

# The Influence of Product and Facade Design towards Its Selling Price

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**Abstract** - Pricing become one of determinant variable of consumer preferences to product and design of a house. When the selling price of a house is highest than the buying power of consumer, then the number of its demand was go down. Conversely, when the selling price of house could reachable by consumer buying power, then the number of its demand increased. This research is the preliminary research from advanced research to investigate the marginal pricing of Perumahan Pondok Indah Matani. By literature reviews and cost calculation methods, it is found that there were three (3) aspect of product and facade design of house that influences to the selling price, namely cost of spouse and plastering walls, cost of door sills and windows; and wall-painting cost.

**Term Index** - Product, Facade Design, Perumahan Pondok Indah Matani.

## INTRODUCTION

Price is amount of money that spent to obtain a product or services from a product [1]. Price can also be defined as the sum of the cost that incurred by producer to create products that offered to consumer [2]. So, price could be seen in two perspective that is producer perspective and consumer perspective. In producer perspective, price defined as selling price. In consumer perspective, price defined as buying price. In this paper, we discussed about selling price. The selling pricing objectives were setting the competitive price to make benefit and setting the margin profit to maintain product image [3].

Product offered by producer were to attract the attention, utilization or consumption that could be satisfied to requirement and desire consumer [4]. Product could be goods, services, places, ideas, information, et cetera [5]. One of the sample of product in goods is house. House is the consumption goods for consumer for his own use [6].

Design is the important element of product [7]. Design is the totality of features that affect to appearance, sense, and function of product based on consumer need [8]. Design is also a potential tool to make differentiation and positioning of product in market [9].

Design in architecture has two meanings, namely the process of realizing the concept idea into product and product itself [10]. In this paper, we discuss about design as process from realizing the concept that mainly related to building aspects that can be measured [7]. Design aspects to be observed in this paper was the facade design of house.

The group of house that built in a planning region is called housing. Housing in Indonesia is developed by

private developers and public developers. Contrast condition to the housing that was developed by one developer, *Perumahan Pondok Indah Matani* was developed by cooperation scheme between the government and private developer.

*Perumahan Pondok Indah Matani* located in Kupang City, East Nusa Tenggara Province. Located on + 2 Ha of developing land, it was built in 2010. This housing was located 40 km from the city center. It provides multiple unit residential housing types, there were 45 house-type in 150 units, 36 house-type in 74 units and 30 house-type in 110 units.

In this cooperation scheme, developer used a standard product and design of house for lower-middle housing that is set by government. But, developer could change the facade design of every house-types in housing that developed by them. In setting selling price of each house-types, developer should consider all cost for development process of housing and profit margin [2].

Based on that background, this paper want to identify the factors of product and facade design of house that influence selling price. This because of selling price have an impact to buying power and preferences of consumer. This hypothesis was same as with the research of Zinas and Jusan [11] which state that facade design become one of the determining factors of consumer preferences.

The object of this research was 45 house-type of *Perumahan Pondok Indah Matani Kupang*. In 2014, this house-type has been grown up in quantity to 170 units. So, this accretion would have an impact towards its selling price.

## METHOD

This paper used literature reviews and cost calculation method to identification the influence of product and facade towards 45 house-type selling price. Literature reviews identified the position of this paper to other paper in same research context. Cost calculation used the experimental of facade design to identify the influence of product and facade design of 45 house-type towards its selling price.

## RESULT AND DISCUSSION

The research of Damayanti and Utomo [12], also Budikusumo and Utomo [13] were residential. So, those two research had a similarity case object with the case object in this paper. Those two research used cost calculation to set selling price. But, those two research above did not consider the position of house-type units to public facilities which have an effect to determine selling price like research by Utomo and Utomo [14].

This paper used cost calculation to set selling price of 45 house-type but didn't consider the position of

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house-type units to public facilities. It had consider with facade design.

There were 2 alternative design to verify the influence of product and facade design towards 45 house-type selling price. Cost calculation divided into two segments, namely fixed cost and variable cost. Boediono [15] defined fixed cost as cost that is fixed in short-term production process without influenced by the volume of production or income from sales. While, variable cost is cost that change according to the output produced level.

Based on cost calculation, there were three items of variable cost that influenced the selling price. Those three items were cost of spouse and plastering walls, cost of door sills and windows; and wall-painting cost. For the same selling price of 45 house-type, those three items were different based on its total calculation of cost.

#### CONCLUSION

There were three items of variable cost that influence towards 45 house-type selling price, namely cost of spouse and plastering walls, cost sills of door and windows; and wall-painting cost. This is because of the difference of each of alternative facade design. The difference of alternative design influenced to each of its three variable items. So, product and facade design influenced to selling price on cost of spouse and plastering walls, cost of door sills and windows; and wall-painting cost.

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