
ANALYSIS OF FACTORS AFFECTING SHOPHOUSE VALUE IN LUBUK PAKAM CITY, DELI SERDANG REGENCY

By

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Abstract: *The purpose of this research is to analyze factors affecting shophouse value in Lubuk Pakam City, Deli Serdang Regency. This type of research in this study uses quantitative research. Population in this study are shop owners or tenants in Lubuk Pakam City, totaling 268 shophouses. Method of determining the sample using purposive sampling. From the calculation, it is found that as many as 73 shophouses would be used as samples and then broken down into 3 sections according to the urban village in Lubuk Pakam City. The analysis in this study used descriptive statistical and partial (t) test. The results show that physical factor has a significant effect on shophouse value in Lubuk Pakam City, Deli Serdang Regency. Accessibility factor has a significant effect on shophouse value in Lubuk Pakam City, Deli Serdang Regency. Environmental factor has a significant effect on shophouse value in Lubuk Pakam City, Deli Serdang Regency. Facility factor has a significant effect on shophouse value in Lubuk Pakam City, Deli Serdang Regency.*

INTRODUCTION

Property is a valuable asset that can be utilized to obtain economic value. Population growth and the diversity of community professions make people's need for property increase which will certainly have a positive impact on increasing property values. Such as houses, shop houses and other buildings that can be used as residences or places of business (Harjanto and Danny, 2016). From time immemorial, property is considered one of the three basic necessities of life. Property is the platform of all human activity. Therefore, it plays an important role in the social, economic and psychological development of individuals, countries, and the nation at large (Negashi, 2022).

Commercial assets, especially shop houses, are in the city center which are most profitable. Storehouses closer to the central market street may attract higher rent demands. The higher the value of the property, the more feasible it is to be redeveloped because the

appropriate convenience will enable the buying and selling of commodities, and services that are cost effective and of course maximize profits (Yusuf et al., 2021).

The shop building is one of the properties that is being favored by the community. In addition to its function as a residence, shop buildings can also be used as a place of business. In general, for humans, the house is important, because it is able to provide protection and as a means of family gatherings. Based on its function, the house can be used as a residence, place of business or both (Yamin, 2013).

The housing trend continues to grow apart from being a place of business that is able to increase effectiveness and high mobility. It can be seen that shophouses are also used as a property business in Indonesia, especially in Lubuk Pakam City. Apart from requests, shophouse designs also emerge from entrepreneurial ideas by adjusting the type of business they have.

Construction of shophouses is now being carried out a lot, in line with human needs. In general, shophouses are made next to other shophouses. This aims to make it easier to carry out business activities that are owned in one location.

Indonesia's economic growth fluctuates every year. In 2019 to 2020 economic growth in 3 Indonesia weakened by 2.07 percent. This is because on March 11, 2020 the World Health Organization declared COVID-19 a pandemic. The pandemic has forced several countries, especially Indonesia, to implement a lockdown policy. This policy limits the movement of the economy around the world.

E-commerce transactions in Indonesia have increased quite significantly every year, in 2017 total transactions amounted to Rp42.2 trillion and in 2021 it has increased to Rp401.3 trillion. This increase occurred because e-commerce is able to facilitate transactions without having to directly carry out buying and selling activities but can be done virtually either from the website provided by the trading company or applications that provide intermediary buying and selling facilities such as Shopee, Lazada, and Tokopedia. The COVID-19 pandemic requires strict health protocols and work from home policies that strongly support e-commerce transactions which in the end experience a significant increase.

Deli Serdang Regency is a region that is experiencing growth in the economic sector since 2012 due to the development of transportation facilities, namely the Kualanamu International Airport. The development had a major impact on the development of several surrounding areas. Indah and Marif (2014) state that Kualanamu Airport influences socio-economic conditions and changes in community activities. The existence of Kualanamu International Airport has attracted investors to invest in the area. However, in 2020, during the COVID-19 pandemic, the economic growth rate of Deli Serdang Regency as a whole experienced a significant decline, especially in 2020.

The decline in the growth rate of gross domestic product for the real estate sector in Deli Serdang Regency and the trend of e-commerce which continues to increase every year have not reduced the construction of shophouses in Lubuk Pakam City. Developers are interested in investing because land prices are not too high and the prospect of a national scale development plan that can create a potential increase in property values which can be seen by the fact that there are still lots of property developments on several roads in Lubuk Pakam City.

The purpose of this research is to analyze factors affecting shophouse value in Lubuk Pakam City, Deli Serdang Regency.

RESEARCH METHODS

This type of research in this study uses quantitative research. Quantitative research is systematic scientific research on the parts and phenomena as well as the causality of their relationships (Pandiangan, 2018; Pandiangan, 2022; Pandiangan et al., 2023). The purpose of quantitative research is to develop and use mathematical models, theories, and hypotheses related to a phenomenon (Pandiangan, 2015; Kurdhi et al., 2023; Ratnawita et al., 2023).

Population in this study are shop owners or tenants in Lubuk Pakam City, totaling 268 shophouses. Method of determining the sample using purposive sampling, meaning that the determination of the sample is intentional and based on certain considerations (Pandiangan et al., 2022; Tobing et al., 2018). Lubuk Pakam City is chosen because the level of shophouse construction is quite high, even though shophouses are a simple property, the property demand index has decreased based on data from Bank Indonesia. From the calculation, it is found that as many as 73 shophouses would be used as samples and then broken down into 3 sections according to the urban village in Lubuk Pakam City.

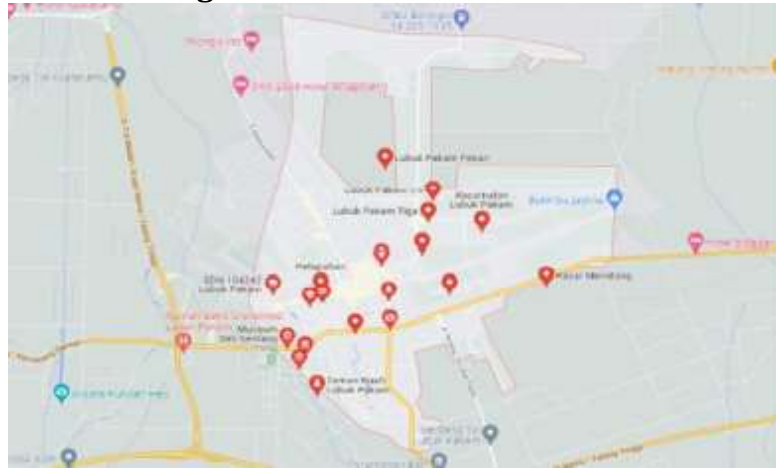
The analysis in this study used descriptive statistical and partial (t) test. Descriptive statistical refers to a set of methods used to summarize and describe the main features of a dataset, such as its central tendency, variability, and distribution (Pandiangan et al., 2018; Pandiangan, 2022; Sudirman et al., 2023). t test is used to determine the partial effect of the independent and dependent variables by looking at the t value at the 5% significance level (Pandiangan et al., 2021; Pandia et al., 2018).

RESULT

Description of Research Locations

Lubuk Pakam is a sub-district in Deli Serdang Regency, North Sumatra Province, Indonesia. Lubuk Pakam District is also the capital of Deli Serdang Regency. Lubuk Pakam is traversed by the trans-sumatera toll road and the trans-sumatera railroad and is one of the centers of the Medan-Binjai-Deli Serdang development project. Lubuk Pakam District is close to Kualanamu International Airport which is located in Beringin District. This city has a border with 3 other districts, namely:

1. North is bordered by Beringin District.
2. East is bordered by Pagar Merbau District.
3. South is bordered by Pagar Merbau District.
4. West is bordered by Tanjung Morawa District.

Figure 1. Lubuk Pakam District

Descriptive Statistical Analysis

Based on the results of research conducted on 73 shop owners or tenants using a questionnaire, the percentage of respondents to 73 is 37 men and 36 women. As many as 50.7 percent of the respondents are men who preferred to live in shophouses compared to 49.3 percent of women.

The results of research that is conducted on 73 respondents showed that as many as 46 respondents had ages between 30 to 39 years with a percentage of 52.9 percent. Respondents who are in their productive age prefer to live in cluster-type shophouses with a high level of security and choose shophouses as a place to carry out productive activities such as trading.

The results showed that as many as 42 people (57.5 percent) of the respondents occupied shophouses with the status of shopkeepers. The status level of shophouse ownership in Lubuk Pakam City is 57.5 percent owned by themselves, in other words respondents with their own shophouses prefer to live rather than rent them out, where respondents choose to be able to carry out productive activities that increase income.

The answers to the questionnaire on 73 respondents obtained information that the most dominant occupations of the respondents are as entrepreneurs by 27.6 percent and professionals by 26.4 percent. As many as 61.6 percent of respondents who have self-employed jobs prefer to live in shop houses compared to other work professions. This is because a shop is a commercial property which also functions as a source of income such as trading in goods or services.

Marital status statistics show that out of 73 respondents, 66 people (69.0 percent) are married. Based on marital status, the response that preferred to live in a shophouse is married couples by 90.4 percent in Lubuk Pakam City, in other words shophouses are suitable for people who are already married.

Education is one of the criteria for a person's quality of life. Likewise with traders in Lubuk Pakam City. The results of the questionnaire showed that the number of respondents who had the latest educational background is elementary school, junior high school, high school, bachelor's degree, master's degree, and doctorate. Elementary school and junior high school are as many as 0 people or 0 percent of the total respondents. High school is as

many as 28 people or 38.3 percent of the total respondents, those with a diploma background are as many as 3 people or 4.1 percent of the total respondents, those with undergraduate are as many as 32 people or 43.8 percent of the total respondents, and for respondents the masters are as many as 10 people or 13.8 percent of the total respondents. From these data it can be concluded that most of the respondents had an educational background with a bachelor's degree with the highest number of respondents followed by senior high school, masters, and diploma and no respondents had an educational background last elementary school, junior high school, and doctorate.

Partial (t) Test Results

Table 1. Partial Test (t) Results

| Variable | Coefficient B | Std. Error | Beta | t Count | Sig. | Information |
|---------------|---------------|------------|------|---------|------|-------------|
| Constant | -.033 | .563 | | -.059 | .953 | |
| Accessibility | 1.005 | .027 | .920 | 36.645 | .000 | Significant |
| Facility | .031 | .023 | .036 | 3.380 | .002 | Significant |
| Environmental | .097 | .033 | .056 | 2.935 | .005 | Significant |
| Physical | .006 | .048 | .003 | 2.129 | .018 | Significant |

The results show that physical factor has a significant effect on shophouse value in Lubuk Pakam City, Deli Serdang Regency. Accessibility factor has a significant effect on shophouse value in Lubuk Pakam City, Deli Serdang Regency. Environmental factor has a significant effect on shophouse value in Lubuk Pakam City, Deli Serdang Regency. Facility factor has a significant effect on shophouse value in Lubuk Pakam City, Deli Serdang Regency.

CONCLUSION

The results show that physical factor has a significant effect on shophouse value in Lubuk Pakam City, Deli Serdang Regency. Accessibility factor has a significant effect on shophouse value in Lubuk Pakam City, Deli Serdang Regency. Environmental factor has a significant effect on shophouse value in Lubuk Pakam City, Deli Serdang Regency. Facility factor has a significant effect on shophouse value in Lubuk Pakam City, Deli Serdang Regency.

From the research that has been done, the following suggestions can be conveyed:

1. For Developers

In building real estate, especially shophouses, developers should prioritize easy accessibility that will be obtained by future buyers by choosing a strategic location that is close to public service facilities in the city and also supporting infrastructure by looking at road conditions and the availability of public transport facilities. Developers should focus on providing supporting facilities by providing shopping facilities, adequate parking areas, adequate supply of electricity and clean water that will be obtained by property buyers, especially shophouses, which also make good drainage and anti-flood systems to prevent flooding and also create a drainage system good

security, one of which is by providing a security post in each shop unit and installing closed circuit television (CCTV) in the shop and creating a unique exterior building design to attract the attention of prospective buyers in the future and will also increase the value of the shop and encourage the sale of shop units as well as the developer always continues to check every 3 months on the condition of the shop building by providing checking and maintenance facilities for the condition of the shop building and paying more attention to interior design by making the conditions in the shop more orderly and unique in increasing demand for property purchases.

2. For Appraisers

In order for appraisers to use the regression model produced in this study to be used as a reference in determining the value of shop properties and to pay more attention and prioritize in evaluating shophouses by paying attention to physical, accessibility, environmental, and facility factor.

3. For the Property Management and Valuation Study Program

With the results of this study, it is hoped that it can be used as a reference material for teaching activities or research. Because this research still has shortcomings and in order to develop this research so that even better research results are obtained in the future, especially for research objects in the form of shop properties by testing other variables outside of this research, so that they can be reference material for other researchers in a similar case study.

4. For the General Public

In choosing to buy and rent a shophouse, the public should pay attention to the accessibility factor, especially shophouses that have close access to shopping, health, education, sports venues, places of worship, and supported by infrastructure that supports the accessibility of the shophouse, especially considering the condition of the roads around the shophouses and the ease and availability of public transportation facilities, facility factors that support the shophouse such as the availability of adequate electricity supply, clean water, and parking areas, environmental factors by choosing a shophouse that pays attention to the drainage system and flood prevention as well as a low crime rate for security later and physical factors by looking at the condition of the building and interior and exterior design.

5. For Other Researchers

In order to use a market approach based on fair value accounting which can analyze the rental value of shophouses by using market comparisons and also examine other factors that can affect the value of shophouses, one of which is by adding shop selection location factors, central government policy factors, and regions related to shophouse development permits and researchers others can further examine the correlation between variables and sub-variables used in this study.

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