

Upper-Middle Society Preference in Indonesia in Selecting a Dwelling

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Abstract—The development of housing construction that never stopped, cannot be separated from the good of society as a consumer and developer and marketing team as the decisive share of the market. Housing marketing strategy becomes inseparable from the community preference. People's preferences in selecting housing, can be used to find the tendency of the community in the selection of housing for them, so that the supply of houses can be in accordance with the wishes of the people. Residential preferences of certain groups of people with one another can vary. From here, the preferences of a particular group of people in the choice of housing can be used also by the developer to customize the behavior of the housing and can be used also by marketing parties to formulate marketing strategies related to media marketing and details that need to be displayed in the ad. However, existing studies indicate a preference not previously been more specific on certain segments of society in selecting housing, especially in Indonesia

The purpose of this study is to determine the preferences of the upper-middle society in selecting housing. So to achieve these objectives, the target of the study is to formulate a preference variable, which is then used to identify the preferences of the upper-middle society in selecting a dwelling. This research method is a mixed-methods. Analysis technique used is descriptive qualitative-quantitative analysis and factor analysis. This research resulted in the dominant influence on the legality and home location preference upper-middle society in Indonesia in selecting a dwelling.

Keywords—Housing Preference, Upper-Middle Society; Indonesia;

INTRODUCTION

Housing construction embodies the fulfillment of human needs will house as a residence. According to the Department of Housing and Spatial Planning (in Sutianingsih, 2010), that one of the fundamental basis of the division of housing needs, ie housing needs based on trends (tendencies) natural population growth. The development of housing construction that never stopped, can not be separated from the good of society as a consumer and developer and marketing team as the decisive share of the market.

The rise of the housing marketing can be seen from the new housing ads posted either in newspapers, billboards, and websites. This requires the housing marketing marketing strategy to increase the purchase of housing products in its market share. Then the housing marketing strategy becomes inseparable from the preferences of people who become the market share.

Preference here plays a role when the public as consumers decide to buy a product housing (Rappoport, 2005). Before the decision to purchase, consumers have and realizing a need in him that they can meet by purchasing a product such housing. In this process, there is the role of external stimuli consumers, namely marketing stimulus and stimulus background. Stimulus marketing involves four elements of the marketing mix (marketing mix) of product, price, distribution and promotion. While the stimulus backgrounds such as economic conditions, technology, politics and culture. The presence of stimuli that will deliver consumers in decision-making processes that include the activity of problem recognition, information search, evaluation, and decision-making. Decisions taken by the consumer may include product selection, selection of brand name (housing), the selection of the seller (developer name), the timing and amount of purchase.

A series of decision-making process above is not absolute sequence and occur with varying complexity within each consumer. In general, the upper-middle income people, influence the quality of the building (as a form of fulfillment house functions as an identity) that can be represented by name and name of the housing developer, a large impact on the considerations made before deciding to buy. This is where the influence of prices is no longer too big impact on the considerations made before deciding to buy. In contrast to puff and middle class people down. According to Turner (1972) middle class community will prioritize safety factor ownership (security of tenure). While the lower middle class people, staying and living opportunity factor (opportunity) is a virtue picture house function for them to survive. In addition, the lower middle class people also have a tendency to prioritize work location close distance, or at least closer to land employment. However this is not necessarily in accordance

with what is happening in urban communities in Indonesia, because it still has not been any research that proves this. Set high quality associated with relatively high prices for the upper-middle class housing units, the withdrawal should be reconsidered by the developer and marketing. This is due to the need to achieve maximum satisfaction of housing products are bought.

In answer to the needs of consumers, the developer and marketing should be able to give more value to the products it offers, so that consumers feel they have what they want, and in the long term can provide added value for developers and marketing to be able to compete in the property market are rampant today. Many factors affect a person's preference in selecting housing, especially for the upper-middle that can provide greater benefits for the developer. This factor needs to be known by the developer in determining marketing target housing. However, so far there has been no research that addresses the preference upper-middle income people in Indonesia in selecting a dwelling. Therefore, research is needed which is able to find the preferences and factors that affect the upper-middle society in selecting residence in Indonesia.

This study aims to identify the preferences of upper-middle society in Indonesia in selecting a dwelling. The objective of this study is: (1) To identify the preferences of upper-middle society in Indonesia in selecting a dwelling. (2) To formulate factors that affect the upper-middle society in Indonesia in selecting a dwelling.

THEORIES

A. *Environment Behaviour Studies (EBS)*

Rappoport (2005) argued about things that are important in the study of culture - the environment in EBS, is to describe the groups, determines the true nature of these groups, as well as the size of the groups. In addition, the cultural-design, the first step that must be taken is to identify the number and nature of related groups.

B. *Consumer Preference of Housing*

Residential consumer preference is the virtue or trends in housing election by consumers as a product. Housing in this case is one of the properties of products which have a market share of its own customers. According to Green, Paul, and Rao (1971) in his research on consumer preferences a property products, both price and location are the most important attributes in a residential consumer preferences.

Basically, marketing a residential neighborhood and facilities that exist within it aims to benefit both developers (developers) or authority, residents and private sectors of other covered within the region by applying the function and marketing management (Zerwck, 2002 in Kusuwardani, 2004). Therefore, developers need to plan the development and management of housing based on the benefits desired by consumers, the private sector is involved, as well as the developer itself. In order to understand the real benefits desired by residential consumers, developers need to identify important attributes, which have a high scale in housing preferences.

C. *Consumer Preference of Housing from The Upper-Middle Society*

Roistacher (in Rapoport, 1977) indicates a direct relationship between income mobility / transfer of housing to meet the prestige (prestige / identity). Then this income will directly affect the quality preferences of a family home environment.

In addition to income level, housing preferences also tend to be associated with the location of housing (Reksohadiprodjo & Karseno, 1997), in which many high-income people contribute demand for houses, generally choosing a location outside the city center. While low-income people choose to approach the city center, which reduces transportation costs. Linkage residential location with preference theory is supported by the internal structure of the city (in Daldjoeni Burgess, 1997), which is where the choice of residential location societies generally try to approach the location of activities. As for the attempt to approach the location of this activity is dominated by low-income people, not a high-income society.

Drakakis Smith (in Budihardjo, 1987) linked the housing preferences of the income earned by people in developing countries, using preference attributes such as social facilities and comfort, ownership status, and location of the workplace. Increased revenue resulted in increasing priority person will meet the needs of social facilities and comfort, then the ownership status, followed by the location of the workplace.

Turner (1972) refers to the theory of Maslow's hierarchy of needs, linking housing preferences and needs with income. High-income communities prioritize embodiment identity factor (identity) that can be represented by the quality of housing, living and living a new chance (opportunity), then the security of ownership (security). Unlike the case with middle-income families and low-income. Middle-income families will prioritize safety factor ownership (security of tenure). While low-income families or middle-down, staying and living opportunity factor (opportunity) is a virtue picture house function for them to survive. In addition, low-income people also have a tendency to prioritize work location close distance, or at least closer to land employment.

Middle to high society in question in this research is based on earned income is above Rp. 6,000,000.00 per month. in Indonesia, the middle class is a person who is included in the category of income ranges between Rp 2.6 million to Rp 6 million. Thus, expressed as the upper middle class is a group of people with income over USD 6 million. In addition to the nominal income, people in this class occupy higher positions in their offices and financially more stable than others. This is a group of people who obtain substantial increases in their income due to rapid economic growth (Widiatmanti, 2015).

D. *Consumer Preference of Housing based on Upper-Middle Society Lifestyle*

Lifestyle is a way of life that can reflect the values, images, and norms that he lived as a specific community, which can refer to the specific character of the housing. Rappoport (2005) suggested that, in the process of election of residence, life-style has a strong role in the EBS. Someone will choose an appropriate living space or make residence in accordance with the life-style he has. Here, the selection and adjustment of residence is more influenced by 'desire' rather than 'needs'.

In the upper middle class has the ability to meet the aspirations of going home. Aspirations in the form of housing selection is influenced by life-style among each type. The division of the type of life-style by Knox (2010), namely: the type of family oriented, career-type, the type of consumer and community types.

E. Housing characteristics

Basically housing characteristics as a residence is covering the type and size of housing, ownership, number of family members, inter-family relations, education head of family, work head of the family, and family income. However, Rees in Yeates & Garner (1980) conducted an ecological approach in determining the choice of a place to live, using four scope of factors, namely: Scope of Social (welfare / income, education, occupation, age of the head of the family, family members, and dependent children); Scope of Housing (quality homes, house prices, housing conditions, and the type of house); Community sphere (socio-economic status and family status census region); Scope of Physical location (socio-economic status, size of the house, the location, and the land area).

METHODOLOGY

This study is a mixed-methods that use qualitative descriptive analysis and factor analysis (using SPSS). The variable in this study was found based on the theory and advertisement / advertising housing. The theory used in this research is the theory that explains that Rapoport preference in selecting the dwelling there is an / several considerations such as system settings, environmental quality, distance, shape and type / size of the dwelling, residential neighborhood (Rapoport, 2005). These things are considered may affect preferences in selecting a dwelling. In addition, billboards / housing ad also mentions about the points target preferences by developers on marketing brochure. Target preference obtained by billboard / advertisement includes the quality and the physical luxury building, a residential neighborhood, price promotions, ease of getting legality of land / land and buildings, the availability of infrastructure and facilities housing environment (including entertainment), a model home, a strategic location (especially near the facilities), the name of the developer, security, spacious house, bonuses (such as payments, gifts, discounts and waivers advance). The second is based on the understanding that (theory and advertisement / advertisements) then obtained assessment aspects and variables in this study, which include:

TABLE I. RESEARCH ASPECTS AND VARIABLES

Num.	Aspects	Variables
I.	House Physical	House Model (minimalist, traditional, etc.)
		Supporting Space (Double carport)
		Supporting Space (Front Garden)
		Fence
		Building materials
II.	House Quality	Number of Floors
		Air Circulation
		Natural Lighting
		Security from thieves (CCTV, one gate system)
		Traffic safety
		Infrastructure (Sanitation, Electricity, Water)
III.	House Size	House size
IV.	House Prices	House Prices
V.	Developer	The Developer's name
VI.	Location	Crossed by public transport
		Close to the motorway / main road
		Close to family
		Close to educational facilities
		Close to the workplace
		Close to downtown
		Close to the airport
		Close to tourist attractions
		Close to shopping center
		Close to hospitals
		Close to the culinary center
		Close to Golf
		Close to Club House
VII.	The Availability of Supporting Facilities Inside Housing	Sports facilities
		Educational facilities
		Entertainment facilities
		Tourist facilities
		Gathering Facilities
		Worship facilities
		Shopping facilities
		Dining facilities
VIII.	Bonuses	Gifts
		Investment
		Cheap mortgage
		Discount
		A down Payment
IX.	Land Ownership Status	Land Ownership Status

^a. Source: Literature Review, 2015

These variables include only data required in this research is to determine the Community Preferences Intermediate to Top In selecting Occupancy. Data were collected through questionnaires open (online) distributed either through social media and private media. By using GoogleDocs application questionnaire linked and can be accessed by respondents were invited into it. Then the respondents were asked to fill in the data itself and pass judgment on the research variables (from figure 1-10) and sort the priority aspects of the assessment (of figure 1-9).

Analysis technique used is descriptive qualitative-quantitative analysis (including use Simple Mathematics Statistics) and factor analysis (using SPSS or The Statistical Package for Social Science). Descriptive and qualitative-quantitative analysis is used to describe the results of Mathematical Statistics Simple and found the upper-income preferences in selecting a dwelling. While the factor analysis is used to find the factors that affect the upper-middle society in selecting the dwelling as well as linkages between variables. Here are the stages of this research:

- Reviewing the literature (theory, previous research and billboard / housing advertisements in the exhibition brochure / offer)
- Formulate aspects of assessment and preference variables
- Develop a questionnaire study
- Collecting and questionnaire data summary
- Analyze Data (Formulation Preference and Withdrawal Factor)
- Summing up the results of the research.

GENERAL DESCRIPTION

Respondents in this study of 100 people to upper-income obtained at random / random. Here are the data of the respondents in this study.

- Respondents data by Gender
Based on processed questionnaires data, the respondents of this study was 49% Male and 51% Female.
- Respondents data by Age
Respondents of this study is classified by age covers the age of 25-40 years by 54%, 41-50 years of as much as 31%, and 51-65 years of as much as 15%.
- Respondents data by Province of Origin
The respondents came from various provinces in Indonesia such as Bali (1%), Banten (6%), DI Yogyakarta (2%), Jakarta (16%), West Java (11%), Central Java (3%), East Java (48%), South Kalimantan (1%), Central Kalimantan (2%), Riau Islands (1%), Lampung (2%), East Nusa Tenggara (1%), Papua (2%), South Sulawesi (1%), Central Sulawesi (2%), and West Sumatra (1%).
- Respondents data by Marital Status
The survey of respondents were not married as much as 15% and as much as 85% are married.
- Respondents data by Type of Work
Based on his work, the respondents of this study include the Civil Service (17%), Private Employees (29%), employees of SOEs (12%), Self Employed / Entrepreneur (18%), lecturers / teachers (14%), Housewife (9%), and students (1%).
- Respondents data by Education
If viewed by education, respondents of the study include respondents with education past high school / equal as much as 12%, degree * 1 (55%), degree * 2 (31%), and the degree * 3 (2%).
- Respondents data by Number of Family Members
Number of family members of respondents of this study include 1-2 people (17%), 3-4 people (52%), 5-6 people (26%), and > 6 (5%).
- Respondents data by details Family Members

Details of family members of respondents of this research are the Main family (81%), Additional family (16%), and the Main – Additional family (3%).

- Respondents data by Housing
Respondents data based on housing ownership are own homes as much as 80%, 11% family homes and rental homes / contract as much as 9%.

HOUSING PREFERENCES

Based on the results of an online questionnaire recapitulation, the following is upper-middle society preference in selecting a dwelling.

TABLE II. THE PRIORITIES OF HOUSING PREFERENCES ASPECTS BY UPPER-MIDDLE SOCIETY

Num.	Research Aspects Priorities
1	Land ownership status
2	Location
3	House Size
4	House Prices
5	House Physical
6	House Quality
7	Developer
8	The Availability of Supporting Facilities Inside Housing
9	Bonuses

^b. Source: Questionnaire Recapitulation, 2015

Based on upper-middle society preferences can be seen that the top priority of housing preferences aspects is the Land Ownership Status.

Based on the preferences of upper middle society, the following is a list of variables that become a priority in selecting housing:

1. Land Ownership Status (89,8%)
2. Air Circulation (87,3%)
3. Natural Lighting (87,1%)
4. Infrastructure (Sanitation, Electricity, Water) (86,2%)
5. House Prices (84,8%)
6. Building materials (84,8%)
7. Environment (green, clean, healthy, etc.) (84,5%)
8. A down Payment (82,3%)
9. House size (82,2%)
10. Cheap mortgage (82,2%)
11. Traffic safety (79,6%)
12. Close to educational facilities (78,4%)
13. Investment (77,4%)
14. Worship facilities (74,9%)
15. Supporting Space (Front Garden) (74,8%)
16. House Model (minimalist, traditional, etc.) (73,6%)
17. Discount (73%)
18. Educational facilities (72,7%)
19. Crossed by public transport (72,6%)

20. Close to the workplace (72,6%)
21. Close to downtown (72,4%)
22. Security from thieves (CCTV, one gate system) (72,4%)
23. Close to hospitals (71,4%)
24. Supporting Space (Double carport) (69%)
25. Number of Floors (68,8%)
26. Close to the motorway / main road (67,9%)
27. The Developer's name (67,8%)
28. Gathering Facilities (66,2%)
29. Fence (61,1%)
30. Sports facilities (59,3%)
31. Shopping facilities (58,7%)
32. Gifts (58,5%)
33. Close to shopping center (57,8%)
34. Close to the airport (57%)
35. Close to family (56,8%)
36. Dining facilities (52,4%)
37. Entertainment facilities (50,3%)
38. Close to the culinary center (45,4%)
39. Close to tourist attractions (43,4%)
40. Tourist facilities (37,7%)
41. Close to Club House (36,9%)
42. Close to Golf (27,6%)

TABLE III. VARIABLES CLASSIFICATION INTO FACTOR

Num.	Variables	The highest Rotated Component Matrix ^a Values	Factors
1	Land Ownership Status	0,607	Factor 1
2	House size	0,733	
3	House Prices	0,674	
4	Air Circulation	0,815	
5	Natural Lighting	0,881	
6	Traffic safety	0,475	
7	Infrastructure (Sanitation, Electricity, Water)	0,697	
8	Environment (green, clean, healthy, etc.)	0,762	
9	Supporting Space (Front Garden)	0,634	
10	Building materials	0,630	
11	Cheap mortgage	0,622	
12	A down Payment	0,581	
13	Crossed by public transport	0,620	
14	Close to educational facilities	0,670	
15	Close to the workplace	0,760	
16	Close to downtown	0,713	
17	Close to hospitals	0,553	
18	Educational facilities	0,508	Factor 3
19	Close to shopping center	0,748	
20	Sports facilities	0,696	
21	Entertainment facilities	0,714	
22	Gathering Facilities	0,489	
23	Shopping facilities	0,698	Factor 4
24	Gifts	0,776	
25	Investment	0,584	
26	Discount	0,778	Factor 5
27	Close to Golf	0,831	
28	Close to Club House	0,762	
29	Tourist facilities	0,704	Factor 6
30	Close to family	0,615	
31	Close to tourist attractions	0,633	
32	Close to the culinary center	0,809	Factor 7
33	Security from thieves (CCTV, one gate system)	0,452	
34	House Model (minimalist, traditional, etc.)	0,467	
35	The Developer's name	0,762	Factor 8
36	Close to the motorway / main road	0,467	
37	Fence	0,811	Factor 9
38	Worship facilities	0,712	
39	Close to the airport	0,447	Factor 10
40	Dining Facilities	0,653	
41	Supporting Space (Double carport)	0,701	Factor 11
42	Number of Floors	0,451	

^c Source: SPSS Analysis, 2015

Based on the preferences of upper middle society, legality is the most important thing in selecting a dwelling, which is followed by the quality of the house itself are taken into consideration in selecting a dwelling. While proximity to the Club House and Golf, which tends to reflect the lifestyle of the upper middle society, not a priority in selecting housing.

FACTORS THAT AFFECT THE HOUSING PREFERENCES OF UPPER-MIDDLE SOCIETY

To find the factors that affect the upper-middle society in selecting housing, the variables were analyzed using SPSS. Analysis of the factors that used is Kaiser-Mayer-Olkin (KMO) and Bartlett Test. Here are the results of factor analysis using SPSS.

According to the table, from the 42nd of research variables were tested, resulting classification of the variables in the form of 11 factors. The variables that have the highest score on any of the factors included in these factors.

1. Factor 1 = Land Ownership Status; House size; House Prices; Air Circulation; Natural Lighting; Traffic safety; Infrastructure (Sanitation, Electricity, Water); Environment (green, clean, healthy, etc.); Supporting Space (Front Garden); Building materials; Cheap mortgage; A down Payment.
2. Factor 2 = Crossed by public transport; Close to educational facilities; Close to the workplace; Close to downtown; Close to hospitals; Educational facilities.
3. Factor 3 = Close to shopping center; Sports facilities; Entertainment facilities; Gathering Facilities; Shopping facilities.
4. Factor 4 = Gifts; Investment; Discount.
5. Factor 5 = Close to Golf; Close to Club House; Tourist facilities
6. Factor 6 = Close to family; Close to tourist attractions; Close to the culinary center.
7. Factor 7 = Security from thieves (CCTV, one gate system); House Model (minimalist, traditional, etc.); The Developer's name.
8. Factor 8 = Close to the motorway / main road; Fence.
9. Factor 9 = Worship facilities.
10. Factor 10 = Close to the airport; Dining Facilities.
11. Factor 11 = Supporting Space (Double carport); Number of Floors.

CONCLUSION

Priority preference of upper-middle society housing is land ownership status. It quickly became evident that the community understands the importance of prioritizing the legality of their land as their secure tenure. In addition, the second priority of upper-middle society is the location, it is the same as it is commonly offered by developers in the housing marketing brochures. Middle to high society prefers Legality occupancy with a clear and strategic location.

Developers also a priority to be considered by the upper-middle society, despite being in seventh position, which means the possible influence of the fame of the name of the developer who used to consider in selecting the housing as well as the possible influence of deals offered by developers to the upper-middle society preference in selecting housing such as the completeness of facilities, bonuses offered by these developers.

Factors that affect the upper-middle society in selecting housing includes 11 factors. These factors can be used in considering the development of marketing targets public housing and can be widely used as a reference in selecting a dwelling. Finally, both the preferences and factors produced in this study can be used by anyone in particular in relation to preferences in selecting a dwelling.

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