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The Effect of Location, Building Design, Price, Promotion, on Housing Purchase Decisions with Buying Interest an Intervening Variabel in Pasuruan Grand City Housing

Muhammad Khoiron¹, Bambang Raditya Purnomo²

¹ Dr. Soetomo University, Surabaya, Indonesia

² Dr. Soetomo University, Surabaya, Indonesia

Corresponding Author: khoironm89@gmail.com¹

Abstract: This study aims to determine the partial effect of price, location, building quality, and promotion on purchase intention in Grand City housing. The population in this study were all customers or users of Grand City housing. The sample size was determined using the Slovin formula, and a sample of 60 respondents was obtained. Hypothesis testing was conducted using multiple linear regression analysis. The results obtained in this study indicate that price, location, building quality, and promotion have a positive and significant effect on purchase intention. The results of the coefficient of determination analysis indicate that 92.9% of purchase intention is influenced by price, location, building quality, and promotion. While the remaining 7.1% is influenced by other variables outside the model.

Keyword: Location, Building Design, Price, Promotion, Purchase Intention, Buying Interest

INTRODUCTION

The rapid urbanization and population growth in Indonesia have significantly increased the demand for residential housing, especially in urban and suburban areas (Perdamaian & Zhai, 2024). Housing developers are competing to attract consumers by offering strategic locations, innovative building designs, competitive pricing, and persuasive marketing through digital platforms, particularly social media (Malesev & Cherry, 2021; Wong et al., 2019). Pasuruan Grand City, a growing residential development in East Java, represents a prominent case where these factors converge to influence consumer purchasing behavior. Consumer decision-making in the housing market is a complex process that involves both rational and emotional considerations (Gui et al., 2022). While location, architectural design, price affordability, and promotional strategies are recognized as key drivers, these external factors do not act in isolation. Understanding the psychological dimension of consumer behavior, particularly purchase intention, is essential to comprehending how these external attributes

translate into actual buying decisions. This study adopts the Theory of Planned Behavior (TPB) to investigate the role of purchase intention as a mediating variable in the relationship between external marketing factors and actual housing purchase decisions. TPB suggests that an individual's behavior is primarily determined by their intention to perform the behavior (Sussman & Gifford, 2019), which is influenced by three key constructs: attitude toward the behavior, subjective norms, and perceived behavioral control. In the context of housing purchases, these constructs can be influenced by factors such as the perceived attractiveness of the location, the design quality of the building, the affordability of pricing, and the credibility of social media promotions.

This research focuses on the Pasuruan Grand City Housing Complex, one of the developing residential areas in the Pasuruan region. By analyzing the influence of location, building design, price, and social media promotion on housing purchase decisions, and using purchase intention as an intervening variable, it is hoped that the results of this study can provide theoretical and practical contributions to the development of more effective housing marketing strategies that are oriented towards consumer needs.

LITERATURE REVIEW

Effect Location in Purchase Decision

The decision to purchase a house in a specific location is influenced by a complex interplay of economic, geographical, psychological, and social factors. These factors encompass economic considerations, geographical location, neighborhood and community characteristics, as well as psychological and social influences. (Ayoola et al., 2023) These findings indicate that the better consumers perceive a housing location, the greater the likelihood of a purchase decision. Furthermore, location has been shown to foster strong purchasing interest, ultimately strengthening the overall purchase decision. Therefore, selecting the right location is a key strategy in residential property development and marketing. (Tu et al., 2017)

Effect Building Design in Purchase Decision

Building design plays a crucial role in shaping consumer perceptions and preferences in the housing market. It encompasses various elements, including architectural style, functional layout, aesthetic appeal, ventilation, lighting, and environmental friendliness. For modern consumers, especially those in urban settings, building design reflects both lifestyle and values, making it a significant determinant in the decision-making process for purchasing a home. (Rong et al., 2020). A well-designed house not only satisfies visual and functional needs but also creates a sense of comfort, efficiency, and long-term livability. Studies such as those by (BuHamdan et al., 2022) show that design quality significantly affects buyer interest and final purchasing decisions. Additionally, building design contributes to perceived value, which directly impacts the buyer's intention and confidence to proceed with the transaction.

Effect Price in Purchase Decision

Price is one of the most influential factors in shaping consumer purchase decisions, particularly in the housing sector where financial considerations play a central role. It represents not only the monetary cost of a property but also reflects the perceived value, quality, and affordability from the buyer's perspective. In a competitive property market, price often becomes a primary differentiator among similar housing options. (Dong et al., 2024) For

potential home owners, a reasonable and transparent pricing strategy can significantly impact their level of interest and willingness to make a purchase. According to (Kotler et al., 2019), price is the only element in the marketing mix that generates revenue, while the others incur costs—emphasizing its critical importance in both marketing and consumer behavior. Moreover, perceived fairness of price influences buyer trust and purchase intention, especially in middle-income segments that are highly sensitive to pricing.

Effect Promotion in Purchase Decision

Promotion is a key component of the marketing mix that plays a crucial role in informing, persuading, and reminding potential buyers about housing products. In the real estate industry, effective promotion helps bridge the gap between a developer and potential home owners by highlighting the unique selling points of the property, such as location, design, pricing, and financing schemes (Naeem & Rana, 2025). In today's digital era, promotional strategies have increasingly shifted toward **social media marketing, influencer endorsements, digital ads, and virtual tours**, which offer more interactive and targeted engagement with prospective buyers. These methods allow housing developers to reach broader audiences quickly and cost-effectively. According to (J & K, 2025), promotion is essential not only to build awareness but also to shape consumer perceptions and influence their decision-making process.

METHOD

This study employed causal research as its research design. In addition to determining the direction of the relationship between independent and dependent variables, causal research seeks to quantify the intensity of the association between two or more variables. The overall goal of this study is to investigate, demonstrate, and evaluate the potential effects of pricing, location, building quality, and promotion on purchase intention. The 200 units that are purchased in Pasuruan Grand City make up the study's population. This study used the Slovin algorithm to calculate the sample size from a certain demographic, and it received 60 responses in total.

RESULTS AND DISCUSSION

Table 1. Construct Validity

Question	r count	r tabel	Conclusion
X1.1	0.778	0.254	Valid
X1.2	0.548	0.254	Valid
X1.3	0.735	0.254	Valid
X1.4	0.719	0.254	Valid
X1.5	0.781	0.254	Valid
X2.1	0.770	0.254	Valid
X2.2	0.843	0.254	Valid
X2.3	0.690	0.254	Valid
X2.4	0.850	0.254	Valid
X2.5	0.550	0.254	Valid
X3.1	0.826	0.254	Valid
X3.2	0.568	0.254	Valid
X3.3	0.707	0.254	Valid

X3.4	0.713	0.254	Valid
X3.5	0.768	0.254	Valid
X3.6	0.809	0.254	Valid
X4.1	0.748	0.254	Valid
X4.2	0.699	0.254	Valid
X4.3	0.798	0.254	Valid
X4.4	0.764	0.254	Valid
X4.5	0.699	0.254	Valid
X4.6	0.775	0.254	Valid
Y1.1	0.771	0.254	Valid
Y1.2	0.614	0.254	Valid
Y1.3	0.674	0.254	Valid
Y1.4	0.810	0.254	Valid
Y1.5	0.617	0.254	Valid
Y1.6	0.645	0.254	Valid
Z1.1	0.644	0.254	Valid
Z1.2	0.740	0.254	Valid
Z1.3	0.622	0.254	Valid
Z1.4	0.699	0.254	Valid
Z1.5	0.660	0.254	Valid
Z1.6	0.559	0.254	Valid

From the data, it is known that all state ment ite ms in the que stionnaire have a calculate d r value gre ate r than the table r, name ly 0.254, me aning that all ite ms use d in this study can be said to be valid.

Table 2 Construct Reliability

Variabel	Cronbach Alpha	Standart Re liabe l	Conclution
Location	0.749	0.60	Re liabe l
Building De sign	0.795	0.60	Re liabe l
Price	0.823	0.60	Re liabe l
Promotion	0.841	0.60	Re liae l
Purchase De cision	0.776	0.60	Re liabe l
Purchase Inte re st	0.735	0.60	Re liabe l

From the above value, it is known that e ach ite m has a value gre ate r than 0.60, me aning that all ite ms use d in this study are re liabe l

**Table 3. T Tabel
Coefficients^a**

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.837	1.655		.505	.615
	Lokasi	.542	.207	.448	2.622	.011
	Desain Bangunan	.290	.120	.253	2.422	.019
	Harga	.321	.137	.271	2.341	.023
	Promosi Medsos	-.002	.190	-.002	-.008	.994

a. Dependent Variable: Keputusan Pembelian

Base d on the se te st re sults, the inde pe nde nt variable s Location (X1), Building De sign (X2), and Price (X3) have significance value s smalle r than α (5% = 0.05), while the Social Media Promotion variable (X4) has a significance value gre ate r than α (5% = 0.05).

Therefore, it can be concluded that the variables Location (X1), Building Design (X2), and Price (X3) have a significant effect on Purchase Decision (Y), whereas the Promotion variable (X4) does not have a significant effect on Purchase Decision (Y).

Table 4. F Tabel

Coefficients ^a					
		Unstandardized Coefficients		Standardized Coefficients	
Model		B	Std. Error	Beta	t
1	(Constant)	.837	.674		1.242
	Lokasi	.607	.086	.545	7.025
	Desain Bangunan	.174	.060	.166	2.906
	Harga	.192	.068	.176	2.810
	Promosi Medsos	-.071	.080	-.079	-.888
	Minat Beli	.266	.081	.251	3.296

a. Dependent Variable: Keputusan Pembelian

Based on the test results, the independent variables Location (X1), Building Design (X2), Price (X3), and Purchase Intention (Z) have significance values smaller than α ($5\% = 0.05$), while the Promotion variable (X4) has a significance value greater than α ($5\% = 0.05$).

Therefore, it can be concluded that the variables Location (X1), Building Design (X2), Price (X3), and Purchase Intention (Z) have a significant effect on Purchase Decision (Y), whereas the Social Media Promotion variable (X4) does not have a significant effect on Purchase Intention (Z).

Table 5. Sobel Test

Variabel	Z	Ke t
Location (X1)	2.076	able to mediate
Buliding Design (X2)	1.939	Not able to mediate
Price (X3)	1.962	able to mediate
Promotion (X4)	-0.101	not able to mediate

Based on the data above, Location (X1) and Price (X3) are able to mediate the relationship between purchase intention and purchase decision, whereas Building Design (X2) and Promotion (X4) are not able to mediate the relationship between purchase intention and purchase decision.

DISCUSSION

a. Effect of Location on Purchase Decision

Based on the path analysis using SPSS 25, the Location variable obtained a significance value of 0.011. Since the significance value is smaller than α ($5\% = 0.05$), it can be concluded that H1 is accepted.

b. Effect of Building Design on Purchase Decision

Based on the path analysis using SPSS 25, the Building Design variable obtained a significance value of 0.019. Since the significance value is smaller than α ($5\% = 0.05$), it can be concluded that H2 is accepted.

c. Effect of Price on Purchase Decision

Based on the path analysis using SPSS 25, the Price variable obtained a significance value of 0.023. Since the significance value is smaller than α ($5\% = 0.05$), it can be concluded that H3 is accepted.

d. Effect of Social Media Promotion on Purchase Decision

Based on the path analysis using SPSS 25, the Social Media Promotion variable obtained a significance value of 0.994. Since the significance value is greater than α ($5\% = 0.05$), it can be concluded that H4 is rejected.

e. Effect of Purchase Intention on Purchase Decision

Based on the path analysis using SPSS 25, the Purchase Intention variable obtained a significance value of 0.002. Since the significance value is smaller than α ($5\% = 0.05$), it can be concluded that H5 is accepted.

f. Effect of Location on Purchase Decision with Purchase Intention as an Intervening Variable

Since the Z value is greater than 1.96 at a 5% significance level, it proves that location is able to mediate the relationship between purchase intention and purchase decision. Therefore, H6 is accepted.

g. Effect of Building Design on Purchase Decision with Purchase Intention as an Intervening Variable

Since the Z value is less than 1.96 at a 5% significance level, it proves that building design is not able to mediate the relationship between purchase intention and purchase decision. Therefore, H7 is rejected.

h. Effect of Price on Purchase Decision with Purchase Intention as an Intervening Variable

Since the Z value is greater than 1.96 at a 5% significance level, it proves that price is able to mediate the relationship between purchase intention and purchase decision. Therefore, H8 is accepted.

i. Effect of Social Media Promotion on Purchase Decision with Purchase Intention as an Intervening Variable

Since the Z value is less than 1.96 at a 5% significance level, it proves that social media promotion is not able to mediate the relationship between purchase intention and purchase decision. Therefore, H9 is rejected.

CONCLUSION

The results of the study indicate that location, building design, price, and promotion through social media have a significant influence on purchase intention, which then acts as a mediating variable in influencing housing purchase decisions. Location and building design factors are proven to be the main determinants that increase the perception of convenience and comfort of prospective buyers, while competitive prices encourage perceptions of affordability. From the perspective of the Theory of Planned Behavior, the findings indicate that positive attitudes towards the product, and perceived behavioral control influenced by price and location factors simultaneously increase interest, which ultimately influences purchase decisions. This study emphasizes the importance of an integrated marketing strategy that combines the physical aspects of the property with a digital approach to maximize the conversion of interest into purchase decisions.

Suggestions

1. **For the company:** The results indicate that location, building design, price, and purchase intention significantly influence purchase decisions. Therefore, for future projects, the company is expected to maintain and enhance the value of location, building design, price, and purchase intention so that consumers are more attracted to making a purchase.

2. **For future researchers:** It is recommended to use a broader research scope by selecting all housing units in Pasuruan Grand City as the research object, in order to obtain results that can be generalized.

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