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CONSUMER PREFERENCES ON PURCHASE OF RESIDENTIAL HOME IN CIMAHU REGION: APPLICATION OF FACTOR ANALYSIS

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Abstract. The increase of population growth rate will also lead it into an increase of houses needs. One of primary human needs is needs of residence. As a place to live in, residential is one of primary needs other than food and clothing needs. So this research would like to know that the consumer preferences on purchase of residential home in Cimahi region, application by factor analysis. The problem is that there are still limited basic guideline on creating marketing strategy that based on the consumer preferences when browsing to look for the residential home they needed. By making an efficient and effective marketing strategy based on the consumer needs of residential home to keep the consumer engagement similar with the company's product is one of the things that wanted to be solved. By not knowing what important features of the residential home to be delivered will be ended up in decrease of consumer expectation, which will have an impact on the company's image and trust. The method of this research is quantitative and use the application of factors analysis, namely research methods based on the philosophy of positivism, used to examine certain populations or samples, data collection method used in this study is descriptive analysis, with the aim to find the most dominant factor that influence consumer on purchase of residential home in Cimahi region. The results shows that the dominant factor that drives consumers to purchase residential homes is the factor of affordable houses with good material quality that can explain the drivers of purchasing residential homes. Based on the conclusions from the results of the study, the suggestions for this research, referring to the dominant factor that drives consumers to purchase residential homes is affordable houses with good material quality, that could be done by give more attention to four aspects: Proper land acquisition, construction speed, selection for the concept of a residential home, and determination of selling prices. These indicators can be used in promotional and marketing activities, because respondents have a positive perception of affordable houses with good material quality. Therefore the promotion that will be carried out must show the quality of the product and emphasis on affordable prices. The implementation process from this research must be conducted by the company itself based on the value of the company.

Keywords: Purchase intention, Residential home, Consumer preferences, Purchasing decision making process.

1. Introduction

The increase of population growth rate will also lead it into an increase of houses needs. One of primary human needs is needs of residence. As a place to live in, residential is one of primary needs other than food and clothing needs. So this research would like to know that the consumer preferences on purchase of residential home in Cimahi region, application by factor analysis. The problem is that there are still limited basic guideline on creating marketing strategy that based on the consumer preferences when browsing to look for the residential home they needed. By making an efficient and effective marketing strategy based on the consumer needs of residential home to keep the consumer engagement similar with the company's product is one of the things that wanted to be solved. By not knowing what important features of the residential home to be delivered will be ended up in decrease of consumer expectation, which will have an impact on the company's image and trust.

2. Business Description

2.1. Company Profile

Mitra Fajar Adikarya Propertindo is a real estate company developed by 4 people which is 2 of them are student at School of Business and Management, Institut Teknologi Bandung. As one of the primary needs for everyone, shelter or adequate housing should have become elements are met. Although there have been efforts of government and private sector in solving the problem, it seems the conditions of basic needs is still a luxury item that is difficult to have. Growth in property business lots more precisely to the middle-up occupancy. While occupancy for middle-low, sometimes provided conditions that access of houses is far from decent. According Aleviery, Colliers International Indonesia, home supply footprint in Indonesia is still lacking. It is estimated that the government should be able to provide 1 million homes each year but that can be met only 30-40 percent.

3. Theoretical Foundations

3.1. Marketing Theori

The definition of marketing based on Kotler (1993) is consist of six core concept: 1) Need, Wants, and Demand, 2) Product, 3) Utility, 4) Exchange and Transaction, 5) Market and 6) Marketing and Marketer. The definition of marketing concept is the key to achieving organizational goals consisting of determining the needs and wants of the target market and delivering expected satisfaction more effectively and efficiently than competitors.

3.2. Purchase Intention

The purchase decision is a reason for how consumers make choices about purchasing a product that suits their needs, desires and expectations, so that it can lead to satisfaction or dissatisfaction with the product that is influenced by several factors including family, price, experience, and product quality (Mustafid & Gunawan, 2010). The purchase decision is a reason for how consumers make choices about purchasing a product that suits their needs, desires and expectations, so that it can lead to satisfaction or dissatisfaction with the product that is influenced by several factors including family, price, experience, and product quality. (Mustafid & Gunawan, 2010). According to Philip Kotler from translation of Hendra Teguh and Ronny A. Rusli (2014: 204) the process of purchasing decisions are as follows:

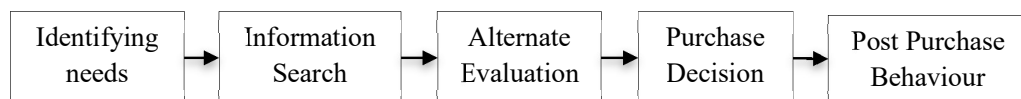


Figure 3.1 Purchasing Decision Making Process

Source: Philip Koetler on Hendra Teguh and Ronny A. Rusli (2014:204)

3.3. Factors that influence purchasing decisions

Slamet Mulyana (2009) categorizes consumer behavior factors that can influence purchasing decisions, into 8 factors as: Culture, Social Class, Small reference group, Family, Experience, Personality, Attitude and Trust, and Self-Concept.

4. Methodology

4.1. Research Characteristic

Based on Method	Quantitative
Based on Purpose	Descriptive
Based on the type of Investigation	Causal
Based on the involvement of researchers	Intervene in the minimum data
Based on Analytical Unit	Organizational analysis unit
Based on Execution Time	Cross-sectional

Source: Writer

4.2. Data Collection Tools

The type of scale used in this study is an ordinal scale with measurements using research instruments in the form of questionnaires using a Likert scale. Each answer to the questionnaire is given a score. In this study neutral answers can be ignored in order to avoid not certain definitions that are not expected. It is recommended that the data in the "neutral" category be not used in the analysis as long as the respondent does not give a reason (Umar, 2005). Alternative answers are provided in the form of a Likert scale with the following weight values:

4 = Strongly Agree (SS)

3 = Agree (S)

2 = Disagree (TS)

1 = Strongly Disagree (STS)

4.3. Data Resource and Gather

4.3.1. Primary Data

Primary data was obtained from the questionnaire. Where the type of statement in this questionnaire is closed, meaning that each question has an answer available.

4.3.2. Secondary Data

Data was collected through literature from books, journal literature, and other information data related to the purchase of houses in the Bumi Paku Haji houses.

4.4. Population and Sample

4.4.1. Population

In this study the selected population was taken from some young couple who live in Cimahi from a middle-low class that had bought a house before. This means that the selected population have an experience and reason in buying a house. The population was classified as a middle-low class since their income is still below the wage of Cimahi region, which is a joint income approximately above 5 million/ month.

4.4.2. Sample

In this study, the selected sample was taken from some young couple who live in Cimahi from a middle-low class that had bought a house before. This means that the selected samples have an experience and reason in buying a house. The sample was classified as a middle-low class since their income is still below the wage of Cimahi region, which is a joint income approximately above 5 million/ month, formula calculations from Lemeshow are used for the unknown population below (Zikmund, Babin, Carr and Griffin, 2017):

$$n = \left(\frac{ZS}{E} \right)^2$$

$$n = \left(\frac{1.96.27.45}{5} \right)^2$$

$$n = \left(\frac{53.802}{5} \right)^2 = 10.76^2 = 115,78$$

4.4.3. Sampling Technique

In this study sampling was conducted with non-probability sampling technique with a type of purposive sampling, which is a sampling technique that is carried out in a non-random manner, where the sample is chosen based on its characteristics. This technique was chosen because the population is not known with certainty and the samples taken have certain characteristics, including: Cimahi Citizen, Young Couple and Has an income above 5 million/ month.

4.5. Data Analysis Technique

The Technique analysis on this study are using Descriptive Analysis to find the dominant factor from several variables.

5. Data Analysis

5.1. Factor Analysis

Factor analysis in this study used the descriptive analysis to make a systematic, factual, and accurate explanation of the facts and characteristics of a particular variable. So that it shows the most dominant factor chosen by respondents for each indicator.

5.2. Descriptive Analysis

Table 5.1 Descriptive Analysis Result

Factor	%
Affordable Houses with Good Material Quality	69.6 %
Payment System Convenience	63 %
Complete and Quality Public Facilities	54.7 %
Strategic Housing Location	61.4 %
Attractive Promotional	59.95 %
Consumer's Personal	57.4 %

Based on table 5.1 above, it can be seen that the variable of affordable houses with good material quality has a percentage of 69.6% which is included in the interval > 62.5% - 81.25% with a high or good category. This shows that Affordable Houses with Good Material Quality affect the purchase of residential houses in Bumi Paku Haji housing in Cimahi. The payment system convenience factor has a percentage of 63% which is included in the interval > 62.5% - 81.25% with a high or good category. This shows that the ease of payment system affect the purchase of residential houses in Bumi Paku Haji housing in Cimahi.

The complete and quality public facilities factor has a percentage of 54.7% which is included in the interval > 43.75% - 62.50% in the bad or low category. This shows if complete and quality public facilities does not really affect the purchase of residential houses in Bumi Paku Haji housing in Cimahi. The strategic housing location factor has a percentage of 61.4% which is included in the interval > 43.75% - 62.50% in the bad or low category. This shows that if a complete and quality public facility does not really affect the purchase of residential houses in Bumi Paku Haji housing in Cimahi. The Attractive Promotional factor has a percentage of 59.95% which is included in the interval > 43.75% - 62.50% in the bad or low category. This shows that the attractive Promotion variable does not really affect the purchase of residential houses in Bumi Paku Haji housing in Cimahi. The consumer's personal factor has a percentage of 57.4% which is included in the interval > 43.75% - 62.50% in the bad or low category. This shows if the consumer's personal does not really affect the purchase of residential houses in Bumi Paku Haji housing in Cimahi.

6. Conclusion

Based on the results of the study, several conclusions can be taken with the questions that have been made on the formulation of the problem, then the conclusions from this study are as follows:

1. In this study the results that the dominant factor that drives consumers to purchase residential homes is the factor of affordable houses with good material quality that can explain the drivers of purchasing residential homes in Bumi Paku Haji houses at 69.6% which is included in the interval > 62.5% - 81.25% with a high or good category. This shows that affordable houses with good material quality affect the purchase of residential houses in Bumi Paku Haji houses. This means that respondents tend to see the price and quality of residential homes as the first consideration in purchasing residential homes. After this value is in accordance with their expectations, other things are the drivers of consumers in purchasing residential home is namely ease of the payment system.

2. In estimating product features based on respondents perceptions, the highest gives a boost in purchasing residential homes, namely affordable houses with good material quality, so that the company must emphasize the quality and price of the product in the marketing process to attract more consumers.
3. To optimize product features of Residential Home in Cimahi region based on the dominant factor that influence consumer in buying home, the company should give more attention to four aspects, those are : Proper land acquisition, construction speed, selection for the concept of a residential home, and determination of selling prices.

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