

## Research Article

## The Effect of Location and Price on Consumer Satisfaction through Buying Decisions on PT. Adhi Persada Property

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**Abstract:** This study aims to examine and analyze the influence of location and price on consumer satisfaction through buying decisions at PT. Adhi Persada Property. The population and research sample are all consumers who have inhabited who have decided to buy but have not been inhabited. Technical data analysis using path analysis. The results showed that location and price influence Buying decisions. Location and price affect customer satisfaction. Buying decisions affect customer satisfaction. Location influences consumer satisfaction through buying decisions. The price influences consumer satisfaction through buying decisions.

**Keywords:** location, price, customer satisfaction, buying decisions.

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### INTRODUCTION

Customer satisfaction is a central concept in business and management discourse. Customers generally expect products or services that they consume can be accepted and enjoyed satisfactorily. Satisfaction can shape perception and this can position the company's products in the eyes of its customers. Customer satisfaction is important for every company, the level of satisfaction is a function of the difference between perceived performance and expectations. If the performance is below expectations, the customer will be very disappointed. If the performance is as expected, then the customer will be very satisfied. Meanwhile, if the performance exceeds customer expectations will be very satisfied customer expectations can be shaped by experience, comments from relatives and promises and information from various media. Satisfied customers will be loyal longer, are less price-sensitive and make good comments about the company.

Consumer satisfaction according to Lupiyoadi (2001) is influenced by several factors, including a) Product quality, that is, customers will be satisfied if the results of consumers indicate that the products consumers use are quality, b) Quality of services or services, ie customers will feel satisfied if consumers get good service or as expected, c) Emotions, i.e. customers will feel proud and gain confidence that

others will be amazed at dial using products with certain brands that tend to have higher levels of satisfaction. Satisfaction is obtained not because of the quality of the product but the social or self-esteem that makes the customer feel satisfied with a particular brand, d) Price, ie products that have the same quality but set a relatively cheap price will provide higher value to customers, e) Costs, i.e. customers who do not need to incur additional costs or do not need to waste time to get a product or service tend to be satisfied with the product or service. The price of a home product is an important factor, moreover, the price of a house is not cheap, but on the other hand housing needs will continue to increase with the rate of population growth. Several factors can affect housing prices, for example, the location or area of housing, type or model, and accessibility. The closer to the urban center area, of course, the price offered tends to be higher, and vice versa. Access to the road becomes an important factor because it makes it easier for residents to reach several strategic places, such as offices, schools, city centers and so on.

The need for shelter for Indonesians from year to year has increased while the area of land available on earth has never increased. For the construction of landed houses in the Jakarta area more difficult, the fulfillment of Jakarta residential residents is partly

fulfilled by providing shelter in buffer zones (Bogor, Bekasi, and Tangerang).

Based on data from the Directorate General of Housing Provision of the Ministry of Housing and Housing, achievements in 2015 amounted to 699,770 units, in 2016 as many as 805,169 units and in 2017 as many as 904,758 units. In 2018, the government will finally surpass the target of building the One Million Houses Program, which is 1,132,621 units.

**Table 1.** Achievements of the One Million Houses Program

Year	Total House Construction
2015	699.770 unit
2016	805.169 unit
2017	904.758 unit.
2018	1.132.621 unit

Observing the existence of residential business opportunities (property) in Bogor Regency. At this time, the property business in Bogor Regency is developing quite rapidly to accompany the construction process and infrastructure. This is done by property companies by taking into account various aspects that move prospective customers to make Buying decisions. Factors that influence consumer Buying decisions are competitive prices, strategic location, and customer satisfaction levels.

The property market always develops in volume from year to year, which is determined by the amount of supply and demand, so that it will directly affect the price. The desire to own a home is determined by the prospective customer's prospects so that the individual's ability to finance can influence the decision on the choice of the type of unit and the specificity of the house. The accuracy of prospective consumers in gathering information and financing methods can also influence the purchase decision.

The perception of growth in property prices as investment instruments for long-term investment can provide customer satisfaction. According to Wardhani et al (2015) prices are monetary units or other measures (including other goods and services) that are exchanged to obtain ownership rights or use of an item. The price is an element of the marketing mix that provides income or revenue for the company (Tresnanda et al., 2014).

Price is also one of the most flexible marketing mix elements. In determining the price it is necessary to consider the factors that influence it, both directly and indirectly. Factors that directly influence are raw material prices, production costs, marketing costs, government regulations, and other factors (Rizky and Yasin, 2014).

Cibinong, which is about 48 km from Jakarta, is a sub-district in Bogor Regency. Based on Government Regulation No. 6/1982, Cibinong was established as Bogor Regency (to differentiate from City Bogor), thus all governmental activities in Bogor Regency were carried out in the Regional Government Office which was located in Cibinong.

One of the property businesses in Indonesia, is PT. Adhi Persada Property, as a subsidiary of PT Adhi Karya (Persero), in 2018 PT. APP launched The Anggana Village product in Cibinong. The Anggana village by Adhi was developed by PT Adhi Persada Property (APP), a subsidiary of PT. Adhi Karya (Persero). Move in the provision of residential, Apartments, Houses, and Commercial (Ruko). The following APP products include the Tamanl Dhikal Cinere, Tamanl Dhikal Batu Tulis, The Anggana Village, Tamanl Dhika Ciracas and Taman Dhika Sidoarjo.

Favorite public transportation that connects Bogor - Jakarta, Bogor - Depok, Bogor - Bekasi, and Bogor - Tangerang, is the Jabodetabek commuter line. Bojonggede Station to The Anggana housing complex is 7 km, while Station Nambo Cibinong to The Anggana housing complex is 10 km. The commuter line travel time for Bojonggede station - Jakarta station is 1.5 hours. Whereas the travel time by using a personal vehicle Jagorawi via toll, by using the Sentul Utaral toll gate to Central Jakarta (via exit Kuningan toll) about 2 hours. (5.30 - 7.30). If departing from Bogor on the 6.00 page, the bus will arrive in Jakarta at 8.30 hours late for the office.

Customer satisfaction is a prelude to the purchase of consumer returns, customer loyalty, and the survival of consumers who ultimately benefit the company. Consumer satisfaction provides many benefits for a company, where one of the most important is enabling customer achievement (Lovelock, 2005). The range of property prices similar to the Anggana Village ranges from 1 billion rupiah - 2.5 billion rupiahs (brochure). In line with the competitiveness of seizing customer property and increasing the human need for landed houses, the meaning of a product must be satisfying the customer. Satisfied customers can talk to colleagues, relatives, and families so that they will pick up the next buyer. Satisfied customers can also make purchases of a second home, and all three of these locations are a form of investment.

## LITERATURE REVIEW

### Location

Alma (2011: 103) states that "A location is a place where companies operate or where companies carry out activities to produce goods and services that are concerned with economic segregation". According to Suwarman (2004: 280), "Location is a place where

the business is very influential in the desire of a person/consumer to come and shop". Furthermore, the understanding of the location according to Kasmir (2009: 129) is "A place to serve consumers, however, can be interpreted as a place to display their merchandise". Tjiptono (2005: 92) defines "A location is a place where companies operate or where companies carry out activities to produce goods and services that are concerned with economic segmentation."

Location is the geographical position that has been determined by the developer to build housing. Location's election is a competitive factor that is important in attracting consumers or customers (Tresnanda *et al.*, 2014). The existence of housing locations, whether at the center or the edge of the area, greatly influences consumer interest in buying houses. The more strategic the housing location means the better and has a higher level of demand. Economic factors of the existence of the location of the housing complex also become a consideration of consumers in choosing the house they want. The distance to the workplace, entertainment venues, and public facilities as an efficient motive for time and cost of transport is an economic factor that becomes a consumer's consideration in choosing the location of the intended home (Dengah *et al.*, 2013).

**According to Tjiptono (2006), local indicators include:**

1. Location affordability.
2. Smooth access to the location.
3. The proximity of location.

**Price**

The price is something that must be given by the consumer to get a product (Lamb, Hair, McDaniel, 2001: 49). With other catalysts, the price can be interpreted as the exchange value of goods or services which is stated in monetary units. The price is one of the most flexible marketing mix elements because the price can be changed quickly, not like the typical product and distribution agreement, but at the same time, the determination and competition for a competitive price is the number one problem faced by the company.

Kotler and Armstrong (2008: 345) economically define the price, as much as the amount of money that is charged for a product or service. As Stanton (2006), the price is the amount of money (possibly plus a few items) needed to get some combination of a product and the accompanying services. Or it can be broadly defined as the amount of value exchanged by consumers for profitability and using products or services that allow companies to get a reasonable laboratory fee paid for the value of the customer they create. According to Alma (2011: 169), the price is "the value of an item which is stated in money." According to Kotler and Armstrong (2008),

the price is the amount of money charged to a product or service or the number of values exchanged by consumers for benefits due to owning or using the product or substance. Price is often referred to as an indicator of value if the price is associated with benefits that are minimized on goods or services. At a certain level of price when the benefits felt by consumers increase, the value of value will also increase. In the case of certain price levels, the value of goods and services will increase along with the perceived benefits.

The price of a product is one of the main determinants of market demand. For sensitive customers, the price of an affordable product becomes a consideration and gets satisfaction with the product and at the same time gets a high value for money (Swastha and Irawan, 2008: 38).

Viewed from some definitions regarding prices, it can be determined that the price is the value of goods or services measured by the amount of money issued by the buyer to obtain several combinations of goods or services and services.

**According to Kotler and Keller (2009), price indicators are as follows:**

1) Affordability

An affordable price is the customer's expectation before they make a purchase. Consumers will search for products that can be affordable.

2) Price compatibility with the product quality

For certain products, usually, the consumer does not mind if he must buy at a relatively expensive price as long as the quality of the product is good. However, consumers prefer products with low prices and good quality.

3) Price of competitive

The company determines the selling price of a product by considering the price of the product sold by competitors so that the product can compete in the market.

## BUYING DECISION

The consumer purchase decision is an action taken by the consumer to buy a product. Every pastoral producer runs a strategic variety so that consumers decide to sell their products. According to Kotler (2006), the purchase decision is the action of the consumer to want to buy or not to product. From various factors that influence consumers in Buying a product or service, usually, the consumer always considers quality, price, and products that are already known by the public.

Before the consumer decides to buy, the consumer usually takes several steps, namely, (1) introduction of the problem, (2) searching for information. (3) evaluating alternatives, (4) decisions whether or not to buy, (5) post-purchase behavior. Another understanding of buying decisions according to

Schiffman and Kanuk (2000: 437) is "the selection of options from two or choices". That can be interpreted, the purchase decision is a decision someone who is dialed in choosing one of the several choices available. Furthermore, Amirullah (2002: 61) states that the purchase decision is "an assessment process and the selection of alternative shares following certain interests by setting a choice that is considered the most profitable."

Based on the definitions above, it is concluded that the purchase decision is an action taken by the consumer to purchase a product. Therefore, making consumer buying decisions is a process of selecting one of several alternative solutions to problems with real follow-up. After that, the consumer can make a choice evaluation and then can determine the attitude that will be taken next.

**Kotler (2006: 222) suggests that there are indicators of buying decisions, namely:**

1. The stability of a product is a very good product quality that will build consumer confidence to support consumer satisfaction.
2. Recommending to someone else is giving someone or more something that can be trusted can also recommend that is interpreted as suggesting, inviting to join, advocating a form of a command.
3. Perform a repeat purchase. The meaning of repurchase is an individual who purchases a product or a product and decides to buy again, then the purchase is second and later it is called a repurchase.

### **Customer Satisfaction**

Customer satisfaction is a prelude to the purchase of consumer returns, customer loyalty, and the survival of consumers who ultimately benefit the company. Consumer satisfaction provides many benefits for a company, where one of the most important is enabling customer achievement (Lovelock, 2005). There is a strategic relationship between the level of customer satisfaction and overall company performance (Lovelock et al. 2005). According to Kotler & Keller (2009), understanding customer satisfaction is the level of one's feelings, which is the result of a comparison between evaluations of product performance / final results concerning customer expectations.

**Customer indicators according to Tjiptono (2008: 101) are as follows:**

1. Compliance with expectations

## **RESULTS AND DISCUSSION**

### **1. Analysis of the Effect of Location and Price on Buying Decisions**

2. It is a combination of the capability of a product or a reliable and promotion product so that a product that is produced can be following what the manufacturer promises.
3. Ease of obtaining
4. Products or services offered by manufacturers are available in outlets and stores that are close to potential buyers.
5. Willingness to recommend
6. Customer willingness to recommend a product or service to a friend or family is an important measure for analysis and action.

## **RESEARCH METHODS**

### ***Population and Sample***

A population is a complete group of elements, which are usually in the form of people, objects, transactions, or events where we are interested in learning signals or being the object of research (Kuncoro, 2003). Consumers PT. Adhi Persada Property is the object of research is Anggana the Village - Cibinong. The population is in this study are all consumers who have inhabited who have decided to buy but have not been inhabited and consumers who have ordered but the house has not been completed. Consumers of PT. Adhi Persada Property as many as 113 people.

### ***Data Collection Technique***

The technique of collecting data is which can be used to collect or obtain data from phenomenal empiricism (Silalahi, 2009: 291). The research method that we use is a survey method. The surveillance method is a method of collecting data that is based on questions submitted by respondents that are designed to obtain information from respondents (Malhotra and Dash, 2011: 183). Thus, in this research, collect data from customers of PT. Adhi Persada Property. Meanwhile, the procedure of collecting data used in this study is a structured collection of data, that is collecting data through the delivery of formal questionnaires which presents questions that have been arranged in orderly beforehand (Malhotra and Dash, 2011: 183). In this research, the questionnaire compiled included the questions related to location, price, customer satisfaction and customer buying decisions of PT. Adhi Persada Property.

### ***Data Analysis Technique***

For the data collected to be useful, the outcome must be processed and analyzed first so that it can be used as a basis for decision making. The final analysis used in this study is quantitative analysis with path analysis.

The results of the regression analysis of the effect of local and price on the purchase decision show a value of  $R^2$  (R Square) of 0.580. This  $R^2$  value is used in the calculation of the coefficient value  $e1$ .

The coefficient  $e_1$  is a purchase decision variant that is not explained by the location and price. The magnitude of the coefficient

$$e_1 = \sqrt{(1 - R^2)} = \sqrt{(1 - 0,580)} = \sqrt{0,420} = 0,648$$

The regression equation is as follows:  $Y_1 = 0,353 X_1 + 0,488 X_2 + 0,648 e_1$

The equation shows that if the location increases, the purchase decision will increase. As soon

as prices are too high, if prices increase, buying decisions will also increase.

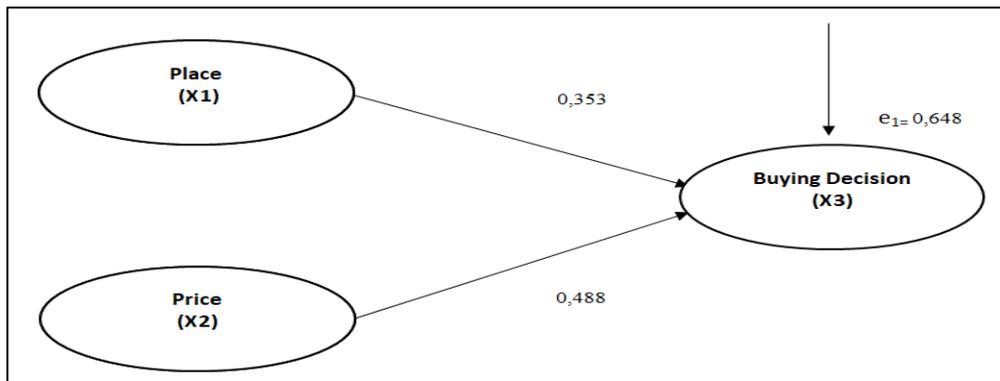


Figure 1. Substructure Equation 1

## 2. Analysis of Location and Price Effects on Consumer Satisfaction through Buying Decisions

The results of the regression analysis of the effect of location, price and purchase decision on consumer satisfaction show a value of  $R^2$  (R Square) of

$$e_2 = \sqrt{(1 - R^2)} = \sqrt{(1 - 0,642)} = \sqrt{0,358} = 0,598$$

The regression equation is as follows:  $Y = 0,261 X_1 + 0,386 X_2 + 0,259 X_3 + 0,598 e_2$

0,642. This  $R^2$  value is used in calculating the coefficient value  $e_2$ . The coefficient  $e_2$  is a variant of consumer satisfaction that is not explained by price, location and Buying decisions. The magnitude of the coefficient

The equation shows that if the location increases, the consumer satisfaction level will increase. If prices increase, consumer satisfaction will also increase. As

soon as the purchase decision is clear, if the purchase decision increases, consumer satisfaction will also increase.

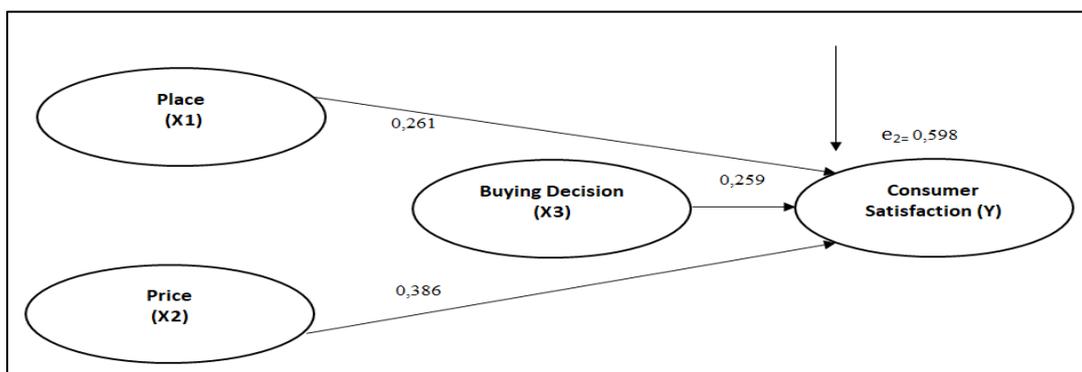


Figure 2. Substructure Equations 2

Based on equation 1 (1) and 1 (2) a path analysis model is obtained as follows.

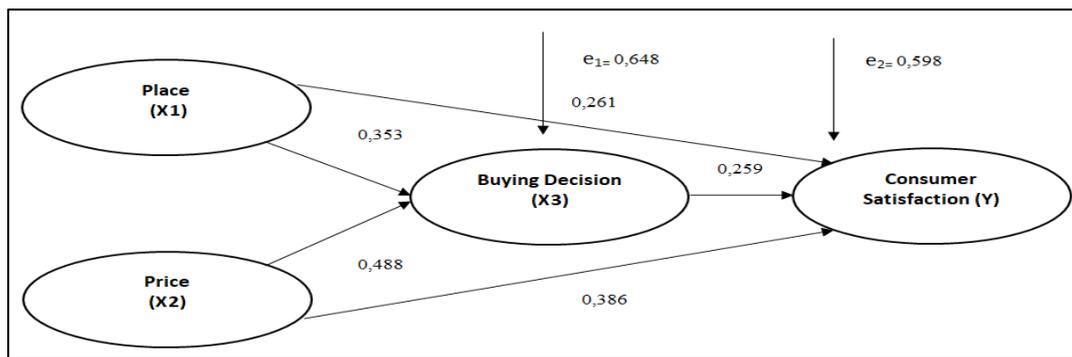


Figure 3. Path Analysis Model

**Hypothesis Test**

**1. Effect Of Location And Price On Buying Decisions**

Testing the effect of location and price on buying decisions is carried out through the t-test.

T-test results for local variables obtained t-test value = 4.423 with a significance level of 0.000, with using a 0.05 significance limit obtained t-table of 1.980. This means  $t\text{-count} > t\text{-table}$  ( $4.423 > 1.980$ ), which means that  $H_0$  is rejected and  $H_1$  is accepted. Thus, the outcome can be concluded that the effect of loci on employees' Buying decisions, when the effect is positive, the signal of an increase in localization can improve Buying decisions. The results of the t-test for the price variable obtained by the t-test value = 6.117 with a significance level of 0.000, by using a 0.05 significance limit obtained t-table of 1.980. This means  $t\text{-count} > t\text{-table}$  ( $6.117 > 1.980$ ), which means  $H_0$  is rejected and  $H_1$  is accepted. Therefore, the conclusion can be concluded that there is a price effect on the purchase decision, whereas the effect is positive, an increase in price can increase the purchase decision. Thus the first hypothesis is statistically tested.

**2. Effect Of Location And Price On Consumer Satisfaction**

Testing the effect of location and price on customer satisfaction is done through the t-test.

T-test results for local variables obtained t-test value = 3.249 with a significance level of 0.002, by using a 0.05 significance limit obtained t-table of 1.980. This means  $t\text{-count} > t\text{-table}$  ( $3.249 > 1.980$ ), which means  $H_0$  is rejected and  $H_1$  is accepted. Thus, the outcome can be concluded that the effect of loci on consumers' satisfaction, when the effect is positive, the sign of an increase in loci can increase consumer satisfaction. T-test results for the price variable are obtained t-count value = 4.511 with a significance level of 0,000, using a 0.05 significance limit obtained a t-table of 1,980. This means  $t\text{-count} > t\text{-table}$  ( $4,511 > 1,980$ ), which means that  $H_0$  is rejected and  $H_1$  is accepted. Thus, the outcome can be concluded that there is a price effect on consumer satisfaction, whereas the effect is positive, an increase in price can increase consumer satisfaction. Thus the hypothesis is tested statistically.

**3. Effect Of Buying Decisions On Consumer Satisfaction**

Testing the effect of Buying decisions on consumer satisfaction is done through the t-test. T-test results for the purchase decision variable obtained values t-count = 2.924 with a significance level of 0.004, by using a 0.05 significance limit obtained t-table of 1.980. This means  $t\text{-count} > t\text{-table}$  ( $2.924 > 1.980$ ), which means  $H_0$  is rejected and  $H_1$  is accepted. Thus, the outcome can be concluded that the influence of the purchase decision on consumer satisfaction, when the effect is positive, the signal of an increase in the purchase decision can increase consumer satisfaction. Thus the third hypothesis is statistically tested.

**4. Effect Of Location On Consumer Satisfaction Through Buying Decisions**

The results of the analysis of the effect of loci on consumer satisfaction through Buying decisions based on calculations with path analysis are:  $X_1 \rightarrow X_3 \rightarrow Y = (\rho_{X_1X_3}) \times (\rho_{X_3Y})$

The value of the indirect effect is obtained from the value of the path coefficient  $\rho_{X_1X_3}$  multiplied by the value of the path coefficient  $\rho_{X_3Y}$  to be  $(0.353 \times 0.259) = 0.126$ . The multiplication results show that the coefficient value indirect effect is 0.126. Whereas the direct influence value between  $\rho_{X_1Y}$  is 0,261. This shows that the indirect effect value is smaller than the direct effect coefficient value ( $0.126 < 0.261$ ) and the total effect is  $0.261 + 0.126 = 0.512$ . Based on the results of the analysis, the path shows that the location variable can pass through the mediating variable, namely the purchase decision in influencing consumer satisfaction because the total effect value is greater than the direct effect.

Analysis of local location on customer satisfaction through Buying decisions can be described as follows.

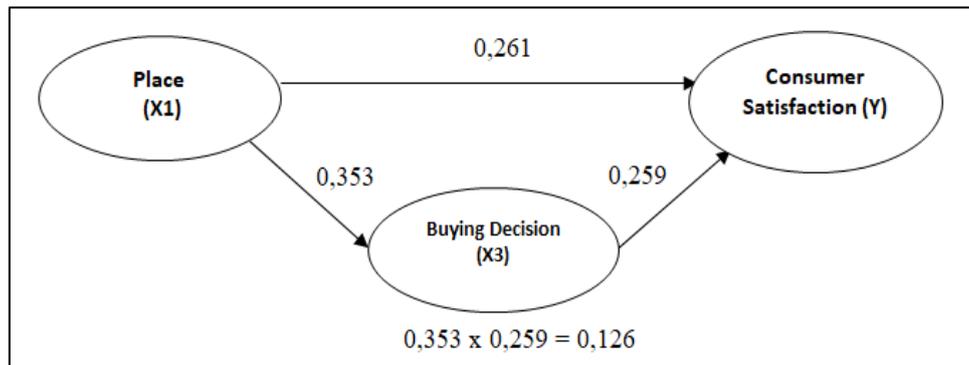


Figure 4. Path Analysis of the Effects of X1 on Y Through X3

### 5. Effect Of Price On Consumer Satisfaction Through Buying Decisions

The results of the analysis of the price effect on consumer satisfaction through Buying decisions based on calculations with path analysis are:  $X2 \rightarrow X3 \rightarrow Y = (\rho_{X2X3}) \times (\rho_{X3Y})$

The value of the indirect effect is obtained from the value of the path coefficient  $\rho_{X2X3}$  multiplied by the value of the path coefficient  $\rho_{X3Y}$  becomes  $(0.488 \times 0.259) = 0.091$ . The multiplication results show that the coefficient value indirectly has an effect of 0.091. Whereas the direct influence value between  $\rho_{X2Y}$  is 0.091. This shows that the value of the indirect

effect is smaller than the value of the coefficient of direct effect ( $0.091 < 0.386$ ) and the total effect is  $0.386 + 0.091 = 0.352$ . Based on the results of the analysis, the path shows that the price variable can pass through the mediating variable, namely the purchase decision in influencing consumer satisfaction because the total effect value is greater than the direct effect.

Analysis of the price path to customer satisfaction through Buying decisions can be described as follows.



Figure 5. Analysis of the Path of Influence of X2 on Y2 Through Y1

## DISCUSSION

### 1. Effect of Location and Price on Buying Decisions

Influences of location on the purchase decision, which means that the better the location of the housing complex The Anggana in Pakansari Cibinong Bogor Regency can increase the purchase decision. This shows that the location of low traffic jams, the route to the road does not require a long time and the access road to public objects (RSU, self-service, tourism, schools, and local governments) does not have much impact on increasing Buying decisions. Therefore, the need for housing is not just a shelter but has a variety of functions such as strategic locations. As stated by

Tresnanda et al. (2014) which states that the choice of location is a competitive factor that is important in attracting consumers or consumers. The more strategic the location of housing. The Anggana in Pakansari Cibinong, Bogor Regency has better meaning and has a higher level of demand. Economic factors of the existence of the location of the housing complex also become a consideration of consumers in choosing the house they want. The distance to the workplace, entertainment venues, and public facilities as an efficient motive for time and cost of transport is an economic factor that becomes a consumer's

consideration in choosing the location of the intended home (Dengah *et al.*, 2013). The results of this study support Syuhada (2013) who states that the location influences Buying decisions. The price has a significant effect on Buying decisions. In determining Buying decisions, information about price is a very necessary thing, where the consumer's perception of the price of a product can be used as a standard of product quality based on the price value of the product. The higher the benefit felt by the consumer of a product, the higher the value of the product from the product. Other consumer behavior before deciding which product to choose will usually compare prices at other places, based on prices that have been set; the consumer will decide to buy products that are following his wishes. The results of this study are following Syuhada (2013) which states that price influences buying decisions. Noerchoidah (2013), states that price influences purchase decisions. However, the results of Mandey's (2013) study found that the price did not affect the purchase decision.

## **2. Effect of Location and Price on Consumer Satisfaction**

Effect of location on consumer satisfaction, which means that the more strategic housing complex. The Anggana in Pakansari Cibinong, Bogor Regency can increase consumer satisfaction. The right location will be very satisfying for consumers because the location is an important part of determining where to live. Location us normally can be the right target or objective for consumers. Consumers will be satisfied with local housing locations where local housing consumers have low traffic congestion levels, the route to the ravines does not require extra time and access roads to public objects (public hospitals, supermarkets, tours, schools, and local governments) are not far away. The price influences consumer satisfaction, which means that the price is compatible with the expectation that the consumer can cause customer satisfaction. Consumer satisfaction will be created with prices that are reasonable, affordable, following their quality, competitive prices, competitive prices and good quality products. In this case, if the price of a house in housing is reasonable, affordable, following the quality, a competitive price, the price is good, and the quality of the product is good, then the buyer will be satisfied, on the contrary, if the price is expensive, not affordable, and the quality of the product is not good, home buyers are not satisfied. This is consistent with Beil and Chiao's opinion that "The price and quality of the product is a foundation for building consumer satisfaction. The price of a product is one of the main determinants of market demand. For sensitive consumers, the price of an affordable product becomes a consideration and gets satisfaction with the product and at the same time gets a high value for money (Swastha and Irawan, 2008: 38).

## **3. Effect of Buying Decisions on Consumer Satisfaction**

Buying decisions affect consumer satisfaction. The purchase decision is the action of the customer to decide whether or not to buy a product. Consumers usually always consider product quality, price, and promotion. Consumers will experience the satisfaction level of goods that are obtained according to their needs and desires. On the other hand, consumers will have dissatisfaction after Buying if the item is not as expected. Before the consumer makes a buying decision, a customer makes several considerations. For information about Buying decisions, a consumer goes through the stages of the purchase decision process. The decision to buy or not a product, especially in the purchase of a house for the needs of many people, will require many people to interfere in the decision-making process.

## **4. Effect of Location on Consumer Satisfaction through Consumer Satisfaction**

Effect of location on consumer satisfaction through buying decisions, which means that strategic location can increase customer satisfaction if supported by buying decisions using appropriate considerations. Strategic location influences someone is generating a desire to make purchases because of strategic location, located in the flow of business, and so on. In this way, the determination of localization becomes a consideration by consumers, where if the location is determined, the strategic decision of the consumer will decide to make a purchase, but if the localization that is determined is not so strategic, the consumer will consider more decisions about making a purchase.

## **5. Effect of Price on Consumer Satisfaction through Buying Decisions**

The price affects customer satisfaction through buying decisions, which means that prices that are following consumer ratings can increase customer satisfaction if supported by appropriate Buying decisions. The price is one of the determining factors in the selection which is related to the decision to buy consumers. The better the price perception by the consumer, the higher the impact in determining the purchase decision. Something that is mentioned in the theoretical perceptual a price by Peter and Olson (2000) states that the perceptual a price relates to how the information about the price is fully understood by the consumer and gives the meaning in their part. Consumers usually do not evaluate the exact price of a product when they want to make a purchase, but they perceive the price of the product as a price that is cheap, reasonable, or expensive based on their internal reference price (Zeithaml, 1988). Not always a cheap price will reflect the poor quality level of a product. On the contrary, expensive prices do not always reflect good product quality. This view causes a relationship

between demand and the selling price. If the price is high, the demand for the product will be low, so if the price is low, the demand for the product will be high. The assessment of the price of a product is said to be expensive, cheap or usually only from every individual, it does not have to be the same, because it depends on the individual perception of the dilator behind the living environment and the individual's condition.

## CONCLUSION

Based on the results of the previous research, the research paper can draw the following conclusions:

1. Location and price affect the purchase decision, which means that the strategic location of the local government and supported by affordable prices can increase Buying decisions.
2. Location and price affect customer satisfaction, which means that local locations are easily accessible and prices that can increase customer satisfaction.
3. Buying decisions affect consumer satisfaction, which means that the consumer will feel satisfied if there is conformity
4. Location influences customer satisfaction through buying decisions, which means that strategic location can increase customer satisfaction when buying decisions are carried out rationally.
5. Price influences customer satisfaction through Buying decisions, which means that prices are following consumer expectations that can increase customer satisfaction, if consumers before making a purchase decision, have already taken some consideration.

## Suggestions

Based on the results of the study and the discussion the authors give the following suggestions:

### 1. Theoretically

- a. Location and price need to be considered because they can influence Buying decisions and customer satisfaction, with local locations that are easily accessible and provide reasonable prices, affordable and more attractive discounts.
- b. For further research, it is necessary to develop Buying decisions as a strengthening of consumer satisfaction, by adding variables that affect customer satisfaction.

### 2. Practically

- a. Housing The Anggana provides reasonable prices and attractive discounts on certain periods such as during the housing exhibition, and more attractive discount package prices such as free front fencing, free BPHTB (Fee for Transfer of Land Rights and Buildings) bonuses for motorbikes, free flat TVs, and so on, to improve Buying decisions that ultimately result in consumer satisfaction that will recommend housing to others
- b. Share of researchers is further expected to develop this research model by adding other variables such

as service quality, company image, and customer value that affect customer satisfaction besides location and price.

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