contribute to the sustainability of traders' businesses.

Fairness in the Bargaining Process

Fairness in the bargaining process is the third significant theme in the perceptions of Muslim consumers in Jongke Market. Many consumers view bargaining as an integral part of a transaction that reflects fairness. In practice, the bargaining process gives consumers the opportunity to express their expectations regarding price, while merchants can also maintain the value of their products. Consumers feel that bargaining is a means of reaching an agreement that is considered fair for both parties. This process is not only about getting a lower price, but also about creating a sense of mutual respect and appreciation in economic interactions. This shows that bargaining is not merely a commercial practice, but also reflects important social and cultural values in Muslim society.

Dynamics Between Consumers and Merchants

The interaction between consumers and merchants at Jongke Traditional Market also shows complex dynamics. Muslim consumers pay attention not only to price, but also to how merchants interact with them. Merchants who are friendly, open, and respectful toward consumers are more likely to create positive relationships. On the other hand, if traders appear deceitful or dishonest, consumers will tend to avoid them. This shows that interpersonal relationships in the context of traditional markets have a significant impact on consumers' perceptions of fair prices. Good communication between consumers and traders plays an important role in creating consumer trust and satisfaction, which can ultimately influence their purchasing decisions.

Implications for Trading Practices

The findings of this study have important implications for trading practices in traditional markets. To improve consumers' perceptions of fair prices, traders need to understand the values held by Muslim consumers and apply them in their business practices. This includes implementing transparency in pricing, demonstrating honesty in transactions, and prioritizing fair bargaining processes. By doing so, traders will not only meet consumer expectations but also establish a good reputation in the market.

Ultimately, this value-oriented approach can contribute to the sustainability of traders' businesses and improve the welfare of the community around Jongke Traditional Market.

Discussion

Muslim consumers' perceptions of fair prices in Jongke Traditional Market are strongly influenced by Islamic values that guide economic transactions. Values such as transparency, honesty, and fairness are not only principles taught in holy scriptures but also applied in daily practices by both traders and consumers. This finding reflects that while fair pricing is a universal concept in Islamic economics, its understanding can vary depending on social and cultural contexts.

One of the main findings of this study is the importance of transparency in pricing. Consumers feel more comfortable and trusting when traders are open about prices and the origin of the goods they sell. This aligns with Al-Ghazali's view, who emphasized that honesty in transactions is not only beneficial materially but also spiritually. In the context of traditional markets, transparency can serve as a foundation for building long-term relationships between consumers and traders. By demonstrating openness, traders not only create trust but also increase consumer loyalty, as consumers feel valued and treated fairly.

The study also found that consumers' perceptions of fair prices are influenced by their previous shopping experiences and the social relationships they have established in the market. Consumers who have had positive experiences tend to value honesty and transparency in transactions more. Conversely, negative experiences can trigger skepticism and influence their views on fair prices. In the context of traditional markets, where social interaction is very strong, good relationships between consumers and traders are an important factor. This shows that trading practices are not only related to economic value, but also to social values that can strengthen or weaken trust in transactions.

Fairness in the bargaining process is another important aspect found in this study. The bargaining process is not only seen as a way to get a lower price, but also as a way to reach an agreement that is considered fair to both parties. From an Islamic economic perspective, bargaining reflects the principle of justice, where both parties can negotiate and reach a mutually beneficial agreement. Thus, bargaining serves as a means to achieve justice in transactions, and this is an integral part of economic interactions in traditional markets.

CONCLUSIONS AND SUGGESTIONS

Conclusion

The conclusion of this study confirms that Muslim consumers' perceptions of fair prices in the Jongke Traditional Market in Surakarta are strongly influenced by Islamic ethical values, including transparency, honesty, and fairness. The findings indicate that consumers tend to value traders who are open in determining prices and provide clear information about the origin of goods.

Transparency not only increases trust but also creates long-term relationships between traders and consumers, which ultimately benefits both parties in a social and economic context. Furthermore, this study reveals that shopping experiences and social relationships in the market contribute to shaping perceptions of fair prices. Consumers who have positive experiences in transactions tend to be more optimistic and trust the honesty of traders.

On the other hand, negative experiences can create skepticism, which affects their desire to shop at that location. This shows the importance of good social interaction in traditional markets, where trust can be built through mutually beneficial relationships.

Finally, fairness in the bargaining process at Jongke Market was also found to be a significant factor in consumers' perceptions of fair prices. Consumers feel that the bargaining process is not merely a negotiation of prices, but an effort to reach a fair and satisfactory agreement for both parties. Thus, to create a more equitable market, traders need to prioritize ethical values and build positive interactions with consumers. This will encourage fairer and more sustainable trading practices, in line with the principles of Islamic economics.

Recommendations

Based on the results of research on the concept of fair prices in Jongke Market, Surakarta, the researchers offer the following recommendations:

For Jongke Market traders

Traders are expected to apply the principle of fairness in pricing by considering the balance between reasonable profits and consumer purchasing power. This is important to maintain good relations with buyers and create a conducive and sustainable market atmosphere.

For Consumers

Consumers are encouraged to actively engage in dialogue and communication with traders to understand the reasons behind certain prices. In addition, consumers can also compare prices at several sellers to get a fairer price.

For Market Managers and Local Government

Market managers and local government need to supervise and educate traders on the importance of fair pricing. Training and socialization programs on pricing strategies that do not harm consumers and remain profitable for traders can help create a healthy market climate.

For Further Research

Future researchers are advised to examine other factors that influence perceptions of price fairness in traditional markets, such as cultural aspects, consumer loyalty, and the role of technology in market transactions. Research with a wider geographical coverage can also provide a more comprehensive picture.

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May the results of this research contribute to the advancement of knowledge and serve as a positive contribution to the management of traditional markets that are more fair and sustainable.

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