The Influence of Price, Promotion and Location on Purchasing Decisions For Subsidized Houses at PT. ABGI PUTRA PERKASA

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Abstract The purpose of this study was to determine and analyze the effect of Price on Purchasing Decisions. To determine and analyze Promotion on Purchasing Decisions. To determine and analyze the Location on Purchasing Decisions. To determine and analyze the effect of Price, Promotion and Location on Purchasing Decisions for Subsidized KPR Houses at PT ABGI PUTRA PERKASA. In this study, an associative approach was used to determine the relationship between each variable. The data presented in the form of quantitative data, namely testing and analyzing data with numerical calculations and then drawing conclusions and testing. In this study, the object studied was a Subsidized KPR House at PT ABGI PUTRA PERKASA with an unknown population and a sample of 61 people with a sample draw using the Lemeshow formula.The results of this study are Price has a significant effect on Purchasing Decisions. Promotion has a significant effect on Purchasing Decisions. Location has a significant effect on Purchasing Decisions. And Price, Promotion and Location have a significant effect on Purchasing Decisions for Subsidized KPR Houses at PT ABGI PUTRA PERKASA.

Keywords: Price, Promotion, Location

1. INTRODUCTION

Purchasing decision is a decision-making process for a purchase which includes determining what to buy or not to make a purchase and the decision is obtained from previous activities. The purchase decision is to buy the most preferred product from several existing options (Mourina & Mulyadi, 2019). PT Abgi Putra Perkasa is engaged in the construction and provision of subsidized houses as a means of succeeding the government program with one million housing units. PT Abgi Putra Perkasa aims to provide convenience to the community about having a dream home with a very affordable subsidized housing assistance facility facilitated by banks appointed by the government. A common problem is that people always prioritize house prices, house locations and promotions that make them interested. The higher house prices make people undo the decision to buy a house because they cannot pay for the house with the monthly income received from work. The location of the house away from work and entertainment centers is also a factor in home buying decisions because people do not want to feel tired when going to work or getting entertainment. Promotions carried out by home sellers can also tempt people to buy houses, if home sellers do not have promotions, it can discourage people's decisions to buy houses.

Table. 1. House Purchase Data at PT Abgi Putra Perkasa

No.	Year	Quantity
1.	2019	40
2.	2020	60
3.	2021	115

4.	2022	250
5.	2023	300

Source: PT. Abid Putra Perkasa

Based on data on house purchases, it can be seen that there is an increase in house purchases. Everyone who wants a house prioritizes price and location to decide on a house purchase. The problem that occurs at PT Abgi Putra Perkasa is that the houses provided have not been completely sold until now so that a good financial system is not running considering that operational needs are also ongoing. People who need housing have considerations in buying a house, including the price offered, the location of housing as well as promotions such as discounts or the number of installments offered by the developer PT Abdi Putra Perkasa can also fulfill the wishes of consumers in making sales. Price is the amount of money charged for a particular product. Companies set prices in a variety of ways. In small companies, prices are often set by top management.In large companies, pricing is usually handled by division managers or product line managers.Even in general pricing companies and often approve prices proposed by lower-level management. (Rindianti, 2019).

Location is a place and building used to run a business, location is one of the determinants of the success of a business, seen in terms of demand: the number of consumers who come to the sales location is influenced by the location of the location itself, the farther the location is from the consumer's place, the reluctant consumers come to it considering the costs incurred are also increasing. (Candra, 2020). The problem related to location is that the housing made by PT Abgi Putra Perkasa is subsidized housing which requires its location not to be in the middle of the city. On the other hand, promotion determines the decision to buy a house, because with the promotion the public knows the location of the housing being sold.

Promotion is a marketing communication in which, companies try to inform, persuade, and remind consumers directly or indirectly about the products and brands being sold. Promotion indicators are Advertising, Personal Selling, Sales Promotion, Public Relations and Direct Marketing. (Maksum, 2018). The problem that occurs at PT Abgi Putra Perkasa regarding promotion is that promotion is only carried out through several marketing methods where PT Abgi Putra Perkasa only utilizes social media such as Facebook and OLX. So it is felt that it still does not accelerate the process of selling houses such as brochures and is far from the expected home buying decisions. Based on the description that has been described, the researcher conducted research at PT Abgi Putra Perkasa to obtain the required data regarding price, location and promotion to determine their effect on work discipline. Therefore, the researcher concluded that the title of this research is the effect of price, location and

promotion on purchasing decisions for subsidized houses at PT Abgi Putra Perkasa.

2. LITERATURE REVIEW

Purchasing Desicison (Y)

Purchasing decision is a decision-making process for a purchase which includes determining what to buy or not to make a purchase and the decision is obtained from previous activities. The purchase decision is to buy the most preferred product from several existing options (Mourina, 2019). Purchasing decisions are problem-solving activities carried out by individuals in selecting appropriate alternative behaviors from two or more alternative behaviors and are considered the most appropriate action in buying by first going through the stages of the decision-making process. (Firmansyah, 2019).

Price (X₁)

Price is the amount of money charged for a particular product. Companies set prices in a variety of ways. In small firms, prices are often set by top management. In larger companies, pricing is usually handled by division managers or product line managers. Even in general pricing companies and often approve prices proposed by lower-ranking management. (Ridianti, 2019). Price is also the amount of money (plus some possible goods) needed to get a certain combination of goods and their services (Ismanto, 2020). Price is the amount of money that must be paid by consumers or buyers to get the products offered by the seller. Setting the selling price must be adjusted to the intended purchasing power of consumers and taking into account costs, profits, competitors, and changes in market demand.

Promotion (X₂)

Promotion is a marketing communication in which, companies try to inform, persuade, and remind consumers directly or indirectly about the products and brands being sold. A company in marketing its products needs to design and disseminate information about its presence, availability, product characteristics and product conditions as well as the benefits that customers or potential customers can get for the products offered by the company. Efforts to introduce products to the market are carried out by a promotional strategy. The concept used to introduce products is promotion mix, activities that combine product advantages and persuade consumers to buy (Maksum, 2018).

Location (X₃)

Location is a place and building used to run a business, location is one of the determinants of the success of a business, in terms of demand: the number of consumers who come to the sales location is influenced by the location of the location itself, the farther the

location is from the consumer's place, the reluctant consumers come to it considering the costs incurred are also increasing (Candra, 2020). Location is an object or a symptom in space that can explain and can provide clarity on the object or symptom of geography concerned. location is the location or retailer store in a strategic area so as to maximize profits.

Conseptual Framework
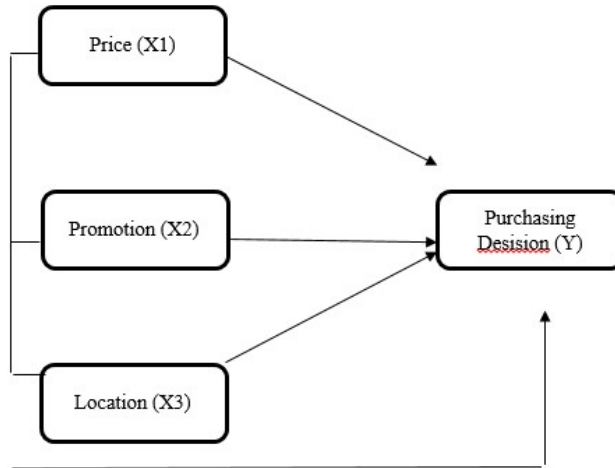
Source: Researcher (2024)

Figure 1. Conceptual Framework

3. RESEARCH METHOD

Type of research

The type of research used in this study is quantitative. Quantitative research is a method used to test certain theories by examining each relationship between variables. In this study, it is quantitative, namely data consisting of numbers of respondents' answers or data that can be calculated and will be included in calculations or used in quantitative analysis such as variables that will be studied for their influence on customer satisfaction. (Sugiyono, 2017).

Data source

This research uses primary and secondary data sources, as follows:

a. According to Sugiyono, (2017), primary data is data that directly provides data to data collectors. Primary data sources are obtained through an interview activity with the research subject and by observation or observation in the field. The primary data used by the authors in the study was a questionnaire.

b. According to Sugiyono, (2017), secondary data is a data source that does not directly provide data to data collectors, for example through other people or through documents. Secondary data sources are complementary data sources that function to complement the

data needed by primary data.

Research Population and Sample

According to Sugiyono, (2017) population is the whole of the object under study. Population is a generalization area consisting of objects / subjects to study and then draw conclusions. The population in this study were all customers of PT. Abgi Putra Perkasa totaling 150 customers who bought housing. Due to limited time, costs, and other things to reach customers, the researcher directly determines the number of samples in this study as many as 60 customers of PT Abgi Putra Perkasa who were taken with the sampling technique is accidental sampling.

4. RESULTS AND DISCUSSION

Respondent Characteristics

Table 1. Characteristics of Respondents Based on Gender

No	Gender	Frequence (F)	Percentage (%)
1	Male	40	67%
2	Female	20	33%
		60	100%

Source: Processed by researchers (2024)

Table 2. Characteristics of Respondents Based on Age

No	Age	Frequence (F)	Percentage (%)
1	30-40	43	72%
2	41-50	17	28%
		60	100%

Source: Processed by researchers (2024)

Normality Test Results

Table 3. Kolmogorove-Smirnov Normality Test Results

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		60
Normal Parameters[a,b]	Mean	.0000000
	Std. Deviation	.35496637
Most Extreme Differences	Absolute	.101
	Positive	.082
	Negative	-.101
Test Statistic		.101

Asymp. Sig. (2-tailed)	.200[c,d]
a. Test distribution is Normal.	
b. Calculated from data.	
c. Lilliefors Significance Correction.	
d. This is a lower bound of the true significance.	

Source: Processed by researchers (2024)

Based on the data in the table above, it can be seen that the asymp. sig (2-tailed) value is 0.200 > 0.05 so it can be concluded that this study is normally distributed and has met the requirements of the normality test.

Multicollinearity Test Results

Table 4. Multicollinearity Test Results

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
Model	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	.745	.188		3.953	.000		
Location	.322	.074	.384	4.354	.000	**.373**	**2.682**
Promotion	.184	.082	.193	2.232	.030	**.388**	**2.580**
Price	.352	.080	.420	4.380	.000	**.316**	**3.167**

Source: Processed by researchers (2024)

Based on the table of multicollinearity test results, it is known that the two VIF values for each variable are < 10, and the Tolerance value for each variable is > 0.10, so it can be concluded that there is no multicollinearity.

Multiple Linear Regression Test Results

Tabel 5. Multiple Linear Regression Test Results

		Unstandardized Coefficients	
Model		B	Std. Error
1	(Constant)	**.745**	.188
	Price (X1)	**.352**	.080
	Promotion (X2)	**.184**	.082
	Location (X3)	**.322**	.075

Source: Processed by researchers (2024)

Based on the table above, the regression equation is obtained as follows:

$$Y = 0{,}745 + 0{,}252\ X_1 + 0{,}184\ X_2 + 0{,}322\ X_3 + \varepsilon$$

This can be seen in the following information:

a. The constant (a) of 0.745 indicates that if the variables Price (X1), Location (X2) and Promotion (X3) are constant, the Purchasing Decision (Y) will be influenced by other variables by 0.745.

b. Price (X1) of 0.322 indicates that the Price variable has a positive effect on Purchasing Decisions, meaning that every time there is an increase in the Price variable, it will affect the increase in Purchasing Decisions by 32.2%.

c. Location (X2) of 0.184 indicates that the Location variable has a positive effect on Purchasing Decisions, meaning that each increase in the Location variable will affect the increase in Purchasing Decisions by 18.4%,

d. Promotion (X3) of 0.352 shows that the Promotion variable has a positive effect on Purchasing Decisions, meaning that each increase in the Promotion variable will affect the increase in Purchasing Decisions by 35.2%.

T-test Results (Partial Test)

Table 6. T-test Results (Partial Test)

Model		B	Std. Error	Beta	t	Sig.
		Unstandardized Coefficients		Standardized Coefficients		
1	(Constant)	.745	.188		**3.953**	**.000**
	Location	.322	.074	.384	**4.354**	**.000**
	Promotion	.184	.082	.193	**2.232**	**.030**
	Price	.352	.080	.420	**4.380**	**.000**

Source: Processed by researchers (2024)

Based on the t test results above, the t table value = at n-k (60-4) is 56 at a significant level of 5% (0.05) is 1.675. Thus, to find out partially, the following explanation can be described:

a. From table 6, it can be seen that the effect of price on purchasing decisions is obtained a tcount value of 4.354> t table 1.67252 with a Sig probability at a price of 0.000 <0.05, so the basis for partial test provisions can be concluded that H1 is accepted, which means that partially price has a significant effect on purchasing decisions.

b. From table 6, it can be seen that the effect of Location on Purchasing Decisions is obtained a tcount value of 2.232> ttable 1.67252 with a Sig probability at Motivation 0.030 <0.05, so the basis for partial test provisions can be concluded that H2 is accepted, which means that partially Location has a significant effect on Purchasing Decisions.

c. From table 6, it can be seen that the effect of Promotion on Purchasing Decisions is obtained a tcount value of 4.380> ttable 1.67252 with a Sig probability on Promotion 0.000 <0.05, so the basis for partial test provisions can be concluded that H3 is accepted, which means that partially Promotion has a significant effect on Purchasing Decisions.

F-Test Results (Simultaneous Test)

Table 7. F-Test Results (Simultaneous Test)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	38.299	3	12.766	**96.168**	**.000**^{b}
	Residual	7.434	56	.133		
	Total	45.733	59			

Source: Processed by researchers (2024)

Based on the table above, It is known that the F-test results in an F-count of 96.168 > F-table 2.54 (n-k-1 at k = 56-4-1 = 55) so that Ha is accepted and Ho is rejected, meaning that price, promotion and location simultaneously have a significant effect on purchasing decision.

Determination Test Results

Table 8. Determination Test Results

Model Summary^b				
Model	R	R Square	**Adjusted R Square**	Std. Error of the Estimate
1	,915^a	,837	**,829**	4,364
a. Predictors: (Constant), Price, promotion, location				
b. Dependent Variable: Purcashing decision				

Source: Processed by researchers (2024)

From the table above, it can be seen that the coefficient of determination (Adjusted R Square) is 0.829 or equal to 82.9%. This figure means that the independent variables consisting of price, promotion and location affect purchasing decision variable while the remaining 17.1% of the purchasing decision variable is influenced by other variables not examined in this study.

Research discussion

The Influence of Price on Purchasing Decisions

Based on the results of data analysis testing the hypothesis test partially the effect of Price (X1) on Purchasing Decisions (Y), obtained t count of 4.354 with a t table value of 1.67252 or 4.354 > 1.67252 with a probability sig of 0.000 < 0.05 this indicates that H1 is accepted. So that there is a significant influence between Price on Purchasing Decisions at PT Abgi Putra Perkasa. Based on the data above, it can be concluded that in the X1 price variable, the results obtained in the respondents' answers with the highest score value can be seen in the

statement about affordability which is included in the price indicator, namely "The price offered is in the affordable category", meaning that most buyers agree that the price offered is affordable. In this case, it is concluded that purchasing decisions are related to the existence of prices that are considered affordable when compared to other products.

The Influence of Promotion on Purchasing Decisions

Based on the results of data analysis testing the hypothesis test partially on the effect of Promotion (X2) on Purchasing Decisions (Y), obtained t count of 4,380 with a t table value of 1,67252 or 4,380 > 1,67252 with a probability sig of 0.000 < 0.05 this indicates that H3 is accepted. So that there is a significant influence between price on purchasing decisions at PT. Abgi Putra Perkasa. Based on the data above, it can be concluded that the X2 Promotion variable obtained in the respondent's answer with the highest value can be seen in the statement about Direct Marketing which is included in the Promotion indicator, namely "Promotion is carried out directly". In this case it can be concluded that the promotion variable has a direct effect on purchasing decisions, namely regarding how much direct marketing, the purchase of a product will increase significantly.

The Influence of Location on Purchasing Decisions

Based on the results of data analysis testing the hypothesis test partially on the effect of Location (X3) on Purchasing Decisions (Y), obtained t count of 2.232 with a t table value of 1.67252 or 2.232 > 1.67252 with a probability sig of 0.030 < 0.05 this indicates that H2 is accepted. So that there is a significant influence between location on Purchasing Decisions at PT Abgi Putra Perkasa. Based on the data above, it can be concluded that in the X3 Location variable, the results obtained in the respondent's answer with the highest value can be seen in the statement about Access which is included in the Location indicator, namely "Location that can be accessed easily", meaning that most buyers are affected by a clear or easily accessible location. In this case the buyer shows that location also has an effect on purchasing decisions, the better the location chosen will also increase purchasing decisions.

The Influence of Price, Promotion, Location on Purchasing Decisions

Based on the table above, from the results of ANOVA testing using the F table test, there is an F-count value of 96.168 with a significance level of 0.000 and for the F-table, a value of 2.54 is obtained, which means that F-count> F-table (96.168 > 2.54). So it can be concluded that the independent variables consisting of price (X1), promotion (X2) and location (X3) simultaneously have a positive and significant effect on the dependent variable, namely the Purchase Decision (Y) at PT. Abgi Putra Perkasa. Based on Table 4.17, it can be seen that the Adjusted R Square value obtained a value of 82.9%, which means that Price (X1),

Promotion (X2), and Location (X2) have an influence on Purchasing Decisions at PT. Abgi Putra Perkasa, while the remaining 17.1% is influenced by other variables not examined by this study.

5. CONCLUSIONS AND SUGGESTIONS

Conclusion

Based on the results of the research and discussion, the following conclusions can be drawn:

1. Price partially has a positive and significant effect on purchasing decisions for subsidized housing at PT Abdi Putra Perkasa.
2. Promotion partially has a positive and significant effect on purchasing decisions for subsidized housing at PT. Abdi Putra Perkasa
3. Location partially has a positive and significant effect on purchasing decisions for subsidized housing at PT. Abdi Putra Perkasa
4. Price, promotion and location simultaneously have a positive and significant effect on purchasing decisions for subsidized housing at PT. Abdi Putra Perkasa

Suggestion

Based on the conclusions obtained from the above research, the following suggestions are made:

1. The price variable plays an important role in the purchase decision of subsidized housing at PT Abdi Putra Perkasa. Competitive pricing that is in line with the target market's ability is a key determining factor, given the limited purchasing power of the lower middle class. Affordable pricing, accompanied by flexible payment schemes, such as light installments and low interest rates, can increase consumer interest. In addition, the transparency of additional fees and relief in administrative costs can also attract buyers, making price a strategic factor in increasing sales of subsidized housing.
2. Promotion variables are important in driving purchasing decisions for subsidized housing at PT Abdi Putra Perkasa. Effective promotion through social media, local advertising, and property exhibitions can increase product visibility to potential buyers. In addition, offering discounts, direct gifts, or referral programs can be an additional attraction. An informative communication approach, highlighting benefits and ease of payment, can help potential buyers understand the value of the investment and increase their interest in purchasing subsidized housing.
3. The location variable has an important role in the decision to purchase subsidized housing

at PT Abdi Putra Perkasa. A strategic location, close to access to public transportation, shopping centers, educational facilities, and health services will increase the attractiveness of the property. In addition, a safe and comfortable environment is also a major consideration for buyers. Placement of housing in developing areas with good investment prospects can add value to the property, making it a more attractive option for potential buyers.

4. For customers, the decision to purchase subsidized housing should consider several important aspects, such as the price that fits their budget, strategic location, and building quality that meets the standards. Flexible payment schemes and promotional support such as discounts or additional subsidies should also be considered. In addition, customers need to ensure supporting facilities around the residential neighborhood to make this investment convenient and worthwhile in the long run.

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