

## ABSTRACT

Problems faced by traditional markets in the city of Semarang is the revenue from the market retribution has not been able to close the whole expenditure for market operational. Revenues that have not been able to achieve operational break-even point indicates the stagnant performance of the traditional markets where the market is difficult to increase fees, due to earnings and profits of the traders are also traditional markets stagnate and fail to thrive. Although some of the strategies and actions have been implemented but the traditional markets to flourish. Visitors or buyers of traditional markets remain stagnant, and switch to modern stores (supermarket, minimarket) located near these locations plus market traders who are less satisfied with the management and market conditions. Seeing this it is necessary to analyze whether these factors of generic strategy and strategic asset to improve the performance of organizational units of the traditional market units, so research model was developed using three variables, namely generic strategies, strategic asset and organizational performance.

To obtain data about the variables under study used a structured questionnaire is structured so that the questions in it to answer the research variables, of which 60 respondents managing traditional market units and 40 respondents market traders in the city of Semarang is asked to answer questionnaires. The collected data were then analyzed by using Multiple Linear Regression Analysis and the resulting output is used as the basis for hypothesis testing and discussion and the formulation of the problem.

The results of the feasibility test or an F-test showed that the model developed research model is feasible. While the testing of hypotheses through t-test showed that the quality of generic strategy and strategic asset and a significant positive effect on the performance of the organization of traditional markets.

Based on the results of hypothesis testing, efforts to improve the performance of the traditional market units in the city of Semarang is done by developing the quality of the differentiation strategy through the development of revenue diversification, differentiation merchandise, market image promotion, marketing innovation and employee training, and improve the quality of market assets for supporting the strategy through efforts to reduce the level of competition with modern shops and improve the condition of the building facilities markets. In terms of improved service to the merchant, to improve permit services and the reasonableness of the rent stalls/kiosk.

Key words: **traditional market, the quality of generic strategies, strategic asset, organizational performance, the performance of market services.**