

Community Preferences Regarding Interest in Owning a Prefabricated Concrete House and Motivations for its Use

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ABSTRACT

There are three basic needs for humans, those are food, clothing and shelter. As described by Kompas on January 29, 2018, shows that house prices are rising in a big city especially Jakarta and its surroundings. This is not proportional increase compared to pay rise of the employee, it were highlighted that millennial generation will facing difficulty to third basic need for housing as shelter in the period of time the next 5 years. A solution required to resolve the problem on fulfilled shelter demand as quickly and affordable in price. We carry out a research to find out the community's interest in precast houses as an option for housing residential. At the end of the research, we can define the market for precast concrete houses and giving a picture of the potential of the business in the housing development.



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INTRODUCTION

According to sources from Kompas on January 29 2018, it shows that the increase in housing prices in big cities, especially Jakarta and its surroundings, is not commensurate with the increase in people's income, especially the millennial generation, for some time to come, this shows that it is increasingly difficult to meet the need for housing in the long term. the next 5 years, as explained in Table 1 below.

Table 1. Comparison of The Increase in House Prices with Income

Year	House Price (in Million)	Installments per month (in Million)	Income per month (in Million)	Monthly installment capability (in Million)
2016	300	1.7	6	1.8
2021	750	4.3	12	3.6

Source: Bank Indonesia Review

Apart from that, the rate of increase in Indonesia's population is not comparable to the speed of residential construction each year. From data on population growth and associated with the growth in housing needs, it can be explained that the increase in Indonesia's population is up 2% per year, if calculated in 2017, from a population of 261.1 million, the growth is 5.2 million people, where need a house to live in, as shown in Table 2.

Table 2. Simulation of Population Increase with Housing Needs

Year	Population (million)	Increase per Year	Ratio of housing needs per couple (million)
2016	261.1	5.2	2.13
2017	266.3		

Source: World Bank, United States Census Bureau

Based on the data above, it can be concluded that in a year the need for residential houses is around 2.13 million, and the realization of the speed of providing residential housing from the government or private sector can be seen in the table below.

Table 3. Number of Households and Proportion of Home Owned Needs

Year	Number of Households (thousands)	Owned House	Deviation (thousands)
2013	64.021	52.497	
2014	64.923	53.237	740
2015	65.832	53.982	745
2016	66.754	54.738	756
2017	67.688	55.504	766

Source: Central Statistics Agency Backlog Data

With the need for housing reaching around 2.13 million per year with an acceleration in meeting the need for housing which is only around 500 thousand per year, there is a gap of around 1.63 million homes per year. The difficulty of meeting the need for housing along with centralized economic centers in big cities like Jakarta, means that there is increasingly less land left for residence, this of course has an impact on the high price of land around big cities. As stated by Mr. Hari Ganie, Deputy General Chair of DPP Real Estate Indonesia (REI), developers who want to build residential areas are finding it difficult to deal with land prices that continue to increase, especially for those working on subsidized housing. Even in Jakarta, the increase in land prices has reached 33 percent every year. The current process of building conventional houses still relies heavily on human labor and depends on the weather. This causes building quality to have different standards. Apart from that, the construction environment is not clean and there is a lot of waste because there is a lot of waste in the construction production process. The process of building a residential house currently still takes a long time, so the acceleration of fulfillment of residential housing is not optimal.

From the problems above, innovation is needed in the process of accelerating the construction of residential houses that have uniform building quality standards and are not dependent on the weather. The government has seen this problem and tried to solve it by including a policy of providing one million houses per year, providing incentives for simple housing loans and a policy of implementing a minimum quota for the use of precast concrete materials in various construction sectors including housing to replace the use of conventional concrete.

From the explanation above, a solution is needed to the problem of the gap between the need for residential housing which cannot be fulfilled quickly and affordably. This research was created to determine the public's interest in prefabricated houses as a residential housing option and its purpose which is related to their respective backgrounds. each community surveyed, so that an appropriate target market sample will be formed based on work background, residence and other attributes who will be more inclined to have a preference for prefabricated houses for residence or other uses.

This research aims to determine the level of public awareness of landed houses made from precast concrete foundations, the results of which can be considered to develop a plan to increase awareness, focusing on market targets based on demographics and public willingness towards precast concrete houses. The results of the research can be useful for the Government in formulating policies related to the development of precast concrete houses as a business alternative to cover the backlog that occurs in providing houses to the community. Apart from that, this research is also useful for investors in civil and construction companies or developers in preparing business development plans for prefabricated landed houses as a new source of income for companies.

LITERATURE REVIEW

Community Preferences

Preference refers to a decision or choice. When something has the same meaning or level of importance as a preference term, the term is substituted. Preference is defined as the right to take precedence over others, as well as priorities, choices, tendencies and preferences in the Big Indonesian Dictionary (KBBI). One cannot isolate one's choice for a particular product or service from the environment, experiences and other stimuli one encounters (Al Farisi, 2020). Because some so many

variables and factors can influence how people connect, studying preferences becomes very complicated. In this case, customers are expected to be able to differentiate each product they encounter and indicate their preferences (preference ranking) for each product (Al Farisi, 2020). Araffi & Haryono (2022) state that preferences are values that are considered during the decision-making process. According to Hastuti (2017), consumer preferences are determined by the likes and dislikes of several product choices currently available. The relative value and utility of each product or service feature can be measured to ascertain this (Khusna & Pratama 2021). According to Nisa (2018), a person's inclination towards a good or service can vary greatly and is greatly influenced by their level of trust and understanding. One way to express preferences is through the evaluation of an item by a particular person. A person's decision-making process can then be influenced by these choices.

Motivation

Explaining a person's passion, direction, and persistence in pursuing their goals is a motivational process. Intensity, direction, and persistence are the three key components of this concept. The need for motivation to carry out the next step arises when a person's main demands are met (Yunia et al., 2020). Internal encouragement that originates from oneself or from the influence of others is known as motivation. The motivation process involves people identifying their desires and taking action to satisfy them. According to Malik (2017), these behaviors show variations in the level of customer behavior. People need a driver for their motivation, and some experts believe that information and expertise are the two main sources of motivation. A person can be motivated when they have a drive that drives them to perform required activities. Unmet needs create conditions of tension and stress that give rise to these urges. They will immediately perform various actions that they believe will satisfy their demands to consciously or unconsciously reduce this longing. According to Schiffman & Kanuk (2010), people can be motivated and inspired to act.

Interest

Interest can be defined as an individual's emotional predisposition to select activities, and as such, interest can vary based on various individual circumstances. According to attitude theory, especially the Theory of Reasoned Action created by Triwijayati and Koesworo, actions are motivated by a certain desire to perform (Kusmawati, 2011). This implies that someone who is interested in investing will probably do things that will help him fulfill his ambition. Basically, interest is the cause and effect of experience. The element of encouragement from within is one of the variables that influences interest, namely stimulation from the environment or scope that is in accordance with the individual's desires or aspirations will easily generate attention. The things you do are greatly influenced by your interests. Both internal and external variables contribute to the development of interest.

RESEARCH METHODS

According to Cooper & Schindler (2014: 125) research design is a research plan and structure to obtain answers to research questions including an outline of what the researcher will do from writing the hypothesis and the operational implications of the researcher for the final analysis of the data. This research was conducted using four stages, namely, research objectives, data collection, data analysis, and research results. The research uses a quantitative approach with quantitative descriptive statistical research methods. Quantitative descriptive according to Sugiyono (2014) is a method that is carried out by collecting data, interpreting it, and classifying it so that the data obtained is good for providing a clear picture regarding the problem being studied. Another definition expresses descriptive statistics as the science of processing, presenting data without making decisions for the population. This method is useful for seeing a general picture of the data obtained.

This research was conducted to determine the level of awareness of the general public regarding precast concrete landed houses and also the preferences of the community regarding their interest in owning these houses and their use. The research was conducted on the general public who have different demographic backgrounds, location of residence, income and home ownership status so that the responses are expected to provide a gap in the differences in preferences of each individual regarding these demographic differences. We took a two-step approach; The first step is to find out what attributes are considered important and needed by Indonesian consumers; The second step is to find out how

important the features described in the first step are. The first step used was to find out demographic data from the survey team in the form of gender, age, occupation, income. In the second step, we need to ask about the size of the respondent's residence and location as well as the status and type of residence they currently have. The third step is that we started asking about interest in wanting to add a residence and preferences for the type of residence, the respondent's ability to make monthly installments and their allocation. Next, in the fourth step, we started asking whether the respondent knew about precast houses, their interest in owning one and also what image was in the respondent's mind when they found out about a precast concrete house.

RESULTS

Based on the survey results distributed, the results are known, namely:

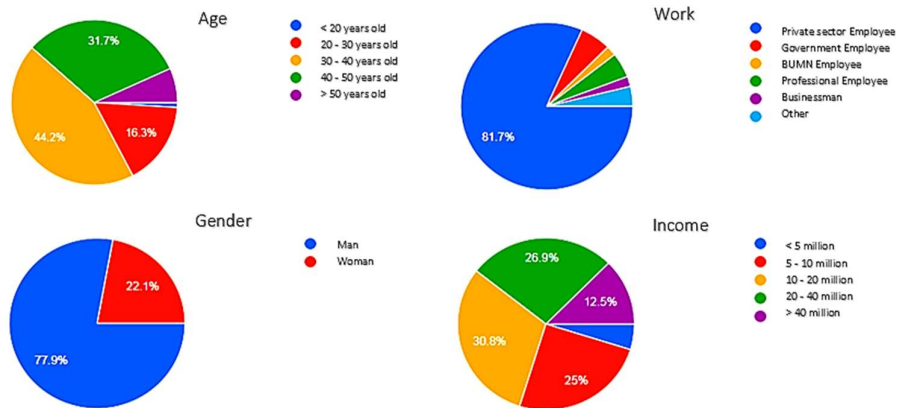


Figure 1. Respondent Profile

From the survey results, it was found that the majority of respondents were of productive age ranging from 20 - 50 years, namely 92.2%, this productive age is the time when people have their own place to live or want to have their own place to live and of the total respondents, namely 77.9% are men who are usually the head the family who holds the decision to buy or rent a house. The occupation of the majority of respondents is private employees and the majority also fall into the upper middle category in terms of income, namely above 10 million rupiah per month and are in the appropriate category to be able to own or pay a house in installments to the bank. Only 29.8% in the salary category below 5 million are respondents who are still renting or living in a house that is not their own because the amount of income is insufficient to have their own home.

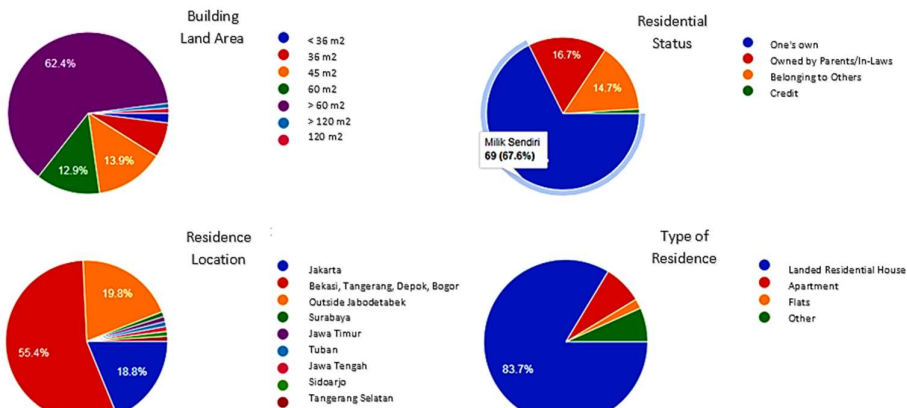


Figure 2. Residence Information

Above 75% of respondents currently live in houses or apartments that have an area of more than 60 square meters and 75.2% of total respondents live in the Jakarta, Bogor, Depok, Tangerang and Bekasi areas which are buffer cities for Jakarta. With 67.9% of respondents already owning their own home,

the majority of respondents are in the well-off category, and 83.7% of people's preference is still to live in landed houses, not apartments or flats, even though currently in Jakarta and supporting cities there are lots of flats and apartments. as an alternative to landed houses.

Data on Respondents' Interest in Housing

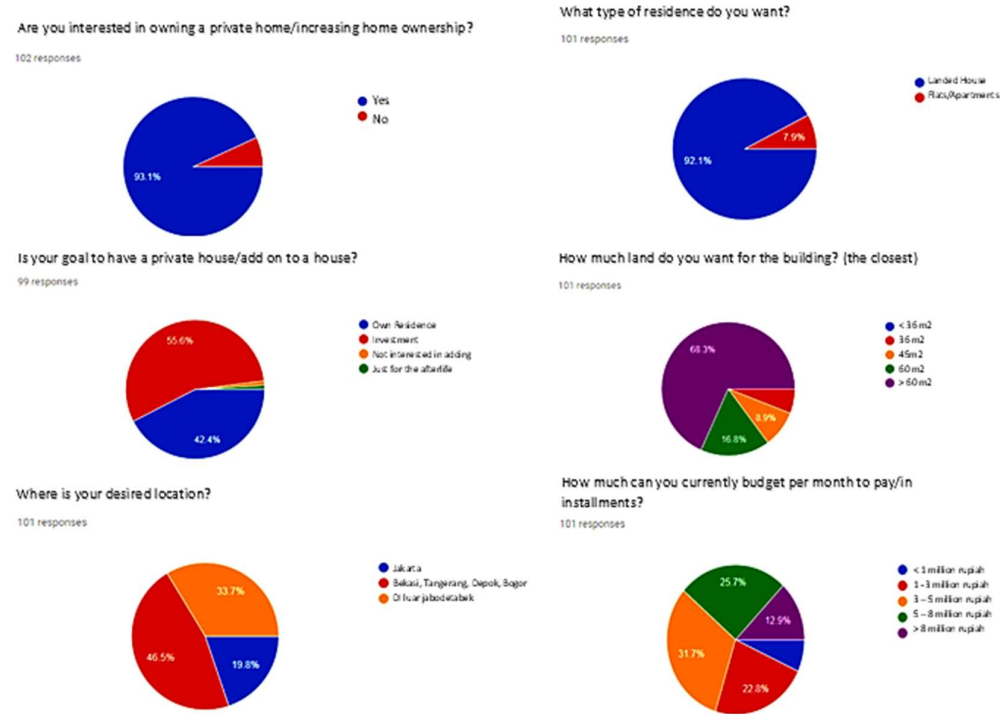
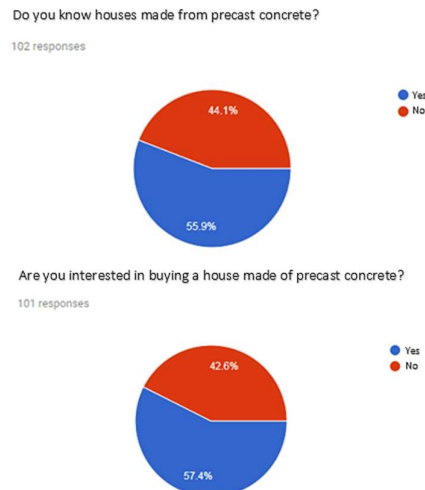


Figure 3. Interest in Housing

As many as 91.3% of respondents really wanted to own or increase their ownership of a house, even though in diagram 10 the majority of respondents intended to invest, not to live in themselves, showing that respondents were more than satisfied with the house they currently live in. Although 42.4% of the total respondents want to make the new house a place to live and this is confirmed by the results of diagram 13 that 80% of the results obtained want to have the new house outside the city of Jakarta and the majority 68.3% want to have a land area of more than 120 meters. square footage that is at least the same or more than what the respondent has to date.

Results of Preferences for Precast Concrete Landed Houses from Respondents



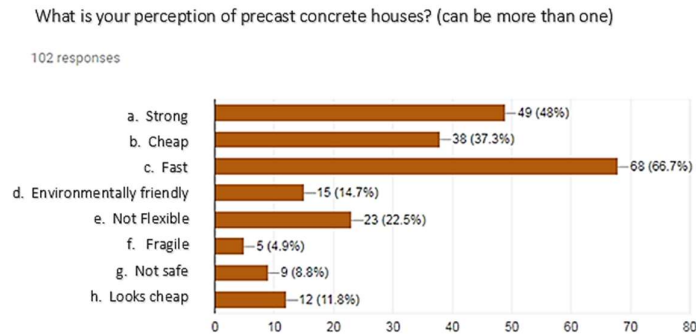


Figure 4. Preference for Precast Concrete Houses

The preference results obtained were that 56.9% already knew that there were alternative landed houses made of precast concrete and also 57.4% showed interest in buying houses made of precast concrete, having a low level of awareness in the eyes of the public regarding prefabricated houses, and this was also correlated with people's interest in buying or trying out the latest home innovations. Respondents' perceptions are classified as positive because the 3 highest perceptions known to the public about precast concrete landed houses are Fast (68%), strong (49%), and also Cheap (38%) showing that people already understand the basic value offered by precast concrete landed house solutions. However, the low awareness known by the public is also related to the demographic background of the respondents, the majority of whom are upper middle class and only know that precast concrete landed houses are only used to accelerate government development or aid for underdeveloped areas or disaster victims.

CONCLUSION

From the results of the analysis and discussion in this research, it can be concluded that there is a relationship between the respondent's demographic background and the respondent's interest and awareness of precast concrete houses because the majority of respondents already own a private house, the respondents did not try to find out alternative residences that currently exist. Then also the level of awareness of respondents which is still low towards precast houses influences their preferences for the use of precast concrete houses, the majority of respondents want to buy or try this alternative residence more because they want to get a profit from investment results or if they live in it is because of the offer to get a suitable place to live. wider. And finally, precast concrete landed houses have a good basis in terms of public perception, namely that the image of cheap, fast and strong has been embedded in some communities. This positive image must be strengthened and spread to other public audiences.

Based on the results of this research, innovations to increase awareness of precast concrete landed house products must be further improved among society in general and lower middle-class society in particular. Further research needs to be carried out focused on lower middle-class communities and also those living in the outskirts of supporting cities (Jabodetabek).

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