The Effect Of Price, Location, And Customer Income Through Subsidized Housing Purchase Decisions At Kabupaten Jembrana, Bali

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Abstract— Fulfillment of housing needs by the community is a basic thing that must currently be fulfilled in order to improve a better quality of life. This study was conducted with the aim of knowing the effect of price (X_1), location (X_2), and consumer income (X_3) will affect the decision to purchase subsidized housing (Y) using multiple linear regression analysis methods, and hypothesis testing including the t test, F test, and coefficient of determination test. Data collection was carried out using the interview method with subsidized housing consumers Mulia Jaya in Jembrana Regency. The results of this study indicate that price, location, and consumer income have a positive influence on subsidized housing purchase decisions, namely 0.004 <0.05 and an f-count value of 5.786> f-table 3.245, meaning that there is a simultaneous or joint influence of price (X_1), location (X_2) and consumer income (X_3) on the decision of consumers to purchase subsidized housing (Y). The research results from the various analyzes carried out can be used as benchmarks and references for other researchers to conduct similar research but with different places that can use this research as a reference to produce higher quality research results.

Keywords: Costumer income, Location, Price, Purchase decision.

1. INTRODUCTION

Basic human needs include three important aspects: (1) Food, consisting of food and drink needs; (2) Clothing, consisting of clothing needs; (3) Housing, consisting of shelter needs. Housing is a basic human need such as a private space [1] that provides protection, psychological comfort and familiarity [2]. Each individual will make every effort to effectively and efficiently optimize the fulfillment of housing needs at all levels of community life [3], because housing is the largest investment that will make over its lifetime and is often the most important asset that a household transfers from generation to generation in modern capitalist systems [4].

Based on research by [5], the factor of where housing is built can significantly increase community growth and income earned by consumers, creating a bridge that makes life easier for people to take out loans. The full range of facilities provided in the form of public facilities and infrastructure [6], the price per housing unit adjusted to

prevailing prices in the market [7], and applicable laws and regulations influence consumers' purchasing decisions [8].

Housing demand can essentially be divided into two major parts: (1) housing demand based on the natural population growth situation and conditions (trends) [9], and (2) demand and supply of an area based on the number of housing standards suitable for use as a place of residence (livability) [10]. The number of housing units determined by the circumstances and conditions (trends) of natural population growth [9]. Based on the second part, which is his one aspect of the housing demand above, when addressing the supply of housing, all aspects should be considered when referring to the principles or guidelines for the supply of housing according to needs [11]. Many real estate company partners with national banks to offer subsidized housing [12], which provides financing and alternative housing financing at affordable prices for low- to moderate-income earners [13].

Housing provision is a form of business carried out by companies engaged in housing provision [14], and its activities are widely accepted in Indonesia. One of the duties of the developer is to initiate and plan various aspects related to the development mechanism to meet the needs of the organized and unorganized people. The satisfaction of housing needs is certainly based on the purchasing intentions of the public or potential consumers [15]. People's purchase intention can be interpreted as a concentration that arises from the existence of a need, which generates attention to something accompanied by the emotion of enjoying the product (Hoang et al., 2020). The resulting personal need strengthens the feeling of wanting to own the product and increases the belief that the product is useful, resulting in a purchase aimed at satisfying the need. Based on a study by Kotler (2002), consumer purchase interest is a potential consumer behavior toward a product that creates various emotions toward the product and a desire to own it.

Qasem (2014) also found that it is related to the consumer's interest in purchasing the product, which is a relevant part of various important aspects of consumer behavior. Before consuming a product, every consumer tends to analyze the product they actually need before making a purchase decision [19], [20]. Housing price is described as the total exchange value that consumers use to obtain the housing they desire [21]. Housing prices can be a response from consumers. The more positive the reaction to the price of a house, the more it indicates that the functions and uses of the house are optimally met [22]. The most important factor considered when determining a buyer's interest in subsidized housing is price [23].

Levrini & Santos (2021) points out that price plays two important roles from the consumer's perspective: (1) Price can be used as a tool to help consumers determine what benefits they will receive from their purchases based on the consumption intensity of their purchasing intentions, (2) Price can be used as a measure of a product's optimal consumer value. Based on the study of D'Alvia (2021), he opined that price is money that can be used as a medium of exchange for the goods received, since price represents the obligation that a buyer pays when consuming a product .

H1: there is a relationship between price (X1) through subsidized housing purchase decision (Y).

Housing is a need that is always associated with places where people carry out all kinds of activities [23]. A factor that consumers consider when deciding on this location is the convenience of performing various activity [10]. As Gohari et al. (2023) point out, there are several criteria that can be used as criteria for choosing a home. It is about providing the ability, variety of activities, and environment to influence things to be easier for consumers, strategic conditions, availability of supportive housing, ease of transportation, and applicable laws and regulations. Place can be defined as an element with important characteristics related to living space. Using location as the main determinant of home value changes can create optimal value for business [27].

H2: there is a relationship between location (X2) through subsidized housing purchase decision (Y).

Consumer income is an indicator that consumers take into account when making purchasing decisions [28]. Income is the maximum value obtained and used for an individual's consumption needs within a given period of time (Junior et al., 2023). The higher a consumer's income, the more expensive the housing they can purchase. Consumers purchase homes within their means based on the monthly income they receive [30].

H2: there is a relationship between customer income (X3) through subsidized housing purchase decision (Y).

The decision to purchase subsidized housing is made by the consumer after considering a variety of factors that are indicative of the type of housing they want to purchase [31]. Factors considered include location, home price, and consumer income, which influence a clear purchasing decision. The actions that consumers take in deciding between different options to satisfy their wants and needs constitute the decision-making stage [32]. The decision-making process is divided into several stages: identification of consumer needs, search for alternatives, evaluation of selected alternatives, consumer attitude during the purchase transaction, and consumer behavior after purchase [17]. This study was conducted to determine the impact of price, location, and consumer income on the decision to purchase subsidized housing.

H4: there is a relationship between price (X1), location (X2), and customer income (X3) through subsidized housing purchase decision (Y) simultaneously.

2. RESEARCH METHODS

This study was conducted using a quantitative method based on an associative format, a study aimed at clarifying the relationship between variables and benefits [33]. Quantitative research can also be interpreted as research that is processed in a way to find knowledge that involves data in the form of numbers, as a medium to analyze what one wants to know [33]. This study has three independent variables including price (X1), location (X2), and customer income (X3) and one dependent variable which is purchase decision of subsidized housing (Y).

This study was conducted in Mulia Jaya Developer Housing Estate, Jembrana Regency, Bali. The population used in this study is the community or subsidized housing consumers of Mulia Jaya developer, with a total of 135 consumers. The sample for this study consisted of his 135 consumers drawn as respondents from various existing populations. The data collection underlying the study was carried out using a direct interview method with the respondents, supported by the provision of an extensive questionnaire (survey) to the respondents. This survey is about which aspects influence the purchase decision of subsidized housing (Y), both in terms of price (X1), location (X2) and income of each consumer (X3). In this study, in order to make the most of the obtained results, SPSS 25.0 was used as the data processing medium and verified the data using multiple regression data analysis. Hypotheses were tested using t-tests, F-tests, and coefficients of determination.

3. DISCUSSION

A multiple linear regression test evaluates the consumer purchase decision variable (Y) for subsidized housing before being influenced by other variables such as price (X1), location variable (X2), and consumer income variable (X3). Hypothesis testing in this study was performed using t-tests, F-tests, and R-squared tests. The following data is in tabular form and is the result of a data analysis test using multiple regression.

Table 1. Hypothesis Testing Per Variable or T Test

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	42,392	12,253		3,432	,000
	Price (X1)	2,740	,457	,984	3,761	,016
	Location (X2)	1,436	,769	,834	3,267	,012
	Customer income (X3)	1,678	,987	,980	3,321	0,19

Source: SPSS 25.0

a. Hypothesis 1 testing:
Data review results showed that the significance values of price (X1) influencing consumers' decision to purchase subsidized housing (Y) are 0,16 < 0,05, and the t-count value is 3.761 > t-table 2.023. This means that price (X1) influences the consumer's purchase decision of subsidized housing (Y) process.

b. Hypothesis 2 testing:
Data review results showed that the significance values of location (X2) influencing consumers' purchase decision of subsidized housing (Y) are 0,12 < 0,05, and the t-count value is 3,267 > t-tabel 2,023, This means that location (X2) influences the consumer's decision-making process when purchasing subsidized housing (Y).

c. Hypothesis 3 testing:
Data review results showed that the significance values of customer income (X3) influencing consumers' decision to purchase subsidized housing (Y) are 0,19 < 0,05, and the t-count value is 3,321 > t-tabel 2,023, This means that customer income (X3) influences the consumer's purchase decision of subsidized housing (Y).

Table 2. Simultaneous Testing or F Test

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	187,767	3	67,657	5,786	,004[b]
	Residual	1675,367	24	67,890		
	Total	1543,876	29			

a. *Dependent Variable*: purchase decision of subsidized housing (Y)
b. *Predictors: (Constant),* price (X_1), location (X_2), customer income (X_3)

Source: SPSS 25.0

d. Hypothesis 4 testing:
Data review results showed that the significance values of price (X1), location (X2), and customer income (X3) influencing consumers' decision to purchase subsidized housing (Y) are 0,004 < 0,05 and the f-count value is 5,786 > f-table 3,245, This means that the indicators price (X1), location (X2), and consumer income (X3) simultaneously influence the consumer decision when purchasing subsidized housing (Y).

Table 3. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,456[a]	,876	,765	8,981

Predictors: (Constant), price (X_1), location (X_2), customer income (X3)

Source: SPSS 25.0

From the SPSS output, had been seen that the R-squared result shows a value of 0.876, which can be explained. This can be explained as price (X1) and location (X2) variables simultaneously or jointly influencing ownership decisions. The consumer decision to purchasing subsidized housing by 87.6% (Y).

4. CONCLUSION

Based on the results of data research tests on the influence of price, location and consumer income on the decision to purchase subsidized housing in Jembrana Regency (Mulia Jaya Developer Housing Case Study), several conclusions can be drawn as follows: 1). Price, location, and consumer income are consistent with consumer purchase decisions for subsidized housing. This is evidenced by the fact that the effects of price (X1), location (X2), and consumer income (X3) on the subsidized housing purchase decision variable (Y) have 0,004 < 0,05 and the f-count value is 5,786 > f-table 3,245, this means that the variables price (X1), location (X2), and consumer income (X3) simultaneously influence the subsidized housing purchase decision variable (Y). 2). Whether consumers will buy subsidized housing or not can be determined by looking at how Mulia Jaya Development Company is able to create and analyze strategic locations for housing development. The prices offered to consumers are affordable and commensurate with their incomes, which will definitely increase their willingness to purchase.

5. RECOMMENDATIONS

From the above discussion, the researcher makes the following suggestions on the influence of price, location and consumer income on the decision to purchase subsidized housing in Jembrana Regency (Mulia Jaya Developer Housing Case Study), namely: 1) In order to purchase subsidized housing, housing developers in Mulia Jaya consider aspects that are important indicators for consumers when choosing housing, both in terms of price, location and suitability of the consumer's income. These should also be taken into account so that you can attract consumers to your subsidized housing offer. 2) It is hoped that this study will attract a variety of groups to read the research presented by the researchers. 3) The research results obtained from the various analyzes performed will serve as a benchmark and reference for other researchers conducting similar studies elsewhere. Another researcher can use this research as a reference to produce higher quality research results.

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