HOME BUYING DECISIONS: INFLUENCE OF QUALITY, SERVICE, AND INCOME LEVEL (STUDY CASE ON GRIYA ARTHA RANCABANGO HOUSING DEVELOPER)

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Abstract

Property prices are getting higher and higher, making it difficult for people to buy them. One factor that determines the purchase of a property or house is the quality of its products, services, and the level of income of the surrounding community. This study aims to examine the effect of product quality, credit service, and community income levels on home purchase decisions in Griya Artha Rancabango, Tangerang. The research method used is descriptive associative research. The population and sample in this study are buyers and potential buyers of Griya Artha Rancabango. The results showed that it can be concluded that the quality of the product (X1) has a positive and significant influence on the purchasing decision (Y) of the house. That the service (X $_2$) has a positive and significant influence on the purchase decision (Y) of the house. That the level of consumer income (X $_3$) has a positive and significant influence on purchasing decisions (Y) houses. that the level of product quality (X1 $_)$, service (X2 $_)$, and consumer income (X3 $_)$ have a positive and significant influence on purchasing decisions (Y) Griya Artha Rancabango.

Keywords : *Purchase Decision, Product Quality, Income Level*

Introduction

High property prices, disproportionate to income, make people delay in making home-buying decisions. This makes it difficult for housing developers to find customers. This will be dangerous for developers because many developers do their business without the support of a lot of assets.

The purchase decision becomes an important thing to note because this will certainly be a consideration of how a marketing strategy will be carried out by the next company. The company's success in influencing consumers in purchasing decisions is strongly supported by efforts to build communication with consumers by building brands to consumers with marketing strategies, as well as innovating for new variants on a product. The complex buying decision process often involves several decisions. A decision involves a choice between two or more alternative courses of action. In this case, because of high product prices, developers must be able to mix marketing strategies so that consumers remain interested in buying their products. Because if not, developers will not be able to compete with competitors.

Competition is so tight today that companies must be able to play a reliable marketing strategy and be able to attract consumers so that they can win the market. Products that have good quality with good differentiation will be products that are most likely to have loyal consumers. Understanding how consumer behavior will contribute to companies formulating marketing strategies that will later be implemented in introducing and promoting their products to the market. This means that when a product is about to be produced, long before it has been known what the needs and desires of consumers are. Because, if the product is not well thought out, the product will not be able to sell optimally, or even not sell well in the market.

As an industrial city, Tangerang City has 2.274 million people. The need for housing is very necessary. Especially with the population that continues to grow every year. The decision to buy a residence will be highly coveted by everyone.

The quality of the property also determines whether potential buyers will buy the property or not. Because many properties are sold by developers using materials that are not good, the quality of the house building is not good and does not last long. This is done by the developer to reduce production costs so that the profits will be maximized. However, if

consumers are not satisfied with the products that have been purchased because of the reduction in production costs, this will reduce the brand image of the developer so that the products to be sold in the next period will be difficult to sell.

The quality of the product must be made proportional to the price because the quality of the product is very important to determine whether the product will be purchased or not. Many developers sacrifice product quality with the lure of 'cheap' prices with the target market eyeing low housing prices. This will make the market climate unfavorable because developers will only make low-quality products so that their products can be sold cheaply.

Property prices that are too high can also discourage potential buyers from buying them. Therefore, developers are competing in providing affordable housing for all people. As well as cooperating with banks as intermediaries for transactions that have low interest so that it can make the monthly installment fee lower and more attractive to potential consumers.

Services in the management of mortgages can also be a determining factor in whether consumers will decide to buy a house that has been in demand. Because a mortgage is a long process. Therefore, consumers are more careful in choosing a mortgage, because it will be difficult to settle if the mortgage used in the transaction does not match the criteria required by all parties, both banks and consumers.

Services in managing mortgages are also very crucial in the smooth running of property buying and selling transactions. Because if the bank chosen to be the debtor is not right, it will be a problem in the future that must be handled by the developer. Disputes that may occur in the continuity of the mortgage process will again make the company's brand image worse.

Developers must also be able to adjust the price of their property with the income of potential consumers. Because the price offered is too expensive or even too cheap, the amount of demand and supply for property in an area will be disrupted and the company's income will not be optimal.

Marketing Management

Marketing Management is the main issue that is regulated in this marketing management with more emphasis on how to sell goods, services, distribution, and promotion of production so that consumers feel interested in consuming them. To regulate how goods and services can be sold as optimally as possible and with a reasonable profit (Hasibuan, 2016).

Buying decision

Purchasing decisions are a series of processes that start from the consumer recognizing the problem, seeking information about a particular product or brand, and evaluating the product or brand and how well each alternative can solve the problem, which then a series of processes that lead to a purchase decision (Tjiptono, 2015)).

Purchasing decisions are a stage in making purchasing decisions where consumers carry out actual buying activities (Philip Kotler & Armstrong, 2018).

Product Quality

Product quality is a statement of the level of ability of a particular brand or product in carrying out the expected function (Assauri, 2016:65) . Product quality is the ability of a product to perform its function, in this case including overall reliability, durability, ease of operation, product repair, accuracy, and other attributes (P. Kotler & Keller, 2016).

Product quality is a product or service that has met or exceeded customer expectations, giving rise to a decision to buy (Kotler & Keller, 2016). Product quality is the overall combination of characteristics of goods and services from marketing, engineering, manufacture, and maintenance that makes the products and services used to meet customer expectations (Alma, 2016).

Service

Service is any act or deed that can be offered by one party to another which is essentially intangible and does not result in the ownership of anything (Kotler & Armstrong, 2018).

Service quality is a measure of how well the level of service provided can meet customer expectations (Tjiptono, 2015). In other words, two main factors affect service quality, namely

expected service, and perceived service. If the service received or recommended is as expected, then the quality of service is perceived as good and satisfactory. Meanwhile, if the service received or felt is not as expected, the service quality is perceived as poor quality. Quality must start with customer needs and end with customer perception.

Consumer Income

According to Ardiansyah, income is divided into two, namely gross income and net income. Gross revenue is the result of the sale of merchandise or the amount of sales turnover. Net income is the revenue from sales minus the purchase of materials, transportation costs, levies, and food costs or total income where the total revenue is reduced by the total cost. The amount of gross income will have a direct effect on net income per day (Usman, 2016).

Income can be defined as the total income (money or not) of a person or a household during a certain period (Rahardja & Manurung, 2006). Income is all money or all payments received by a person and company in the form of salaries or wages, rent, interest, profits, etc., together with unemployment benefits, pensions, and others (Mubarok). , 2012).

Research Methode

In this study, the authors used a quantitative research approach. Quantitative research methods can be interpreted as research methods based on positive philosophy, used to examine certain populations or samples. The sampling technique is generally done randomly, data collection uses research instruments, and data analysis is quantitative/statistical, intending to test the established hypothesis (Sugiyono, 2015).

This research was conducted on customers and prospective customers of subsidized housing Griya Artha Ranca Bango in Ranca Bango Village, Rajeg District, Tangerang Regency.

Discussion

A validity test is used to determine whether the questionnaire is valid or not. The significance test is carried out by comparing r arithmetic with r tables for a degree of freedom

(df) = n − 2, in this case, n is the number of samples. Based on the results of the validity test, it is known that the statement of each variable is declared valid if r count > r table.

The results of the one-way validity test carried out on 100 respondents so that the large df can be calculated as 100 - 2 = 98 and alpha = 0.05 obtained r table = 0.1654. It can be concluded that all questionnaire statements are valid because the Pearson correlation values are all above the r table value of 0.1654

Table 1
Variable Measureme

No	Variable	Indicator
1	Product Quality (X_1)	1) Conformance to Specification
		2) Durability
		3) Ability to Provide Service
		5) Aesthetics
		6) Perceived quality
2	Service (X $_2$)	1) Empathy
		2) Reliability
		3)Responsiveness
		4) Guarantee
3	Consumer Income Level (X3)	1)Consumer Income Level
4	Purchase Decision (Y)	1) Recognition of Needs
		2)Information Search
		3) Alternative Evaluation
		4) Purchase Decision
		5)Post Purchase Behavior

Table 2
Reliability Test

Variables	Reliability Statistics	
	Cronbach's Alpha	N of Items
X1	.861	5
X2	.895	5
Y	.930	10

Based on the table of reliability test results, it can be seen that the variables X1, X2, and Y have Cronbach's Alpha > 0.60. So it can be concluded that all variables are declared reliable.

Table 3
One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		100
Normal Parameters a,b	mean	.0000000
	Std. Deviation	2.11028926
Most Extreme Differences	Absolute	.076
	Positive	.063

	negative	-.076
Test Statistics		.076
Asymp. Sig. (2-tailed)		.168 c

The results above show the significant value of asymp . Sig (2-tailed) is 0.168, which means it is greater than 0.05. So, according to the basis of decision-making in the Kolmogorov-Smirnov normality test above, it can be concluded that the data are normally distributed

Table 4
Heteroscedasticity Test

Correlations		Product Quality	Service	Consumer_Revenue_Rate	Unstandardized Residual
Product Quality	Pearson Correlation	1	.832 **	.803 **	.000
	Sig. (1-tailed)		.000	.000	.520
	N	100	100	100	100
Service	Pearson Correlation	.832 **	1	.654 **	.000
	Sig. (1-tailed)	.000		.000	.450
	N	100	100	100	100
Consumer_Revenue_Rate	Pearson Correlation	.803 **	.654 **	1	.000
	Sig. (1-tailed)	.000	.000		.540
	N	100	100	100	100
Unstandardized Residual	Pearson Correlation	.000	.000	.000	1
	Sig. (1-tailed)	.500	.500	.500	
	N	100	100	100	100
**. Correlation is significant at the 0.01 level (1-tailed).					

From the table above, it can be seen that the significance value of the product quality variable is 0.520, the service variable is 0.450 and the consumer income level variable is 0.540. Because the value of the three variables is greater than 0.05, it can be concluded that there is no problem or symptom of heteroscedasticity. That is, the regression model used is feasible to use.

Table 5
Multicollinearity Test

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Product Quality	.191	5.239
	Service	.307	3.256
	Consumer_Revenue_Rate	.355	2.815

Based on the table above, it can be seen that no variable has a VIF value of more than 10 and a tolerance value of less than 0.10, which means that there is no correlation between independent variables that is more than 95%. Meanwhile, from the correlation matrix of the independent variables, it can be seen from table 4.21 that the independent variable that has the highest correlation is X3 with a correlation value of 0.355 or about

35.5% more. The correlation value is still tolerable because it is still below 95%. Therefore, it can be concluded that there is no multicollinearity between the independent variables in the regression model.

Table 6
F Test

ANOVA [a]						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2955.281	3	985,094	214.501	.000 [b]
	Residual	440.879	96	4,592		
	Total	3396160	99			
a. Dependent Variable: Purchase_Decision						
b. Predictors: (Constant), Consumer_Revenue_Rate, Service, Product_Quality						

Determine the significance level of = 5% or 0.05
df   = n − k − 1
df   = 100 − 2 − 1
df   = 97
F table = (97 : 0.05) = 2.70

From the table above, the calculated F is 214.501 when compared to the F table of 2.70. then F count > F table. This shows that H4 is accepted. And when viewed through the level of significance, the level of significance in the F test is below 0.05. This means that there is a significant and simultaneous influence of Product Quality, Service, and Consumer Income Levels together on House Purchase Decisions at Griya Artha Rancabango.

T-Test
Based on the analysis that has been done, the results obtained that product quality has a positive and significant influence on purchasing decisions. This is evidenced by the value of tcount > ttable with a significance value below 0.05. So it can be concluded that product quality (X1) has a positive and significant influence on purchasing decisions (Y) for the Griya Artha Rancabango. If the quality of a product is good, it will have an impact on increasing purchasing decisions and will have an impact on increasing sales value which is very good for the company.

The results obtained that mortgage services have a positive and significant influence on purchasing decisions. This is evidenced by the value of tcount > ttable with a significance value below 0.05. So it can be concluded that the service (X2) has a positive and significant influence on the purchase decision (Y) of the Griya Artha Rancabango. If the service at the time of managing a mortgage is good, it will have an impact on increasing purchasing decisions and will have an impact on increasing sales value which is very good for the company.

The results showed that the level of consumer income has a positive and significant influence on purchasing decisions. This is evidenced by the value of tcount > ttable with a significance value below 0.05. So it can be concluded that the level of consumer income (X3) has a positive and significant influence on purchasing decisions (Y) Griya Artha Rancabango. If the level of consumer income is high, it will have a high impact on purchasing decisions and will have an impact on increasing sales value which is very good for the company.

Conclusion
It can be concluded that product quality (X1) has a positive and significant influence on purchasing decisions (Y) for Griya Artha Rancabango. It can be concluded that the service (X 2) has a positive and significant influence on the purchase decision (Y) of Griya Artha Rancabango. The level of consumer income (X 3) has a positive and significant influence on purchasing decisions (Y) Griya Artha Rancabango. the level of product quality (X1), service (X2), and consumer income (X3) have a positive and significant influence on

purchasing decisions (Y) Griya Artha Rancabango.

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