

Factors Influencing the Decision to Purchase Subsidized Housing during the COVID-19 Pandemic in South Sulawesi: Sequential Exploratory Design

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ARTICLE INFO

Article history:

Received May 26, 2022

Revised June 10, 2022

Accepted April 16, 2023

Available online August 25, 2023

Kata Kunci:

Perumahan Bersubsidi, Keputusan Pembelian, Kualitas Layanan, Tempat

Keywords:

Subsidized Housing, Purchase Decision, Service Quality, Location



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ABSTRAK

Keputusan pembelian rumah bersubsidi oleh masyarakat berpenghasilan rendah selama pandemi COVID-19 di Provinsi Sulawesi Selatan, Indonesia. Penelitian ini bertujuan untuk menganalisis faktor-faktor yang mempengaruhi keputusan pembelian rumah bersubsidi oleh masyarakat berpenghasilan rendah selama pandemi COVID-19 di Provinsi Sulawesi Selatan, Indonesia. Populasi dalam penelitian ini adalah pembeli rumah bersubsidi di Kabupaten Maros, Sulawesi Selatan, yang melakukan pembelian selama pandemi COVID-19. Sampel penelitian dipilih menggunakan teknik purposive sampling, di mana responden yang diambil adalah pembeli rumah bersubsidi di Kabupaten Maros yang melakukan pembelian selama pandemi COVID-19 (2019-2021). Pengumpulan data dilakukan melalui wawancara dengan pengembang perumahan bersubsidi di Kabupaten Maros. Wawancara dilakukan dengan manajer operasional, pimpinan dari tim pemasaran, dan staf administrasi pemasaran di pengembang perumahan bersubsidi. Data yang dikumpulkan melalui wawancara diolah menggunakan analisis faktor konfirmatori (CFA) dan pengujian kesesuaian model. Hasil utama penelitian ini menunjukkan bahwa lokasi dan kualitas pelayanan memiliki pengaruh signifikan terhadap keputusan pembelian rumah bersubsidi. Hal ini menunjukkan bahwa lokasi dan kualitas pelayanan adalah faktor-faktor penting yang harus diperhatikan oleh pengembang dalam memasarkan rumah bersubsidi kepada masyarakat berpenghasilan rendah. Hasil penelitian ini merekomendasikan agar pengembang perumahan bersubsidi memaksimalkan pemilihan lokasi dan kualitas pelayanan dalam memasarkan perumahan bersubsidi.

ABSTRACT

The decision to buy subsidized houses by low-income people during the COVID-19 pandemic in South Sulawesi Province, Indonesia. This study aims to analyze the factors influencing subsidized housing purchase decisions by low-income people during the COVID-19 pandemic in South Sulawesi Province, Indonesia. The population in this study is subsidized home buyers in Maros Regency, South Sulawesi, who made purchases during the COVID-19 pandemic. The study sample was selected using purposive sampling techniques, where the respondents taken were subsidized home buyers in Maros Regency who made purchases during the COVID-19 pandemic (2019-2021). Data collection was conducted through interviews with subsidized housing developers in Maros District. Interviews were conducted with operations managers, leaders of marketing teams, and marketing administrative staff at subsidized housing developers. Data collected through interviews were processed using confirmatory factor analysis (CFA) and conformity testing models. The main results of this study show that location and quality of service have a significant influence on subsidized home purchase decisions. This shows that location and quality of service are important factors that developers must pay attention to in marketing subsidized houses to low-income people. The results of this study recommend that subsidized housing developers maximize location selection and service quality in marketing subsidized houses.

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1. INTRODUCTION

The Covid-19 pandemic has affected almost all sectors due to the deteriorating economy. The decline in economic activity has pushed up the unemployment rate, which in turn has had an impact on reducing people's purchasing power. However, like other business sectors, the property market has also been affected by changes in economic conditions due to COVID-19. Low-Income Communities, the target of subsidized housing, are also affected by the COVID-19 outbreak in Indonesia (Seno, H. et al., 2023; Wicaksana & Baldah, 2021). Thus, the number of low-income people who can buy subsidized housing decreases. Subsidized Home Ownership Loans (KPR) are loans or homeownership financing that get assistance and ease of acquiring houses from the government in the form of long-term, low-cost funds and subsidies for housing acquisitions that are affordably issued by the implementing bank both conventionally and with sharia principles. This product is targeted at MBR. MBR is defined as people who have limited purchasing power. One of the indicators is a basic salary of not more than 4 million rupiahs or a total income of not more than 8 million rupiahs.

Based on data released in December 2021, in South Sulawesi, the availability of subsidized housing is about 35.293 units. While the number of needs (people) for subsidized housing is only around 10.511. This condition makes housing developers compete in the market, which amounts to only about 41% of the subsidized housing units provided. South Sulawesi has the highest subsidized housing units available compared to other provinces in Eastern Indonesia. The high ratio between the number of units available and the need for MBR for subsidized housing makes developers have to work extra in formulating marketing strategies to compete with other developers. Business risks such as a decrease in cash flow due to reduced demand, a decreased number of enthusiasts, delays in logistics needed in the production process must be avoided (Hoek, 2020; Kang et al., 2021; P. Sharma et al., 2020). Developers must ensure that, during the COVID-19 pandemic, the subsidized housing they offer can be an option among other subsidized housing alternatives. This condition is not manageable, considering that in the end, the marketing strategy used will influence MBR's decision to make a purchase.

Consumer purchasing decisions are a process by which individuals, groups, or organizations select, buy, use and utilize products to meet their needs and satisfy their wants (Hanaysha, 2018; Rachmawati et al., 2019). Consumers collect information about the product to be purchased to help them make purchasing decisions (Bai et al., 2015; Chen et al., 2017). Purchasing is influenced by several things, namely age, stages of the life cycle, occupation, economic situation, and psychological factors namely lifestyle, personality, and self-concept (Mulyano et al., 2020; Pondaag et al., 2019; Putri & Nilowardono, 2021; Rachmawati et al., 2019). These elements will bring consumers to decide to buy or not a product being offered.

The decision-making process in buying is influenced by the encouragement of marketing strategies (product, price, place, promotion) and other incentives namely social, political, economic, and technological developments (A. Sharma & ForoPON, 2019; Susilowati & Sari, 2020). Based on this encouragement, consumers carry out the decision-making process by recognizing problems that can be solved by purchasing the product, seeking information about the product, and comparing it with other alternatives. The final stage of this process is decision-making by choosing the best brand, the right seller, the time, and the right amount of purchase.

Several previous studies found that the factors that influence the decision to purchase subsidized housing are location and promotion, marketing mix, and price (Budiyanto, 2019; Mendrofa et al., 2018; Pondaag et al., 2019; Portnov et al., 2018; Rachmawati et al., 2019; Siregar & Nasution, 2016). However, a government regulation regulating the selling price of subsidized houses by region makes the price not a determining factor in marketing subsidized houses. For the Sulawesi region, the selling price of subsidized houses is set at 156.500.000 IDR. With this evenly distributed selling price, property developers automatically implement other marketing strategies to compete in the property market. The developer must demonstrate other advantages of the subsidized housing it offers.

In measuring the factors that influence the decision to purchase subsidized housing, these previous studies have approached either qualitatively or quantitatively. The results of our study show that there are still very few studies that use a combined qualitative and quantitative approach to discuss this matter. We think that by using the mixed method, the results of this study will be more comprehensive because another approach in the next stage will directly confirm the results in one stage of the approach.

By using a sequential exploratory design approach, in this study, we conducted a research phase that began with a qualitative approach that aims to find out what factors can influence consumers' decision to buy subsidized housing during the COVID-19 pandemic. The next stage of the quantitative approach aims to measure how much influence the strategy has on MBR's decision to buy subsidized housing. The research was conducted in Maros Regency, South Sulawesi Province, Indonesia. As one of the regencies directly adjacent to the provincial capital city of Makassar, many MBR who work in Makassar decide to buy subsidized houses in Maros Regency, considering the distance is still quite close.

The subsidized mortgage program has been running since 2010 and has become the government's main way to deal with the high national backlog. Therefore, we are of the opinion that studies on the implementation of the subsidized mortgage program should continue. This is important considering that to date, the backlog figures have not shown any decline even though government subsidies for home ownership continue to be increased. This study aims to analyze the high number of people's needs for housing with things that encourage consumer interest in this case MBR to buy subsidized housing. By knowing the factors that drive this interest, we hope that through this study, subsidized housing developers can implement the right strategy in marketing their products so that they can then help the community meet their housing needs. We provide novelty in this study using the sequential exploratory design method. By using two approaches in stages (qualitative and then quantitative), this method can analyze in more depth the appropriate marketing strategies that have been implemented by subsidized housing developers, as well as how they actually impact on purchasing decisions.

2. METHODS

This study uses a mixed-method approach with a sequential exploratory design. Stages of approach begin with a qualitative approach, then quantitative. The research flow is carried out as shown in [Figure 1](#).

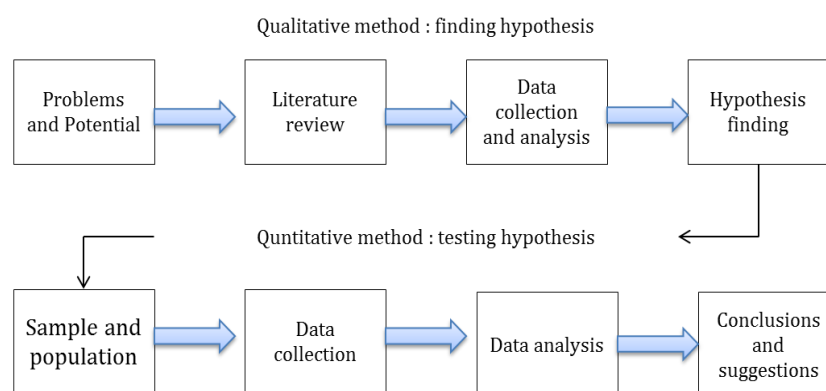


Figure 1. Sequential Exploratory Design

(Sugiyono, 2018)

Through a qualitative approach, we conducted a field study using data collection techniques through interviews with developers of subsidized housing in Maros district. This stage aims to find out what obstacles are experienced in marketing subsidized housing during this pandemic and how developers overcome these obstacles. Interviews were conducted with operational managers, leaders from the marketing team, and marketing administration staff at subsidized housing developers. The final result of this stage is the formulation of hypotheses about the factors that influence the decision to purchase subsidized housing by MBR during this pandemic, based on the results of the interview.

The compiled hypotheses were then processed through a quantitative approach by collecting data through online questionnaires. The sampling was done through a purposive sampling technique where the respondents whose data were taken were buyers of subsidized houses in Maros Regency and made purchases during the COVID-19 pandemic (2019 – 2021).

Before testing the hypothesis, the data were collected and screened using Microsoft Excel and SPSS 23. The data was then processed using Structural Equation Modeling (SEM) with the AMOS version 23 application. The data processing was carried out through two stages of testing, namely the Confirmatory Factor Analysis technique (CFA) and measurement of model fit. CFA is a test that aims to ensure that each item indicator can measure the research construct correctly. Items are declared capable of measuring the research construct if they have a loading factor > 0.5 ; Critical Ratio (CR) > 2 ; and P-Value < 0.05 (Hair Jr et al., 2017; Santoso, 2015).

The model suitability test was conducted to see whether the model conceptualized in this study was compatible with the observed model. The results of the model suitability test are indicated by the goodness of fit value of the AMOS output. A model is declared to meet the conformity standard if the AMOS output shows a small chi-square value, CMIN/DF < 2 ; CFI > 0.9 ; TLI > 0.9 ; AGFI > 0.9 ; RMSEA 0.03-0.08; and RMR > 0.05 (Byrne, 2001; Hollebeek et al., 2014; Santoso, 2015). After the data meets the standards of measurement and conformity with the conceptualized model, the data is used to measure the structural relationship between variables.

3. RESULTS AND DISCUSSIONS

Results

Qualitative Approach

The first stage: determine the instrument as the primary source of data. In this process, we use interview techniques to subsidize housing developers, in this case, the marketing manager of a property company that specializes in marketing subsidized housing in Maros Regency. In the first interview session, the main point we asked was the problem of marketing subsidized housing faced by developers during this covid-19 pandemic. The manager explained that basically, there was no very significant policy change from the government, in this case, the Ministry of PUPR, regarding the provision of subsidies for MBR in owning a house. However, it was also explained that obstacles were found in the mortgage process provided by banks as government partners in distributing subsidized housing quotas. Banks are more selective in granting mortgage approvals to MBR who apply for credit. This condition is a challenge for developers in marketing their products. Marketers have to try a little more complicated in finding potential buyers who are considered to fit the bank's criteria. In the end, the potential consumers who are up for grabs will also choose what housing they consider to be following their needs.

Second stage: validation of interview results. To confirm the results of the initial interview with the manager, we then interviewed the banking administration department, who was in charge of completing the loan application file, and the banking process until the credit submitted by MBR could be approved. In this interview, we asked for details about the obstacles faced in the filing process applying for a mortgage during this pandemic. One of the staff explained that basically, there are no excessive rules regarding filing mortgage applications from MBR during this pandemic. The main thing that needs to be considered is that prospective buyers are sure to have the ability to pay in installments. Furthermore, the staff of the assistance section for prospective customers for banking affairs said that the quality of service provided by the developer can influence the MBR's decision to buy the subsidized housing offered. However, in the marketing process, the direct approach in collecting this data is to directly interview marketers who technically act as the first parties to deal directly with potential customers.

Third stage: In the following process, we interviewed the team leader of the subsidized housing marketing unit. In this session, the main question is their "main selling points" in marketing subsidized housing. The interview results is presented in Figure 2 to provide a more accurate description.

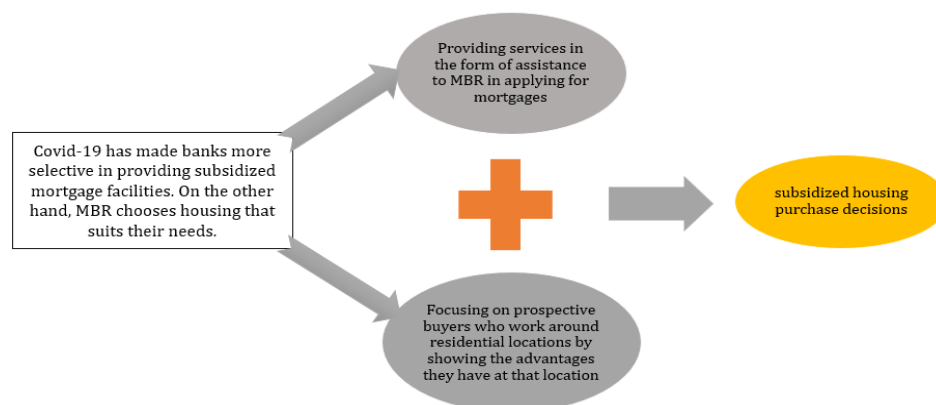


Figure 2. Challenges and Marketing Strategies for Subsidized Housing During the Covid Pandemic in South Sulawesi

From the interviews we conducted, it can be concluded that the location and quality of service affect consumer decisions to buy subsidized housing in the Maros district. These results support previous studies, which also found that location is the main factor that causes consumers to choose the house they want to buy (Kam et al., 2018; Mulyano et al., 2020). To measure location as a construct in this study, we refer to previous studies using access, utilities, and housing environment as indicators (Azizah, 2019; Rachmawati et al., 2019; Sutisna & Handra, 2022; Wicaksana & Baldah, 2021).

In addition to location, from the interviews, we can also conclude that service quality (servqual) is a factor that influences consumers in making decisions in purchasing subsidized housing. Servqual is measured by tangible, responsiveness, assurance, empathy, and reliability as the primary indicators referring to previous studies (Melinda et al., 2020; Pakurár et al., 2019; S. Sharma & Srivastava, 2018; Tešić, 2020). How the developer can provide services to MBR who wish to buy subsidized housing will affect the purchase decision. Purchase decision as the primary variable is measured by searching for information,

corporate image, and product choice. The developer's ability to provide information, have a good image, and convince MBR to make a purchase is an indicator that measures purchase decisions (Kant & Jaiswal, 2017; Safitri et al., 2016; Setyowati, 2017).

Quantitative Approach

To test the hypotheses developed based on the previous stages, we collected data with a quantitative approach through the distribution of online questionnaires. With the purposive sampling technique, data was collected from buyers of subsidized houses in the Maros district and made purchases during the COVID-19 pandemic. Data collected through questionnaires then went through a screening stage using excel and SPSS 23 and produced 132 respondents who met the requirements with valid data. Respondent profiles can be seen in Table 1.

Table 1. Respondent Characteristics

Characteristics		Frequency	Percentage
Gender	Male	96	72.7
	female	36	27.3
Profession	Private sector employee	83	62.9
	Entrepreneur	32	24.2
	Civil servant	17	12.9
Income (monthly)	3.000.000 - 5.000.000 IDR	73	55.3
	5.000.001 - 8.000.000 IDR	59	44.7
Type of Bank Where to Apply for KPR	Shariah	49	37.1
	Conventional	83	62.9

The results of data processing indicate that the data collected has been normally distributed with the value of skewness and kurtosis at +/- 2.58 (Santoso, 2015), as shown in Table 2.

Table 2. Assessment of Normality

Variable	min	max	skew	cr	kurtosis	cr
Searching for Information	5	10	-0.426	-1.998	-0.334	-0.783
corporate image	5	10	-0.224	-1.051	-0.862	-2.022
Product Choice	4	10	-1.109	-5.203	2.324	5.450
Tangible	6	10	0.207	0.969	-0.798	-1.873
Responsiveness	6	15	1.066	5	0.650	1.523
Assurance	9	15	0.451	2.115	-0.852	-1.998
Empathy	5	10	0.866	4.062	-0.444	-1.041
Reliability	5	10	0.538	2.523	-1.005	-2.357
Access	9	15	-0.300	-1.407	-0.740	-1.734
Utilities	9	15	-0.658	-3.085	-0.584	-1.369
Housing Environment	4	10	-0.728	-3.414	0.412	0.967
Multivariate					15.936	5.413

By using AMOS version 23, the first testing stage is done by confirmatory factor analysis. The results of the CFA test can be seen in Figure 3.

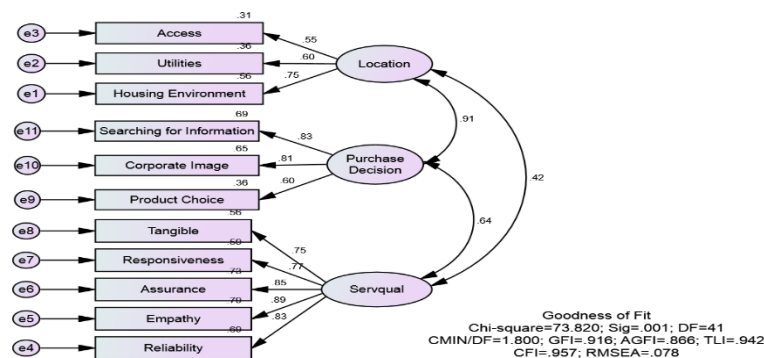


Figure 3. Confirmatory Factor Analysis

Table 3. CFA Result (Note: *** = P < 0.001)

Variables	Indicator	Loading Factor	CR	P	Cronbach's Alpha	Construct Reliability (CR > 0.7)
Location	Housing Environment	0.75	Reference Point		0.87	0.83
	Utilities	0.60	6.158	***	0.88	
	Access	0.55	5.409	***	0.88	
ServQual	Reliability	0.83	Reference Point		0.86	0.91
	Empathy	0.89	12,409	***	0.86	
	Assurance	0.85	11,647	***	0.86	
	Responsiveness	0.77	10,029	***	0.87	
Purchase Decision	Tangible	0.75	9.598	***	0.86	0.87
	Product Choice	0.60	Reference Point		0.87	
	Corporate Image	0.81	6.837	***	0.86	
	Searching for Information	0.83	6.886	***	0.86	

From Figure 3, and Table 3 it can be seen that the loading factor value of each item is greater than 0.5 ($\lambda > 0.5$); CR > 2; and P-value < 0.05. These results indicate that each indicator is validly able to measure its respective variables. The results of the CFA test also show that the construct reliability value is greater than 0.7 (CR > 0.7), and Cronbach's alpha of each item is also more than 0.6. Thus, each indicator has reliable data to measure the relationship between variables in this study.

Location in this study can be measured by Housing environment ($\lambda=0.75$); Utilities ($\lambda=0.60$), and Access ($\lambda=0.55$). Servqual is measured by Reliability ($\lambda=0.83$); Empathy ($\lambda=0.89$); Assurance ($\lambda=0.85$); Responsiveness ($\lambda = 0.77$); Tangible ($\lambda=0.75$). Purchase decision as an exogenous variable can be measured by Product choice ($\lambda=0.60$); Corporate image ($\lambda=0.81$), and searching for information ($\lambda=0.83$).

The next test stage is the model suitability test by looking at the goodness of fit value of the AMOS output in Figure 2, and Table 4.

Table 4. Goodness of Fit Measurement

Model Fit Testing	Cut of Value	Result	Remark
Chi-Square	df = 41. $\chi^2 = 65.171$	73.82	Marginal
Significance	≥ 0.05	0.001	Marginal
CMIN/DF	≤ 3	1.800	Fit
GFI	≥ 0.90	0.916	Fit
AGFI	≥ 0.90	0.866	Marginal
TLI	≥ 0.90	0.942	Fit
CFI	≥ 0.90	0.957	Fit
RMSEA	0.03 - 0.08	0.078	Fit

From the AMOS output, it can be concluded that the conceptualized model has conformity with the results of model testing based on the data collected. This result can be seen from the value of CMIN/DF = 1.800; GFI= 0.916; TLI=0.942; CFI=0.957; and RMSEA=0.078. Although several measurement standards still produce marginal values, overall, the model can be declared conformity. Thus, the data can measure the relationship between the variables conceptualized in this study.

Full Structural Model

After the results of the CFA test and the suitability of the model show that the research data has a valid and reliable value to be used in measuring the relationship between variables, the full structural model is shown in Figure 4.

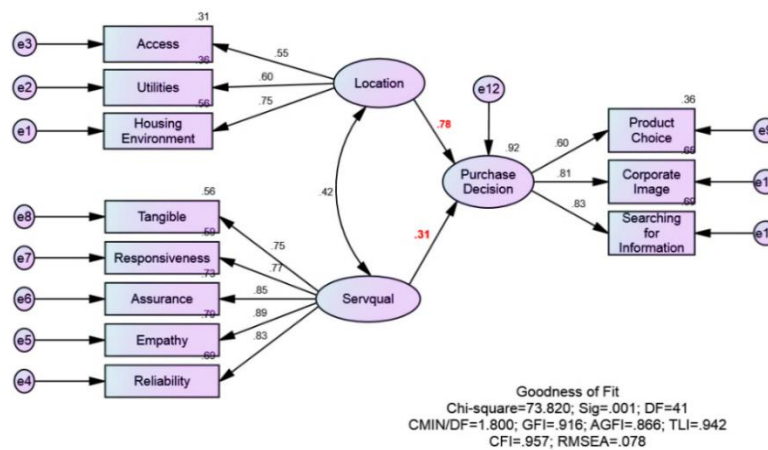


Figure 4. Structural Equation Modeling

As shown in the Figure 4, data processing results show that location positively affects purchase decisions with a standardized estimate coefficient (β) = 0.783 and P-Value < 0.001. Similarly, servqual also has a positive effect with = 0.311 and P-Value < 0.001. From the results of data processing with the structural equation modeling technique shown in Figure 4, the results of hypothesis testing can be seen in the following Table 5.

Table 5. Hypothesis Testing (Note: *** = P < 0.001)

Hypothesis	Standardized estimate	Estimate	Standar Error	Critical Ratio	P-Value	Result
H1: Location → Purchase Decision	0.783	0.498	0.103	4.848	***	Accepted
H2: Servqual → Purchase Decision	0.311	0.165	0.049	3.402	***	Accepted

Discussion

Location – Purchase Decision

The data processing results in Table 5 confirm that H1, which states that location has a positive and significant effect on purchase decisions, is accepted. This result can also be interpreted that the location indicated by easy access, good utilities, and a comfortable housing environment will encourage MBR to buy the subsidized housing offered. This result supports previous studies, which also show that in the property market, the location of the house offered will encourage buying interest (Azizah, 2019; Lestari & Hasibuan, 2021; Memah et al., 2015; Mendrofa et al., 2018; Rahmawati & Nilowardono, 2018; Wicaksana & Baldah, 2021).

In particular, as seen from the test results in this study, the housing environment is the indicator with the most significant measurement value from the location as a latent construct. This result shows that the condition of the housing environment in a location is an essential factor that can encourage consumer decisions to buy subsidized housing. If the housing environment conditions such as living in a complex, socialization between residents, complex security, safe from natural disasters, and other things that provide comfort for residents in their activities, then the housing can be the primary choice for consumers. We agree with previous study, which states that being in a comfortable residential environment will improve the residents' quality of life (Gou et al., 2018; Ng et al., 2018).

This result has also been seen in the value of searching for information, which is the most important measurement in the purchase decision. These results indicate that the primary thing consumers do in the decision-making process is search for information about the subsidized housing they will buy. Thus, based on the results of this study, it can be stated that the environmental conditions in a location of subsidized housing will be important information that consumers consider in deciding to purchase.

Overall, from the results of this study, it can also be seen that location has a more significant influence ($\beta=0.783$) compared to servqual ($\beta=0.311$). This result shows that location is the primary factor consumers consider in purchasing subsidized housing as one of the districts directly adjacent to Makassar, Indonesia. The mobility level of the Maros district's population who work in Makassar is very high. Therefore, the right location with easy access, supporting facilities and infrastructure, and comfort in the housing environment are the main things that attract consumers to choose subsidized housing.

The findings of this study are interesting because, for developers in the subsidized housing market, the analysis marketing strategy must be started by choosing the right location in building subsidized houses. The obstacle faced is the high price of land in strategic locations, in contrast to the price of subsidized housing which is limited and determined by government regulations. This study shows that the right location is easy to reach and can be created by an environment that provides comfort for residents. Therefore, developers need to ensure that the subsidized housing they market is comfortable for buyers. Since product information is one of the stages in the purchasing decision-making process, we also think it is essential for developers to inform potential buyers of the environmental comfort it offers.

Likewise, based on data, access and utilities are able to measure location as a latent variable. These two indicators are also the reason how a housing location becomes the choice for prospective buyers. Although consumers are basically aware that the location of the subsidized house is on the outskirts of the city, the access and utilities offered by the developer can significantly encourage the interest of prospective buyers to decide on the purchase of a subsidized house. As one of the basic needs for life, home is the most comfortable place to release all fatigue. Therefore, everything that can support the fulfillment of the need for comfort, will be a major part in making decisions for buying a house.

Servqual – Purchase Decision

Although many previous studies have stated that servqual is the key to competition between housing developers, this study shows that the effect of servqual on the purchase decision is much smaller than that of location (Lestari & Hasibuan, 2021; Melinda et al., 2020; Sari & Kasidin, 2020; Sugianto & Ginting, 2020; Tešić, 2020). However, according to the results, the effect of servqual on the purchase decision is positive and significant, so H2 is also accepted.

This result can also be interpreted that every increase in the quality of services provided by the developer will also increase the probability of consumers deciding to buy the subsidized housing offered. Empathy is an indicator with the most considerable loading factor value in measuring servqual in this study ($\lambda = 0.89$). This result shows that in the marketing process, the attention and care given by the developer to MBR becomes a clear picture of the quality of service received by MBR.

Marketing subsidized mortgage products require more effort, both from developers as marketers and MBR as buyers. Because in subsidized mortgages, the decision-makers are banks as distributors of mortgage facilities and require government approval. In this case, the Ministry of PUPR is the person in charge of the subsidized mortgage program. In this more complex stage, the relationship between the developer and the MBR must be well established. Developers must pay special attention to MBR in assisting the process of fulfilling all documents and requirements for applying for a mortgage.

Marketing and psychology are two things that are interrelated with each other (Henseler & Guerreiro, 2020; Orquin & Wedel, 2020; Soomin, 2020; Stremersch, 2021). Service is a process where marketers approach and provide satisfaction through these psychological aspects. Building relationships with consumers is not an easy thing and requires a lot of time. However, we also believe that the psychological bond that is built between marketers and consumers will encourage the formation of positive relationships in the long term. Therefore, for the sake of sustainability of business processes, organizations need to pay special attention to how to build good relationships with consumers, not only when they want to offer products, but also after consumers make a purchase.

Overall, the results of this study show how subsidized housing developers during the Covid-19 era competed with all the limitations and challenges. When a price is not an essential factor in market competition, consumers will prefer to behave rationally by choosing products that meet their primary needs. In this study, consumers need a place to live close to where they work. This result could be different if the research is conducted on commercial home consumers where price has an important role. Therefore, it is necessary to develop the concept that we present in this study.

With all the limited access during the pandemic, this study was conducted on a small number of samples. Although using two approaches, the results of this study indicate that some indicators are still too weak to measure the main variables (access, utilities and product choice still have a loading factor of less than 0.7). Therefore, it is hoped that further studies can use more diverse indicators to get better measurements.

4. CONCLUSION

At the qualitative stage, the results of this study show that during the covid-19 pandemic, the marketing strategy carried out by the developers is to show the advantages of the housing location offered and provide quality services in helping low-income families to have houses that match their expectations. Meanwhile, at the quantitative stage, the quality of the location and service is proven to be able to encourage

the decision to purchase subsidized housing. In contrast to previous studies which stated that service quality is the main reason that encourages consumers to make purchases, the results of this study actually show that compared to service quality, location is the main factor influencing the decision to purchase subsidized housing. The results of this study are expected to contribute to further studies, especially in the field of marketing.

5. ACKNOWLEDGE

We would like to thank all those who have been involved in this research. To the developers of subsidized housing, managerial, staff and marketing who are willing to provide the information we need. To the buyers of subsidized houses who have taken the time to fill out the questionnaire that we have distributed. We also thank our institution STIE Amkop Makassar for the support provided for the publication of our article.

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