Influence of the Marketing Mix, Motivation and References to the Home Purchase Decision at the Cluster of PuriHasanah 3

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Abstract: *The study was conducted among at the cluster of Puri Hasanah 3 in Depok, Indonesia. 100 respondents were divided into two groups that potential consumer and consumer who already buy the house. In this study, 35 indicators model was developed (32 exogenous and 3 endogenous indicators). Data were analyzed by Partial Least Square using SmartPLS program. A significant influence of the variable to the purchase decision was known with R-square value >80%. Marketing mix variables and motivations influence significantly with the value of path coefficient is 0.857 and 0.15 for potential consumer; 0.58 and 0.335 for consumer who already purchases the house. Managerial implications that can be done on potential consumer based on the characteristic of the respondent is the strategy of segmenting, targeting and positioning in the middle and upper class consumers, who are married and has imaging to home.*

Keywords: home purchase decision; potential consumer; *partial least square*; marketing mix; implication of managerial

1. Introduction

Increasing population always accompany with an increasing number of needs, especially the needs of primary, one of which is house. In addition to visits from its function, the house could be used as an investment tool and self-actualization. These factors lead to the developers of new competing in the property business. In fulfilling consumer demand and to compete with existing competitors, the developers must have a proper marketing strategy and one of the ways that can be achieved by observing the behavior of consumers. The strategy is one of them by pursuing a strategy of marketing mix in the process of arranging the developer to consider several aspects, such as product, place, price and promotion.

In addition to the marketing mix, demographics, motivations and references are other factors that can influence purchasing decisions by consumers home. A deep understanding of consumers will allow marketers can influence consumer motivation so decided to buy the products on offer (Rahmanie 2010).

In another research Zeng (2013) reported the demographic variables including age, marital status, educational background, occupation and family status positive influence on consumer purchase decisions, but gender and income negatively affect consumer purchasing decisions in Wuhan China. In Wardhani study (2015) also reported that one person's opinion (others) significantly influence consumer purchase decisions, whereas family factors (family opinion) does not affect the purchase decisions of consumers in Jakarta. While the research Debora (2014) Simultaneously, families and groups significantly influence consumer decisions.

In another research Sugito (2004) reported that in whole or jointly variable product, price, location and promotion of positive influence on consumer purchase decisions in Housing in the city of Medan. The same was reported Sutianingsih (2010) reported that the variable quality of the building (product), price (price), location (place) and promotion (promotion) partially and simultaneously a positive influence on consumer purchase decisions in Surakarta. Supriyono, Leonardo and Murkery (2014) also reported that the quality of products, prices and promotions positive influence on consumer purchase decisions Bukit Semarang Baru Residence (BSB) City in Semarang. Meanwhile, Wardhani (2015) in his research that shows that partial, variable products a positive influence on consumer purchasing decisions, and variable locations and promotions negative effect in residential Puri Botanical Residence, West Jakarta.

Seeing these factors is very interesting to be analyzed in a study, with to see if the marketing mix strategy that has been set by the developer and other factors such as demographics, references and motivation influence the purchasing decision of consumers housing. Based on data from the Central Bureau of Statistics, the number of the city population growth reached an average of 105.400 inhabitants with an average percentage per year 1.06 percent.

Average percentation of Depok population increase 3.64 percent per year. Population growth in Jakarta and Depok has led to increased demand for housing. Beside that the availability of land for residence increasingly narrow so the price of land and houses increasingly expensive. Sutianinngsih (2010) stated that along with the lifestyle of modern society that dynamic more likely to need home with various facilities such as security, places of worship, parks

play in a region with one-door system out access or also called cluster.

Cluster Puri Hasanah 3 is one of the housing in the city of Depok which has 56 houses and has been marketed since 2014. However, the target sales of all housing units within one year is not achieved, namely 78% of sales within two years. Therefore we do research and analysis about factors that influence consumers in making purchasing decisions houses, such as marketing mix, consumer motivation and references. Thus, it can be done right sales strategy that can stimulate consumers to make purchases home in Puri Hasanah Cluster 3.

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Based on the problem formulation, the obtained study objectives are as follows:
- The first objective is to analyze the influence of the marketing mix, motivation and references in the Cluster of Puri Hasanah 3 on consumers who buy and inhabit the house.
- The second objective is to analyze the influence of the marketing mix, motivation and references at the Cluster of Puri Hasanah 3 on potential consumer.

2. Data

The primary data used by respondents selected criteria is that consumers purchase decision makers in the home and consumers / couples who finance the purchase of a home. The numbers of potential customers sample as many as 70 people and the entire population of consumers who have stayed in the cluster Puri Hasanah 3 as many as 30 people with a total of 100 people. The primary data was taken from September 2016 until December 2016.

3. Methodology

The research approach used in this research is descriptive quantitative research methods. According Nawawi (2003) descriptive method of research methods that focus on the problems or phenomena that are current at the time the research is done, then describe the facts of the matter being investigated as it is accompanied by a rational and accurate interpretation.

This research will describe the facts and explain the circumstances of the research object based on the facts and explain the circumstances of the research object based on the facts that exist and try to analyze the truth based on the data obtained, the purpose of the approach of this study were to: (1) analyzing variable is the cause or the effect of variable (independent variable) and the variables that become due or variable affected, (2) determine the relationship or interest

between these variables, this study specifically tested characteristics independent variable.

Data were collected by interview and assisted with questionnaire instrument. Interview done by providing a list of questions in it covered all the questions which, if answered or filled will be obtained data relevant to the likert scale 1-5 given to potential prospects and customers who have purchased at Puri Hasanah 3 housing. Data were analyzed with reliability test and partial least square (PLS). PLS is an alternative method based approaches variance or component-oriented model predictions with the following steps: making operational definitions; parameter estimation; evaluation of goodness of fit (Jaya and Sumaertajaya, 2008); and hypothesis testing.

4. Result

Reliability test is needed to measure the level of reliability of the questionnaire, each constructs used in this study using Cronbach's alpha. Reliability test in this study were analyzed using SPSS software PLS with and declared to see the value of Cronbach Alpha (α). A variable is said to be reliable if it gives Cronbach Alpha values> 0.6 (Sekaran2003). Reliability test results can be seen that each variable has a Cronbach alpha> 0.60. So this shows that the question items that describe the variable product, location, price, promotion, friends, family, motivation and home purchase decisions on consumers who have already purchased or potential prospects that are used in the study are reliable.

PLS model evaluation is done by evaluating the outer and inner models. Outer model is a measure to assess the validity and reliability of the model. Through the process of iteration of the algorithm, the measurement model parameters (such as convergent validity, discriminant validity, composite reliability and Cronbach's alpha) is obtained, including the value of R2 as a parameter predictive accuracy of the model. Inner model is a structural model to predict latent causal relationships between variables. Through the process of bootstrapping, T-Statistic test parameters used to predict the existence of causality (Jogiyanto 2011). SEM techniques used in this study is the PLS with SmartPLS Version 2 software designed specifically to estimate the structural equations on the basis of the variance.

4.1 Evaluation of Goodness of Fit on Consumer Potential Candidates

To assess the significance of the predictive models in testing the structural models for potential prospects, can see the grades were t-statistic or t-test between the independent variables to the dependent variable is shown in Figure 1. According to Hartono (2008), the size of the significance hypothesis can be used comparison t-tables and t-statistics. If the value of t-statistic is higher than t-table value, the hypothesis is accepted (t-statistic $\geq$ 1.96) the which means that the influence of the independent variable on the dependent variable Significantly.

Relationship marketing mix with purchase decisions on potential prospects has path coefficient value of 0.145 and t-count equal to 2.171 and the relationship between the

variables of motivation with the buying decision for 0.875 with a value of t-hit of 6.566.
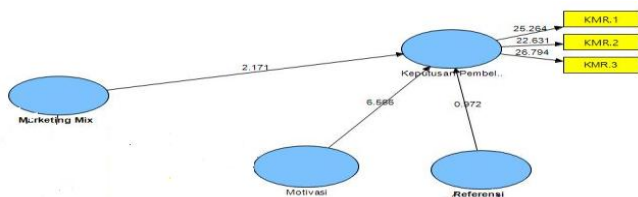

Figure 1: Test of significance (t-test) on the attributes of the marketing mix, motivation and reference

These results indicate that the marketing mix and motivation significantly influence purchasing decisions, as well as a positive path coefficient values in marketing mix variables and motivation variables shows that the marketing mix variables directly affect home buying decision for potential prospects in cluster Puri Hasanah 3.

While the relationship between the referencein potential prospects purchase decision is not significant, that is indicated by the value of -0.059 path coefficient and t-test for 0.972. T-count value smaller than 1.96 and a negative coefficient on the variable path that reference shows that the indicators friends and family not significant and does not directly affect home buying decision for potential prospects in cluster Puri Hasanah 3.

Table 1: Results of hypothesis testing Structural Equation Modeling with Partial Least Square on Consumer Potential Candidates

Causality relations (Direct influence)	Coefficient Line	T-count	Conclusion
Marketing Mix -> Decision	0.145	2.17	Significant
Motivation -> Decision	0.875	6.56	Significant
Reference -> Decision	-0.059	0.97	Not Significant

Note: if t> 1,96 so significant and if t ≤ 1.96 then it is not significant

4.2 Evaluation of Goodness of Fit Consumers who have bought Home

Results of testing hypotheses for the structural model in this study can be seen in Table 2. Figure structural influence of marketing mix models, motivations and references to the purchasing decision is shown in Figure 4. Relationship marketing mix with purchasing decisions have a path coefficient value of 0.580 and a t-count equal 6.332 and the relationship between the variables of motivation with the buying decision for 0.335 with a value of t-hit for 3.326, On consumers who already buy and inhabit a house in Puri Hasanah 3.

Relationship marketing mix with purchasing decisions have a path coefficient value of 0.580 and a t-count equal 6.332 and the relationship between the variables of motivation with the buying decision for 0.335 with a value of t-hit for 3.326, On consumers who already buy and inhabit a house in Puri Hasanah 3. The results show that the marketing mix variables and motivation significantly influence purchasing decisions (t count ≥ 1.96) and the value of a positive path coefficients indicate that the marketing mix and motivation to directly influence decision purchases on consumers who

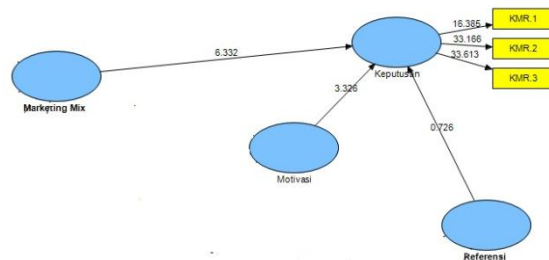have already purchased and inhabited houses in Puri Hasanah 3.

Figure 1: Test of significance (t-test) on the attributes of the marketing mix, motivation and reference

Meanwhile, the relationship between the reference potential prospects purchase decision is not significant, that is indicated by the value path coefficient of 0.049 and t-count of 0.726 is smaller than t-table is 1.96. Positive path coefficient value indicates that a reference can directly influence the purchase decision, but because the t-count value is smaller than t-table, then the effect of the reference to the purchasing decision is not significant.

Table 2: Results of hypothesis testing on the attributes of the marketing mix, motivation and references on consumer purchasing decisions who already purchased

Causality relations (Direct influence)	Coefficient Line	T-count	Conclusion
Marketing Mix -> Decision	0.580	6.33	Significant
Motivation -> Decision	0.335	3.32	Significant
Reference -> Decision	0.049	0.72	Not Significant

Note: if t> 1,96 so significant and if t ≤ 1.96 then it is not significant

5. Conclusion

The results based on the characteristics of the respondent in terms of revenue on prospective customers and consumers who already bought, indicates that the revenue significantly influence purchasing decisions housing Puri Hasanah 3. besides the marketing mix variables and motivation also significantly influence the purchasing decision house Puri Hasanah 3. The reference variable is not significant to the purchasing house Puri Hasanah 3.

6. Managerial Implications

Based on the results, the promotion is the variables that influence the house purchase decision in Puri Hasanah Cluster 3, then to determine the appropriate managerial implications, the company must determining the strategy in achieving sales targets housing.

Managerial Implications used is segmentation, targeting, positioning (STP). The segmentation can be determined based on the characteristics of the respondents who had bought and potential prospects, respondents most dominant income is greater than Rp 15 million so that consumers Puri Hasanah 3 is the upper middle class, targeting residential consumers Puri Hasanah 3 is consumers who are already married. This is consistent with the characteristics of the respondent that the predominant age range of respondents is

greater than 31 years which is the age range is married and has one or two children. And positioning Puri Hasanah 3 should be able to create the image of housing in accordance with the wishes of consumers middle and top. Managerial implications can be prepared based on the following variables: prepared based on the following variables:

•Promotion

Puri Hasanah 3 should be able to provide proper promotion. Benefits promo price discount or cash back for potential prospects to get the price below the normal price, so as to provide relief in the filing of mortgages, and reduce the cost of installment per month, negotiations between the sales force and customers, for the provision of price discount will increase the number enthusiasts housing so that it will achieve the sales target chill.

Promotion gift directly made by the company was free to air conditioning and garden, their additional alternative gift giving direct others like free TV or installing a home phone and internet, giving the canopy on carport, until the motor that will be drawn at the end of the sale can be an alternative option for companies that housing is expected to increase the number of applicants to achieve sales targets chill.

Another way of promotion to do is market penetration through internet by way of making a website making it easier for consumers to obtain the information, promotion is also done by holding exhibitions in public places where there are a lot of consumers with middle segment and above such as malls, rest area, in addition direct exciting gift-giving can provide opportunities to gain a greater potential prospects and on target.

•Products

Advantages housing Puri Hasanah 3 is every home already has a foundation scribble so it has an advantage in modifying the home to the 2nd floor, so the cost of future development more efficient. Besides, building area very proportional giving the impression is not cramped housing to increase the added value of housing in the yard and garden behind the house can be shaped green open space to create a beautiful impression and provide comfort to prospective residents.

- **High imaging on the house**

Puri Hasanah 3 should be able to create the image of housing in accordance with the wishes of consumers middle and top. One way that can be done by the developer is to provide information about the advantages of Puri Hasanah 3 that have a strategic location, close to the hospital which is only 3km, school, general transportation were very close, the station commuter line Citayam just 1.5 km that are the hallmark in terms of location. Besides Puri Hasanah 3 have the concept of cluster-type housing with minimalist equipped with CCTV and 24-hour security for security and have common facility and public facilities such as a children's playground and sports. With the information provided will create the impression in the minds of potential prospects that housing Puri Hasanah 3 has more value in terms of concept and strategic location, so it will trigger the motivation for consumers to purchase.

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Author Profile

Anditias Ramadhan recived Business School of Bogor Agricultural Institute studies in 2014. He has over 3 years of experience in the field of sales and marketing especially for the residential. He was interest to general management and marketing communication, consumer behavior and sales force management.
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