

Location Analysis of Interest in Buying Housing in South Tangerang City

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ABSTRACT

South Tangerang is an urban city, so its population growth is always increasing. Therefore, various forms of property business have emerged, ranging from housing types to clusters. For property business actors, this is an opportunity that must be taken, but it is necessary to consider aspects of purchasing decisions. This study aims to analyze the location factor, its relation to home buying decisions in the city of South Tangerang. The research method uses quantitative, and the data is obtained through the distribution of questionnaires. The research sample amounted to 100 people with saturated sampling technique. The results of the study stated that the majority of consumers would buy a house with a strategic location. Namely, the location of the house that is close to work access, public facilities, and government. The contribution value of 33% means that the average consumer in the city of South Tangerang places location as a third of purchasing decisions. That is, whether or not to buy a house, there is a third determined by the location factor.

Keywords : House, Strategic Location, Purchase Decision

INTRODUCTION

Development *Property* in South Tangerang seen from the development of the city is very promising. The economic level in South Tangerang is higher than other cities, especially in Banten Province, so that the purchasing ability in this city is quite high, not even affected by the crisis that occurred. Currently, what is developing in South Tangerang is middle to upper housing, with complete public facilities, using *a cluster system*, and a minimalist concept.

The choice of location greatly affects whether or not a housing location is good, the better the location, the more consumers who like the housing so that the choice of location is very important for *property*. Therefore, a company, whether engaged in services or products, needs to carry out marketing communications with excellent product location placement.

South Tangerang City is one of the cities around DKI Jakarta which has quite good population and economic growth, this is evidenced by the proliferation of *property developments*. This condition is due to the fact that the city of South Tangerang is currently growing rapidly, including in terms of infrastructure. Business people are competing to invest their capital here, seeing the good business prospects in this city. Likewise with the *property*, currently there are many similar companies that are engaged in this field. Almost in every part of the city in South Tangerang, including housing *Vinus 88 Residences*.

In line with the explanation above, PT Multi Sarana Satria is one of *property*, wanting to be a part of taking the opportunities that exist, especially in this case is housing. As a follow-up to that, PT Multi Sarana Satria marketed housing products located on Jl. Pinang Raya, East Pamulang, South Tangerang, Banten 15417 with the housing name '*Vinus 88 Residences*'. *Vinus 88 Residences* is housing with a modern minimalist concept with type 36, type 48, type 72, and type 90 for the safety and comfort of consumers. In addition, the *Vinus 88 Residences* also carries the theme of beautiful housing, so that in the Fasum and Social Facilities sections, green gardens are designed.

PT Multi Sarana Satria realizes that in marketing housing it is not as easy as selling food or turning the palm of the hand, especially since house prices are quite high. So do not be surprised if the sales process is faced with various challenges. In addition, unstable economic conditions and political climate make *property* less than optimal.

The data research explains that house sales at *Vinus 88 Residences* have fluctuated, but it is solid to see that at the beginning of marketing, namely in August 2016, 21 units were sold, this is the highest sales. While the lowest sales were in October 2016, November 2017, May 2017 and June 2017 where only 5 units were sold.

The data above as a whole explains that housing sales is not easy, plus prices are quite high, then the current economic condition is unstable, then there are many competitors in South Tangerang City and other factors (eg Location, Design, Legality, etc.) . The following is the initial observation data with 15 respondents (consumers of *Vinus 88 Residences*).

The results of the observations show that in general, consumers perceive *Vinus 88 Residences* to be good, especially in terms of access to easy housing, namely 100% of respondents gave good responses. This explains that consumers recognize the number of vehicles that can reach *Vinus 88 Residences housing*. However, the weakness of the *Vinus 88 Residences* is the Road Quality indicator, which is only 5 consumers who answered well or 33%. This condition explains that the location of *Vinus 88 Residences* is still considered unfavorable, especially in terms of road conditions.

In addition to the problems above, another factor that is often a problem is price. It is recognized that the *Vinus 88 Residences* is classified as an expensive price, where one unit of housing costs a minimum of 690 million.

Based on the data research, it is very clear that *Vinus 88 Residences* is classified as very expensive, so not many consumers are interested in buying it, namely only certain consumers from among the rich who can afford it. So do not be surprised, if the conditions above are often an obstacle for curious workers to promote to the public. Another impact is demand stagnation. This means that consumers do not find the point of intersection between purchasing power and house prices.

THEORETICAL BASIS

Location is the location of a business or business in a strategic area so that it can maximize profits (Swastha, 2018). This understanding explains that location has an important role for company revenue. So that many development companies are working hard to be able to present strategic housing. In other words, the concept of a business must be built based on the strategic location of the business.

Furthermore, Kotler and Keller (2019) stated that location is the most profitable place of business which can be seen from the average number of people who pass through the store every day. This understanding views that a strategic location can increase consumer visits. The more strategic the location of a business, the more consumers will visit, and the more likely will be to buy.

The above understanding is very clear that buying interest is very dependent on the location, especially on the housing industry. According to Styaningrum (2019), buying interest is a process of making a purchase decision which includes determining what to buy or not to buy and the decision is obtained from previous activities.

Suparno & Suwitho (2019) stated that location is one of the most basic things in marketing. So when a business is established, it is appropriate to place location as a priority measure, although it is important to consider the market segmentation you want to target, especially in the digital era the concept of location has shifted slightly.

In line with the explanation above Mardani, et al. (2020) suggests that there is a significant influence of location on purchasing decisions. One of them is related to easy access. This means that the location must have easy access. The easy meaning is that consumers can touch the business location in various ways, including digital methods.

Senggetang, et al. (2019) strengthens the research above, location has a good regression value on purchasing decisions. This means that location can factually influence people's behavior in buying a product or service, especially in choosing a house. The housing location factor for consumers is not just a marketing area, but rather a concept of life (Aulia & Hidayat, 2019).

METHOD

In order for this research to be carried out properly, several scientific techniques were carried out including:

1. The object of this research is PT Multi Sarana Satria, namely the *Vinus 88 Residences* which is located at Jl. Pinang Raya, East Pamulang, South Tangerang, Banten 15417.
2. To answer this research, quantitative methods were used. While the explanation technique uses descriptive and inferential.
3. The population in this study are consumers who have made a home purchase at *Vinus 88 Residences* totaling 100 people.
4. The sampling technique used in this study is a saturated sample technique. Sugiyono (2018) explains that this sampling technique is a sample determination based on the total population, namely the entire population is used as a research sample.
5. The data collection method used primary data by making a questionnaire as a research instrument.
6. The method of analysis using regression analysis.

7. The statistical test consisted of descriptive test, data quality test, regression prerequisite test, correlation test, partial test and determination test.
8. The statistical tool used is *software* SPSS 20

RESULTS

Descriptive analysis

1. Location

The results of the validity test show that all location variable instruments have a value greater than r_{table} of 0.195. This explains that all instruments (questions) can explain the location variable.

While the results of the reliability test, the location variable has a value of $0.794 > 0.6$. This explains that all statements have been answered correctly by the respondent, and the answers can be confirmed (consistent).

Furthermore, the results of the descriptive analysis show that the location variable has an average score of 4.09, in the good category. This means that the overall location of the *Vinus 88 Residences* has been well perceived by its consumers. However, along with increasing competition, *Vinus 88 Residences* must continue to improve the quality of housing, especially in the "Environmental" aspect, namely "The residential environment of *Vinus 88 Residences Asri*".

2. Buying interest

The results of the validity test show that all instruments of the buying interest variable have a value greater than the r_{table} of 0.195. This explains that all instruments (questions) can explain the buying interest variable.

While the results of the reliability test, the buying interest variable has a value of $0.824 > 0.6$. This explains that all statements have been answered correctly by the respondent, and the answers can be confirmed (consistent).

Furthermore, the results of the descriptive analysis show that the buying interest variable has an average score of 4.12, which is in the good category. This means that in general, consumer buying interest in *Vinus 88 Residences* housing is good. However, along with increasing property competition, *Vinus 88 Residences* must continue to improve the quality of housing, namely by presenting advantages

that make *Vinus 88 Residences*, so that consumers feel interested/want to buy housing units at *Vinus 88 Residences*.

Inferential Analysis

1. The constant value of 31,808 has meaning, although there is no influence from the variable location, consumers of *Vinus 88 Residences* still have a buying interest of 31,808.
2. The regression coefficient value is 0.224, meaning that the influence of location on buying interest is 0.224.
3. The location variable proved to have a significant positive effect on buying interest, in this case it can be shown by the regression coefficient value of 0.224, the t_{count} of 2.034 which is greater than 1.985 and a significance value of 0.045 which is smaller than 0.05. With the interpretation, if the work location increases by 1 unit then buying interest will increase by 0.224.
4. Location variable has a t_{count} greater than t_{table} ($2.034 > 1.985$). This means that location is proven to have a positive effect on buying interest. With the interpretation, if the location increases by 1 unit then buying interest will increase by 0.224.
5. The location variable has a significant value less than 0.05 ($0.045 < 0.05$). This means that location has a significant effect on buying interest. By interpretation, the location variable is able to influence buying interest well with a regression coefficient of 0.224.

Determination Test

The results of the regression analysis above show that the location variable has a positive and significant effect on buying interest with a regression coefficient of 0.224. This finding confirms that *Vinus 88 Residences* must continue to improve the quality of housing offered, especially regarding strategic locations, thereby generating high buying interest.

The results of research conducted by Aisyah & Arifin (2019) suggest that location has an effect on housing purchasing decisions. The meaning of the intended influence is that housing has a close distance to the prospective buyer's place of work, then it is easily accessible by various transportations, especially mass transportation, and the location is in a strategic area. The strategic purpose is, housing locations are not far

from urban centers, offices, markets, and other important places (Monica, 2018; Romdhoni & Cahyani, 2019).

Nainggolan & Heryenzus (2018) and Munadi & Ibrahim (2017) support previous research, stating that location affects buying interest and consumer purchasing decisions for marketed housing.

In addition, the results of the coefficient of determination test show the ability to explain the location variable to buying interest of 0.333. This means that location has the ability to explain the buying interest variable by 33.3% while the remaining 66.7% is explained by other variables outside of this study. In other words, *Vinus 88 Residences* not only has to improve its strategic location, but also needs to improve other factors, such as building partnerships with consumers, increasing promotions either through social media or through exhibitions, and so on. Thus, consumer buying interest increases (Sugianto & Ginting, 2020).

CONCLUSION

The results of the questionnaire description indicate that the location of the *Vinus 88 Residences* in South Tangerang City is perceived as good, this can be seen in the average value of respondents' answers of 4.09 in the category (3.40-4.19). Likewise, consumer buying interest in *Vinus 88 Residences*, South Tangerang City is perceived as good, this can be seen in the average value of respondents' answers of 4.12. The results of the significance analysis show that location has a significant effect on buying interest with the results of $t_{\text{count}} > t_{\text{table}}$ of $(2,034 > 1,985)$ and a significant value less than 0.05 $(0.045 < 0.05)$, meaning H_0 rejected and H_a is accepted.

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