



THE ROLE OF PRICE AND LOCATION ON CUSTOMER SATISFACTION IN GRIYA SUTERA BALARAJA HOUSING

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Abstract

Housing is a significant need for society. All products developers offer to consumers must be oriented to consumer needs. One factor that is often considered by consumers when buying a house is price. Companies must determine the right price to target consumers interested in purchasing the marketed products. Currently, the price is still occupying the top spot. Location is also essential because a strategic location will make consumers feel comfortable. With a reasonable price and location, it is hoped that consumers will be satisfied with the products they buy. This study examines the partial effect of cost, location's partial impact on customer satisfaction, and their simultaneous effect on customer satisfaction at Griya Sutera Balaraja Housing. The population in this study was 110 heads of families, with a total sample of 55 charges of families. The results showed that the price variable based on the results of the t-test obtained a t-count value of $3.564 > t$ table (2.007), the results of the location t-test got a t-count value of $5.899 > t$ table 2.007, and the F test results obtained an F count value of $46.893 > F$ table 3.17. It means that partially and simultaneously, price and location affect consumer satisfaction.

Keywords: Consumer Satisfaction, Price, and Location

INTRODUCTION

Primary needs are the most critical human needs, including clothing, food, and shelter. This need is an opportunity for business actors to carry out food, clothing, and shelter businesses. Fulfilling community housing needs is very important as a place to live, so the need for housing is increasing (Asfar and Suripto, 2021).

The rise of real estate developers to provide housing products resulted from the development of technology, economic development, population growth, and the community's need for housing. Of course, all products provided by developers to consumers must be based on consumer needs. Humans need a sense of security and comfort in life and their environment. Many developers are now offering facilities that meet consumer needs. It means providing adequate safety and environmental facilities.

Businesses have many strategies to satisfy and excite consumers. In an increasingly competitive environment, economic actors must be able to create a competitive advantage for their products and services to benefit consumers. Therefore, manufacturers must pay attention to product guidelines.

Customers who are satisfied with your product or service's value are more likely to remain long-term customers. According to Kotler (2011), that consumer satisfaction is a feeling of pleasure or disappointment that arises after comparing the performance (results) of the product received with the expected performance. Meeting consumer needs is the desire of all companies. Besides being necessary for the company's survival, meeting consumer needs can increase its competitiveness. Consumers who are satisfied with a product or service tend to repurchase the product or service if the exact need arises. Customer satisfaction is crucial in repurchasing and accounts for most of the company's sales volume.

Consumer satisfaction is a state that is achieved when a product meets the needs or expectations of consumers and is free from defects. Consumer satisfaction can also be defined as a situation where customers' needs, desires, and expectations are met by the products or services consumed (Daryanto and Ismanto, 2014). According to Kotler and Keller (2016), consumer satisfaction indicators include repurchase interest, willingness to recommend others, ability to compare with others, ability to meet expectations, and other products from the same company.

Price is the amount of money charged for a particular product. Companies set prices in a variety of ways. Sinambela (2019) describes price as the amount of money charged for a product or service. Or the amount of value exchanged by consumers for the benefit of owning and using a product or service that allows the company to earn a fair profit by being paid for the customer value it creates (Alma and Buchari, 2018).

Price, value, and utility are interrelated concepts. Utilities are attributes associated with an item that enables it to satisfy consumer needs, wants, and satisfactions. Value is the value of a product in exchange for other products. Price is the value of goods expressed in money (Bakti, 2020). According to Erawati (2020) that one of the factors that can affect customer satisfaction is price. People want goods at cheaper or competitive prices, so the price here is interpreted more as a consequence. In other words, high prices result from good quality products or services.

According to Kotler (2011), price indicators are affordability, price value considering product quality, price competitiveness, and price value thinking availability. Affordability is what consumers expect before buying. Consumers are looking for affordable products. For certain products, consumers usually do not mind buying at a relatively high price as long as the quality is good. However, consumers prefer high-quality products at low prices. The company determines the selling price of its products by considering the prices of products sold by its competitors so that its effects can compete in the market. Consumers sometimes ignore the price of a product but are attracted by the benefits of the product.

The location factor is one of the crucial factors that influence the success of a service because the location is closely related to the potential market for service providers to influence purchasing decisions that consumers will make to buy a product. Mood and customer response are significantly influenced by service facilities' location, design, and layout (Tjiptono, 2014). A good location guarantees fast access, can attract many consumers, and is strong enough to change consumer shopping and purchasing patterns (Barus, Sinaga, and Sagala, 2020).

The location index, according to Tjiptono (2014), is that the selection of a physical location requires careful consideration of several factors, including accessibility (areas with easy access to public transportation), visibility (locations or locations that are visible from average viewing distances); traffic (many passersby can offer good opportunities for impulse buying, i.e., often done spontaneously or without planning); purchasing decisions, traffic jams, and congestion can also be obstacles); spacious, comfortable, and secure parking for expansion (there is sufficient space for future business expansion);

environment (an environment that supports the services provided); competition (competitor location); and government regulations, including provisions governing specific business locations. For example, car repair shops are prohibited from being too close to places of worship.

Based on price and location analysis, it can see that these two things play an essential role in consumer satisfaction. Therefore, this study was carried out to determine the extent to which price and location impact the level of satisfaction experienced by Griya Sutera Balaraja Housing customers.

METHOD

The methodology quantitatively uses two types of variables (Sugiyono, 2015), including one independent variable, namely Location (X1), Price (X2), and the dependent variable, namely Consumer Satisfaction (Y), to know the effect of each variable. Data collection techniques include observations, interviews, questionnaires, documentation, and data analysis techniques.

The population in this study are consumers who have occupied the housing of Griya Sutera Balaraja, which are 110 families. The sample is 55 people. After that, the data went through a series of analyzes, including statistical tests, classical assumption tests, and analysis tests using multiple linear regression analysis.

RESULT AND DISCUSSION

RESULT

The validity test results show that all statement items in the instrument are declared valid because the r count in each statement is greater than the r table. Thus, the statement items in the variables are feasible to use as research instruments. And the results of the reliability test show that Cronbach's Alpha value of the variable device is more significant than 0.60. From these results, it can conclude that the statement used is reliable or reliable to be used as a variable measuring tool.

Multiple Linear Regression Coefficient Test Results

The reliability of the research instrument was tested using Cronbach's Alpha coefficient formula. If the alpha coefficient value is more significant than 0.60, it is concluded that the research instrument is reliable or reliable. The Cronbach's Alpha value of the consumer satisfaction variable instrument is 0.886, the price variable mechanism is 0, and the variable location instrument is 0.872, more significant than 0.60. From these results, it can conclude that the statement used is reliable or reliable to be used as a variable measuring instrument.

Based on the results of the normality test that all research variables in Unstandardized have a significance value of more than 0.05 at ($\text{sig} > 0.05$). Unstandardized Residual has a significance value of 0.200. variables are normally distributed. While the multicollinearity test for each VIF value is less than ten, and the tolerance value is more than 0.10 for each variable. Based on these results, it can

conclude that the regression equation model does not have multicollinearity problems and can be used in this study. The heteroscedasticity test shows that the points spread around zero on the X-axis and Y-axis and do not form patterns or lines, so it can be said to be free from problems with heteroscedasticity symptoms.

Hypothesis testing in this study was conducted using multiple linear regression analysis models with a significance level (α) of 0.05. The calculation of the multiple linear regression model is carried out with the help of SPSS 23.

Hypothesis Testing Test t

The hypothesis of a test, the error rate is determined by determining the significance level with the symbol α (alpha) = 0.05 where the total distribution used has $DK = n - k$. If H_0 is accepted, the tested independent variable has an insignificant effect on the related variable.

Table 1. T Test Effect of Variable X1 to Y and Variable X2 to Y
Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	11.210	4.687		2.392	.020
	HARGA	.252	.071	.342	3.564	.001
	LOKASI	.555	.093	.572	5.958	.000

a. Dependent Variable: CUSTOMER SATISFACTION

Data source: SPSS 23 results

Based on the results of table 1, it is known that testing the first hypothesis (H_1) shows that the significance value for the effect of price (X_1) on consumer satisfaction (Y) is $0.001 < 0.05$, and the t-count value is $3.564 >$ the t-table value is 2.007.

So, it can conclude that H_1 is accepted, which means that there is an influence of X_1 on Y .

Meanwhile, based on the value of X_2 on Y , it is known that the significance value is $0.000 < 0.05$ and the t count value is $5.899 >$ the t table value is 2.007, so it can conclude that H_2 is accepted, which means that there is an influence of X_2 on Y .

Hypothesis Testing F Test (Simultaneous)

Based on the SPSS 23 output results, the F test results of the price (X_1) and location (X_2) variables on consumer satisfaction (Y) are as follows:

Table 2. Simultaneous Hypothesis Test F-test

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	577.765	2	288.882	46.893	.000 ^b
	Residual	320.344	52	6.160		
	Total	898.109	54			
a. Dependent Variable: CUSTOMER SATISFACTION						
b. Predictors: (Constant), LOCATION, PRICE						

Data source: SPSS 23 results

Based on the results of table 2. it is known that the significance value for the effect of X_1 and X_2 simultaneously on Y is $0.000 < 0.05$, and the F_{count} value is $46.893 > F_{\text{table}} 3.17$, so it can conclude that H_3 is accepted. It means that there is an effect of the price of X_1 and the location of X_2 simultaneously on the satisfaction of consumer Y at Griya Sutera Balaraja Housing.

DISCUSSION

H₁. The Effect of Price on Consumer Satisfaction

Based on the results of the hypothesis test, it shows that the significance value for the effect of price (X_1) on consumer satisfaction (Y) is $0.001 < 0.05$, and the t-count value is $3.564 >$ the t-table value is 2.007.

So, it can conclude that H_1 is accepted, which means there is an effect of X_1 to Y that is partial to the price variable that affects consumer satisfaction with Griya Sutera Balaraja housing. It is supported by the correlation test with the acquisition of R of 0.632, which shows that the level of the relationship influence of price on consumer satisfaction is vital. This research is in line with previous research by Wariki, Mananeke, and Tawas (2015) and Amilia (2017). Affordable prices are what consumers expect before they make a purchase. Price compatibility with product quality is also important because, for certain products, consumers usually do not mind if they have to buy at relatively high prices as long as the quality of the product is good. However, consumers prefer products with low prices and good quality.

H₂. The Effect of Location on Consumer Satisfaction

Based on the results of the hypothesis testing, it shows that the significance value for the effect of X_2 on Y is $0.000 < 0.05$, and the t_{count} value is $5.899 >$ the t_{table} value is 2.007.

So it can conclude that H_2 is accepted, which means that there is an effect of X_2 on Y. In this case, there is an influence of location on the satisfaction of the consumer. It is supported by a correlation test with an R of 0.746, which shows that the relationship between background and customer satisfaction is vital. This study's results align with previous research by Harminingtyas (2012). The choice of

location by the developer will determine the behavior of the houses being sold. Location determines the success of a service because it is closely related to the potential market. Choosing the wrong place for the company will result in losses (Tjiptono, 2014).

H₃. Simultaneous Effect of Price and Location on Consumer Satisfaction

Based on the results of hypothesis testing (H₃), it is known that the significance value for the effect of X₁ and X₂ simultaneously on Y is 0.000 < 0.05, and the F count value is 46.893 > F table 3.17.

So it can conclude that H₃ is accepted, which means there is an influence on the price of X₁ and location of X₂ simultaneously on consumer satisfaction Y at Griya Sutera Balaraja Housing. It is in line with the results of previous research by Iskandarsyah and Utami (2017). The company must have an advantage in setting the right price because the company indeed expects positive behavior toward what is offered. Location is also a factor that determines the success of a business. Location shows the activities carried out by producers to make the resulting product accessible and available to consumers wherever consumers are because this is also a factor in assessing consumer satisfaction. Therefore, it is significant for a business such as housing to apply a reasonable price and location strategy. By implementing this strategy, the business owner can determine a fee based on quality and select a strategic location that is also easy to reach.

CONCLUSION

Based on the results of the research that has been done, price partially affects consumer satisfaction, as well as location partly influences customer satisfaction. Simultaneously price and location also influence customer satisfaction in Grand Sutera Balaraja housing. It means that if the price perception is improving, it will increase consumer satisfaction. Likewise, if the perception of the location is getting better, of course, consumer satisfaction will increase. Affordable prices, adequate quality facilities, infrastructure, and strategic and convenient locations will increase consumer satisfaction. Regarding consumer satisfaction, what has been the complaints experienced by consumers must continue to be improved.

Suggestions for future researchers should develop or add other independent variables in research apart from price and location variables, which might affect the consumer satisfaction variable.

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