

## **ABSTRACT**

*During its development, the traditional market Karangayu Semarang encounter the decreasing of sales turnover and average profit per day from the year 2011 until the year 2013, the average decline in sales turnover per day from the year 2011 to the year 2013 was 8.46%, while the decline average profit per day from the year 2011 to the year 2013 was 12.16%. In the development, the traditional market Karangayu Semarang experience problems that occur both external and internal. Externally, the presence of a modern market makes tading business competition increasing stringently. Furthermore, internal issues such as market conditions, infrastructure, and management of vendors which conduct its business.*

*The purpose of this study was to determine the development of Semarang Karangayu traditional market, find out what factors that influence the development of Semarang Karangayu traditional markets, and formulate appropriate strategies to develop traditional markets Karangayu Semarang and provide ability to endure facing modern markets.*

*This study uses descriptive analysis, SWOT analysis, and Hirarchy Proces Analysis (AHP). Descriptive analysis is used to describe the actual conditions on the development of traditional markets Karangayu Semarang include aspects of economic, social, cultural, infrastructure, and institutional. SWOT analysis is used to analyze the development strategy based on strengths and weaknesses, as internal factors, and opportunities and threats (threats) as external factors. Hirarchy Proces Analysis (AHP) is used to determine the appropriate strategic priority in the development of traditional markets Karangayu Semarang.*

*Strategies used in the development of traditional markets Karangayu Semarang is WO strategies. WO strategies include: improving the quality and quantity of merchandise to increase business capital; maintain and improve the quality of public facilities; maintain hygiene market; develop good distribution system between merchants and suppliers. Based on the results of AHP analysis, it can be seen five key priority in the development of alternative strategies Karangayu Semarang traditional markets, namely improving the quality of public facilities, maintain sanitary conditions, optimize the regulation, distribution systems, and increase trade and capital goods.*

*Keywords: Strategy Development, Descriptive Analysis, Economic, Social, Cultural, Infrastructure, Institutional, SWOT, AHP*