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Effect of Consumer Perception and Preference Towards Satisfaction of Subsidiary Purchasing: Case Study of PT BSM Property

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Abstract

The purpose of this study was to determine the effect of consumer perceptions on consumers 'decisions to buy subsidized housing products and determine the effect of preferences on consumers' decisions to buy subsidized housing. In this study using two types of data, namely primary data types and secondary data types. The research sample is 167 consumers in PT BSM property based on data in August 2019. Data analysis includes validity and reliability, descriptive analysis and SEM testing by taking seven steps of analysis. The results obtained: 1) Parameter the estimated standardized regression weight coefficient value is 0.488 and the CR value is 5.845, this shows that the relationship between consumers' perceptions with positive purchasing decisions, and; 2) the estimated parameter value of the standardized regression weight coefficient is 0.487 and a CR value of 5.789 shows that the relationship of consumer preferences with positive purchasing decisions. Based on statistical test results that have been carried out using AMOS tools with SEM (Structural Equation Modeling) method, it can be concluded that: 1) Consumer perception (Location, Product Price, Promotion, Facilities, and Image) has a positive and significant effect on the Satisfaction of subsidized housing purchase at PT BSM Central Kalimantan property, and; 2) Consumer preferences (Payment Methods, Environmental Influences, and social factors) have a positive and significant impact on the satisfaction of the purchase of subsidized housing in PT BSM Central Kalimantan property. The contribution of this research is to help developers to determine the combination of home attributes in accordance with consumer preferences and references.

Keywords: *Perception; Consumer Preferences; Housing Purchase Satisfaction*

Introduction

Along with the development of the population in a place, there is also an increase in the need for a place to live/ house (Carpiano, 2009). Because the house / house is the basic necessity of mankind, the dreamed house of course is a house in a comfortable environment, complete with modern design, complete supporting facilities and of course a reasonable price.

With the increasing number of Indonesians increasing the need for housing, this is a good opportunity for property developers. Consumer satisfaction on the purchase of houses offered is a dream of every developer (Chang & Polonsky, 2012).

Based on the needs of these consumers, there are currently many developers promoting their products by offering all the advantages including price, facilities provided, and also the size of the house to make consumers interested and satisfied when buying. Of course, the company has a target that must be achieved, namely the effort to look for the profits that can be as maximum as possible. Another goal is to face competition and also make business efficient.

PT. Thanks to Surya Mahakarya is a property company in Central Kalimantan that focuses on the development of subsidized housing. with the utmost attention to PUPR PERMEN no. 26 / PRT / M / 2016 concerning regulations concerning the conditions for buying and selling subsidized housing and also regarding the target recipients of subsidized public housing loans. This residence is located in the central city of Lamandau regency, Central Kalimantan, which is located on the east of Bukut hibul road. this minimalist concept residence and still prioritize security and order so that residents feel comfortable.

The number of population increase in 2013 up to 2017 taken on the website of the Central Statistics Agency in Lamandau shows that the rate of population growth continues to increase Howson & Kindon, 2015), indicating that the need for shelter in the area is also increasing as well. But in practice at PT BSM property companies that have status as market leaders still have not reached the targets that should have been achieved.

In conjunction with the increasing number of competitors of subsidized housing developers in Central Kalimantan, PT BSM property must be agile in the face of the presence of other competitors. Therefore, we need a study to analyze what factors affect PT BSM housing residents are satisfied in buying housing so that it can influence other potential customers who will buy housing at PT BSM Property.

Table 1. Population Data of Lamandau Regency

Year	Total population
2013	69,700
2014	71798
2015	73 975
2016	76 160
2017	79341

Data source: https://lamandaukab.bps.go.id

With these results PT BSM property is expected to know a strong factor to develop housing that is of interest and make consumers feel satisfied when buying, and thus the company can decide on the main priorities when developing housing in the future in order to make consumers be sure to buy housing unit at PT BSM Properti.

The following are data from the population level in Central Kalimantan, which affects the level of subsidized housing sales. The large number of residents determines the level of residence needs so that PT BSM sees this opportunity to be made a business by providing benefits to the company and consumers. Consumer satisfaction becomes the main thing to be seen from the problems faced by the company by looking at the perceptions, interests and preferences of consumers towards subsidized homes.

Based on the background described above, researchers are interested in researching with the title "Analysis of the Effects of Perception and Consumer Preference on Satisfaction of Subsidized Housing Purchases (case study of PT BSM property)".

Method

Types and Data Sources

In this study using two types of data, namely primary data types and secondary data types (Nicholson & Bennett, 2009). Primary data is taken from respondents. Primary data is data taken from respondents whose characteristics have been determined, namely in the housing of PT BSM property. The questionnaire that has been set is then distributed to the residential location of PT BSM property to be filled by respondents. D ata secondary research data obtained from existing sources, in this case the secondary data obtained from the offices of PT BSM property. The secondary data obtained covers the number of occupants, and a collection of criticisms and suggestions that enter PT BSM Properti.

Participant

The participants of this study are residents who have bought housing at PT BSM property based on data in August 2019. The total acquisition of PT BSM property is 340 housing units. From the participant population random samples were taken. The larger the sample (the greater the value of n = the number of sample elements) will provide accurate results (Neerchal, Lacayo, & Nussbaum, 2008). Therefore, in this study 167 consumers will be taken as a research sample.

Data analysis

Analysis of the data of this study includes the validity and reliability test . In the process of testing the validity of the data analysis tool used is the SEM (Structural Equation Model) using the AMOS program (Savalei & Bentler, 2010). In the reliability test process aims to test the level of consistency of the indicators used for research. After going through the validity and reliability tests, a descriptive analysis was performed to describe the demographic profile of the respondents using the percentage formula. The final stage of analysis is SEM testing by taking seven steps of analysis.

Results

In accordance with the model developed in this study, the data analysis tool used is SEM which is operated by using the AMOS application. These steps refer to the SEM analysis process Schreiber, Nora, Stage, Barlow, & King, 2006). The sequence of steps in the analysis includes:

1. Model Discussion Based on Theory

The floating model in this research is based on the concept, which in general the model consists of two independent variables (exogenous), namely consumer perception and consumer preferences, and one dependent variable (endogenous), namely purchasing satisfaction.

2. Arranging the Flow Chart

After developing the model in line with the theory, then the next step is to compile the model in the form of a flowchart that will make it easier to see the relationships of cases that will be tested. In a flowchart, the relationship between constructs will be expressed through arrows. Straight arrows indicate a direct causal relationship between construction and other constructions. Measurement of the relationship between variables in SEM is called the structural model. Based on the theoretical basis, a path diagram for SEM is made as follows:

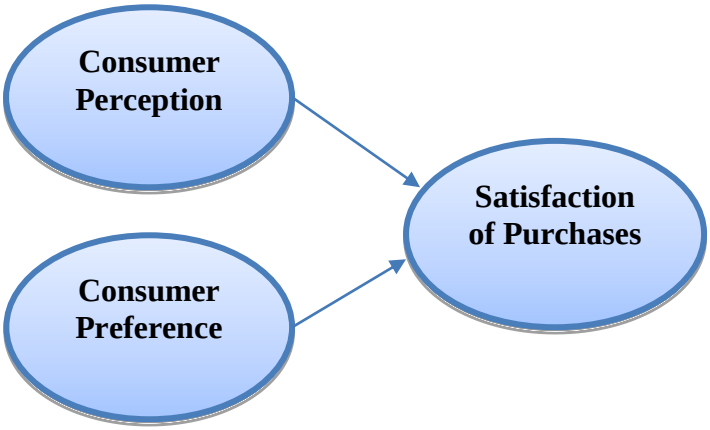

Figure 1. Flowchart
Source: Data Processing, 2019

3. Conversion of Flow Charts into Structural Equations

The model that has been stated in the flowchart in step 2 is then stated in the structural equation.

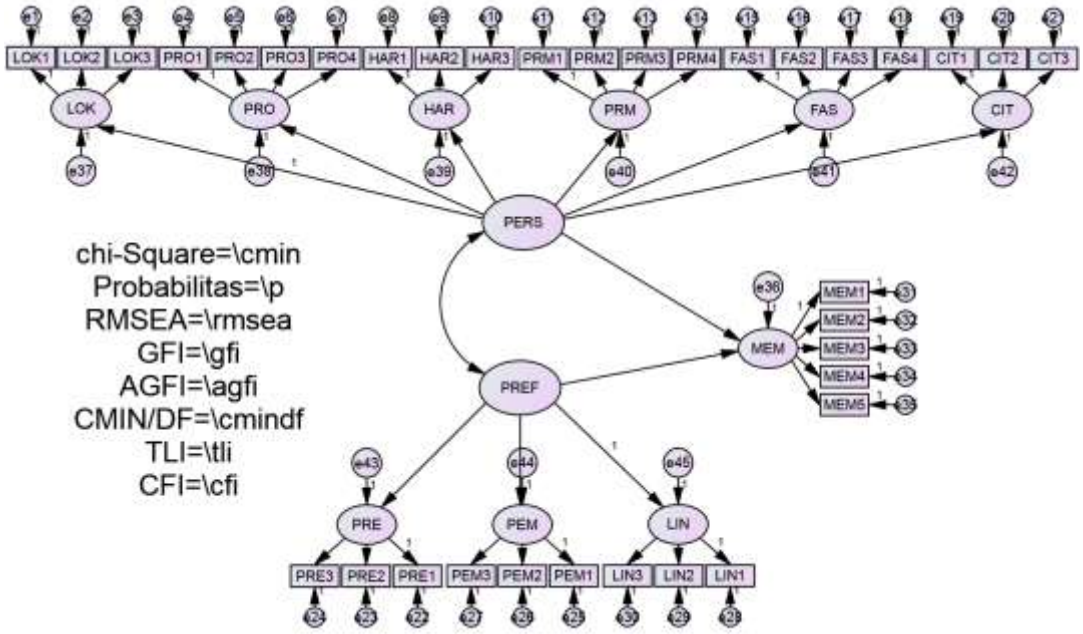

Figure 2. Structural Equation
Source: Data Processing, 2019

4. Matrix Input and Model Estimation

The matrix input used is covariance and correlation. The estimated model used is the maximum likelihood (ML) estimate. This study used a sample of 164 respondents. When referring to the provisions which argue that the number of representative samples is around 100-200. Thus, the sample size used in this study has fulfilled the assumptions that the SEM test requires.

5. Structural Model Identification

Some ways to see the presence or absence of identification problems is to look at the estimation results. SEM analysis can only be done if the model identification results show that the model is included in the over-identified category. This identification is done by looking at the df value of the model created.

Table 2. Notes for Model Computation of degrees of freedom (Default model)

Number of distinct sample moments:	630
Number of distinct parameters to be estimated:	82
Degrees of freedom (630 - 82):	548

Source: Data Processing, 2019

AMOS output results that show the df model value of 548. This indicates that the model is categorized as over confident because it has a positive df value. Therefore, data analysis can be continued to the next stage.

6. Assessing Goodness of Fit Criteria

Assessing goodness of fit is the main goal in SEM to find out to what extent the model is hypothesized "Fit" or fit the sample data.

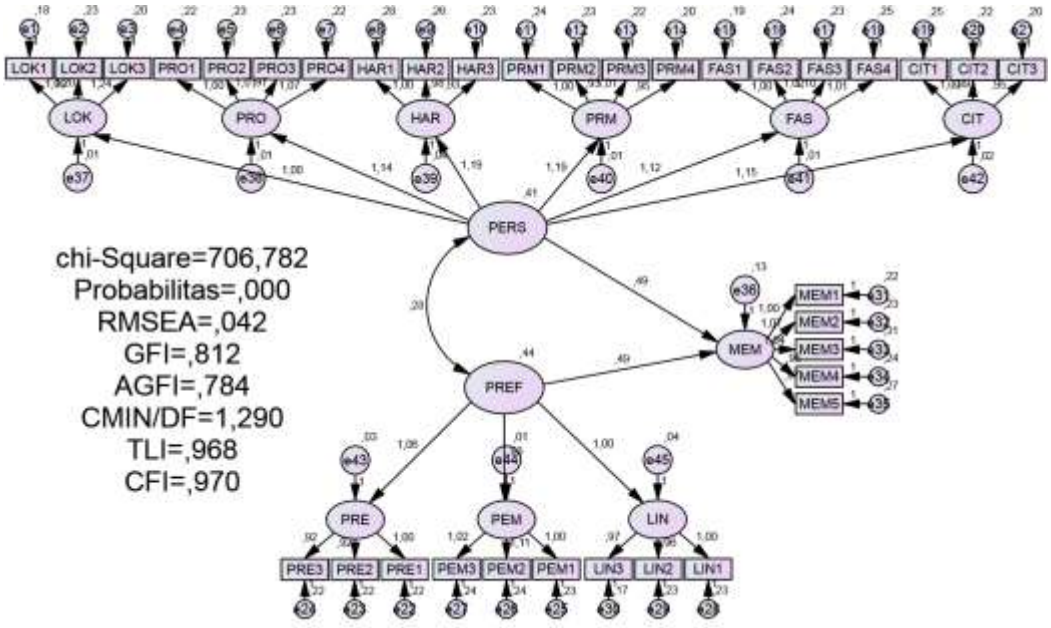

Figure 3. Full Model
Source: Primary Data Processed, 2019

Goodness of fit results are displayed in the following data:

Table 3. Assessing goodness of fit

Goodness of fit index	Cut-off value	Research Model	Model
RMSEA	≤ 0.08	0.042	Fit
GFI	≥ 0.90	0.812	Marginal
AGFI	≥ 0.90	0.784	Marginal
CMIN / DF	≤ 2.0	1,290	Fit
TLI	≥ 0.90	0.968	Fit
CFI	≥ 0.90	0.970	Fit

Source: Primary Data Processed, 2019

Based on the results in Table 3, it can be seen that the research model approaches as a good fit model. CMIN / DF is a parsiomonious conformity index that measures the goodness of fit model with the estimated coefficients expected to achieve conformity. The results of CMIN / DF in this study 1,290 indicate that the research model is fit.

Goodnes of Fit Index (GFI) shows the overall level of conformity calculated from the squared residuals of the predicted model compared to the actual data. The GFI value in this model is 0.812. Values close to the recommended level ≥ 0, 90 indicate a marginal fit research model.

RMSEA is an index used to compensate for the chi-square value in a large sample. The RMSEA value of this study is 0.042 with the recommended value of ≤0.08, this shows that the research model is fit.

AGFI is the GFI adjusted to the ratio between the proposed degree of freesom and the degree of freedom of the null model. The AGFI value in this model is 0.784. Values close to the recommended level ≥ 0, 90 indicate a marginal fit research model.

TLI is a conformity index that is not affected by sample size. TLI value in this study was 0.968 with the recommended value is ≥ 0, 90 It shows the research model fit.

CFI is an index that is relatively insensitive to the sample size and complexity of the model. The CFI value in this study was 0.970 with the recommended value of ≥0,90, this indicates a fit research model

Based on the overall measurement of goodness of fit above indicates that the model proposed in this study was accepted.

Discussion

1) Relationship of Consumer Perception to Purchasing Satisfaction

Hypothesis one (H1) in this study states that consumer perception has a significant effect on purchase satisfaction. In testing the relationship between purchase satisfaction on consumer perceptions in this study obtained data that consumer perception variables influence purchase satisfaction with a probability value of 0.0001 This means that the statistical calculation results of this study obtain positive results and significantly that is the perception perceived by consumers PT BSM significant effect on consumer satisfaction in the housing.

The estimated parameter value of the standardized regression weight coefficient is 0.488 and the CR value is 5.845, this shows that the relationship between consumer perception and positive purchasing decisions. This means that the better the perception of consumers will increase purchase satisfaction. Testing the relationship between the two variables shows the probability value of 0,000 ($p < 0.05$), so that (H1) which reads " **Consumer Perception has a positive effect on Purchased Satisfaction** " supported and can be stated if there is a direct influence between consumer perceptions with purchase satisfaction. These results indicate that the higher the consumer's perception of PT BSM will also increase consumer satisfaction at PT BSM property.

This is supported by previous studies in which consumers' perceptions of product, image, and facility factors significantly influence Wardhani, Sumarwan, & Yuliati's (2015) purchasing decisions. The results of this study are similar to the results of research conducted by Rustandi (2012) which says that a product affects the perception of consumers. In a study conducted by Dahmiri (2010) said if the facility factor is an indicator that can measure consumer perceptions that affect consumers.

2) The Relationship of Consumer Preferences to Purchasing Satisfaction

Hypothesis one (H2) in this study states that consumer preferences have a significant effect on purchase satisfaction. In testing the relationship between purchase satisfaction on consumer perceptions in this study obtained data that the consumer preferences variable influences the purchase satisfaction with a probability value of 0.0001, which means that the statistical calculation results of this study obtain positive and significant results, namely the preferences felt by consumers of PT BSM significant effect on consumer satisfaction in the housing.

The estimated parameter value of the standardized regression weight coefficient is 0.487 and the CR value of 5.789 shows that the relationship of consumer preferences with positive purchasing decisions. This means that the better the preferences of consumers then will increase the satisfaction of the purchase. Testing the relationship between the two variables shows the probability value of 0,000 ($p < 0.05$), so that (H2) which reads " **Consumer Preference has a positive effect on Purchased Satisfaction** " is supported and can be stated if there is a direct influence between consumer preferences and purchase satisfaction. This is supported by previous studies conducted by Wardhani, Sumarwan, & Yuliati (2015) where the method or method of payment and also on the environmental influential factors significantly affect consumer preferences for consumer satisfaction.

3) Consumer Purchase Satisfaction

In table 4 shows the value of P on the purchase decision variable. In the calculation process, it is found that the highest value is satisfied with the price in BSM housing, which is 0.840. In second place is satisfied with the location of housing in PT BSM, with a value of 0.824. in the third rank is satisfied with the environment at PT BSM with a value of 0.802. Rank 4 is satisfied with the payment method at PT BSM with a value of 0.788. at the last level is satisfied with the facilities (electricity, water supply) in the housing of PT BSM.

Table 4. **P value of the purchase satisfaction variable**

Satisfied with BSM housing location	, 824
Satisfied with housing prices in BSM housing	, 840
Satisfied with BSM housing facilities (electricity, PDAM)	, 785
Satisfied with the BSM housing environment	, 802
Satisfied with the BSM housing payment method	, 788

Source: Primary Data Processed, 2019

The conclusion is that PT BSM's subsidized housing has a satisfactory price, location and environment in PT BSM housing as evidenced by the high level of satisfaction with the data processing results. As for things that can be done at the company is more maximizing the existing facilities in housing products, besides that what can be done is to make an evaluation or innovation of the payment method to make consumers more satisfied and in the future the product is more attractive to consumers.

Conclusion

Based on the results of tests on PT BSM Propererty Kalimanta objects, it can be concluded as follows:

1. The majority of housing residents in PT BSM Properti are male, aged between 25-39 years old, with jobs owned by civil servants, with income earned from 2,000,000 to 3,000,000 per month, from the area of origin from Kalimantan and married.

2. The statistical test results that have been carried out using AMOS tools with SEM (Structural Equation Modeling) method, the following data are obtained:

    a. Consumer perceptions (Location, Product Prices, Promotions, Facilities, and Imagery) have a positive and significant impact on the satisfaction of the purchase of subsidized housing in PT BSM Central Kalimantan property.

    b. Consumer preferences (Payment Methods, Environmental influences, and social factors) have a positive and significant impact on the satisfaction of the purchase of subsidized housing in PT BSM Central Kalimantan property.

Suggestion

By looking at the results of this study, the following are suggestions from authors that can be given or recommended:

1. For the Company PT BSM Properti

The thing that can be done at the company is to further maximize both aspects of consumer preferences and perceptions because both aspects of the variable are equally positive influences on the satisfaction of the customer.

2. For Further Researchers

a. The next area of research should be broader and not just one research object.

b. The number of research respondents should be increased further so that the expected results are even more accurate.

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