

Research Article

Analysis of Consumer Decision Factors in Venue Selection in Palembang

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Abstract: This study aims to identify the factors influencing venue selection decisions by event organizers at Jakabaring Sport City, Palembang. The venue plays a crucial role in event organization, especially as sports facilities are increasingly transformed into multifunctional spaces for non-sport events. This research employed a quantitative approach using Confirmatory Factor Analysis (CFA) and involved 53 respondents from event organizers who had previously conducted events at the venue. Data were collected through structured questionnaires and analyzed to determine key influencing factors. The findings reveal four dominant factors affecting venue selection decisions: compliance, configuration, constraints, and cachet. Among these, configuration is identified as the most influential factor, followed by compliance, cachet, and constraints. These results highlight the importance of facility layout, flexibility, and suitability in supporting event needs. The study provides practical insights for venue managers to improve service quality and competitiveness, as well as recommendations for future research to further explore factors influencing venue selection decisions.

Keywords: Consumer Decision; Factor Analysis; Jakabaring Sport City; Venue Management; Venue Selection.

1. Introduction

In the modern era, shifting lifestyles and increasing interest in entertainment and recreation have positioned events as a significant form of public engagement. According to Indonesia's Minister of Tourism and Creative Economy, Sandiaga Uno, events serve as effective drivers of economic growth due to high public interest in event attendance (Karo, 2024). Within the context of event organization, the location where an event takes place is referred to as the venue (Wati et al., 2023). Jakabaring Sport City (JSC) stands as one of Indonesia's largest venue complexes, comprising 27 internationally-standardized venues across 365 hectares of land. Since 2004, JSC has hosted numerous sports events and currently consists of 18 main venues and 9 supporting facilities.

A notable phenomenon has emerged in recent years: the transition of sports venues at Jakabaring Sport City into spaces for non-sport events. Based on observations and interviews with JSC management, data shows that in 2022, only 1 non-sport event was held compared to 6 sport events. However, in 2023, this pattern reversed dramatically with 15 non-sport events and only 7 sport events being organized at JSC facilities. This significant shift raises questions about what factors influence event organizers' decisions to select JSC as their event venue, particularly for non-sport purposes.

Event location constitutes a crucial aspect of event success. Kotler emphasizes that location represents one of the critical values determining success (Kotler & Keller, 2025). Event organizers and event owners play the primary role in determining venue selection, making their perspective essential for understanding venue choice determinants.

This study addresses two main research questions: (1) What factors influence event organizers in selecting venues at Jakabaring Sport City? and (2) What dominant factors influence venue selection decisions at Jakabaring Sport City? The research objectives are to identify factors influencing event organizers' venue selection and to identify the dominant

Received: March 17, 2026

Revised: March 25, 2026

Accepted: April 12, 2026

Online Available: April 15, 2026

Curr. Ver.: April, 2026



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factors affecting these decisions. The findings are expected to serve as reference material, information, and recommendations for Jakabaring Sport City management to enhance venue quality, while also providing a foundation for future research in this domain.

2. Literature Review

According to Law of the Republic of Indonesia Number 10 of 2009 concerning Tourism, tourism involves travel activities undertaken by individuals or groups to visit specific places for recreation, personal development, or studying the uniqueness of tourist attractions within a temporary timeframe (Morena et al., 2025). Getz defines events as activities that can generate tourism interest and become the primary focus of destination development initiatives (Getz & Page, 2014). Noor states that an event is an activity organized by a group of parties to commemorate essential aspects of human life, whether collectively or individually, bound by customs, culture, tradition, and religion, held for specific purposes within the context and scope of the involved community at a particular time (Fajar et al., 2021).

Events can be classified based on size and scale into mega events, hallmark events, and major events (Karo & Aziz, 2024; Richards et al., 2025). Based on category, special events encompass leisure events, cultural events, personal events, and organizational events. Event organizers are professional service providers engaged in event management, formally appointed by clients to arrange and organize the entire sequence of events, from planning and preparation to execution and evaluation, to help realize client objectives through event creation (Kojongian et al., 2025; Meilina & Patrianti, 2023).

Venue Qualifications

A venue is defined as the place or location where an event is held (Karo & Nur, 2022). Barnerns states that a venue is a location where an event takes place, with organizers, groups of people, planning and managing it directly (Karo & Nur, 2022; Saraswati & Syah, 2023). Event venues vary in size and form, from stadiums to music arenas, parks to multipurpose buildings, each serving different purposes. Rutherford identifies nine key elements that serve as references in venue selection (Rutherford Silver, 2004; Silvers & O'Toole, 2020):

- a. Capacity: The capacity or holding power of the venue itself, including room capacity, function space, and venue dimensions.
- b. Cost: The availability of funds possessed by the event organizer, including venue rental costs, tax payments, contractor and vendor expenses, service charges, and safety and security costs.
- c. Capability: The abilities possessed by venue management, including staff expertise, technical facilities, and venue knowledge.
- d. Condition: The state or atmosphere of the venue and its directly available facilities.
- e. Compliance: The venue's adherence to government regulations, including alcohol consumption permits, crowd permits, and other licensing requirements.
- f. Convenience: The comfort provided by the venue, assessed through accessibility, adequate parking facilities, and available public transportation.
- g. Configuration: The form of the venue building, venue decoration, and the venue's flexibility in accommodating needs.
- h. Constraints: Legal limitations such as basic operational regulations of the venue.
- i. Cachet: Everything related to venue atmosphere, distinctive characteristics, and venue image.

Purchase Decision

Sudaryono defines purchase decision as the selection of action from two or more alternative choices, in other words, purchase decisions are made from available alternatives (Karo Karo et al., 2023; Sudaryono, 2014). Drumond states that purchase decisions represent the final conclusion of analyzing all available options, aimed at solving problems through systematic and objective evaluation to calculate the advantages and disadvantages of each alternative (Assegaf, SE., MM., 2022; Honggoriansyah et al., 2020).

Previous Research

Several studies have examined related phenomena. Ibnu investigated the influence of cultural event organization on visiting decisions to Palembang City, finding that hospitality and theming significantly and positively affected visiting decisions (Fajar et al., 2021; Karo & Chairunnisa, 2021). Several studies analyzed factors influencing ornamental plant purchase decisions during the Covid-19 pandemic, identifying three factors: economic capability, personality, and price, with economic capability being the most dominant factor (Honggoriansyah et al., 2020; Karo & Novianti, 2021; Putri et al., 2025). Bidasari examined venue quality effects on customer satisfaction at Jakarta Convention Centre, finding that venue quality application was in the high category, with the environment dimension receiving the highest expected rating (Bidasari et al., 2019; Karo & Nur, 2022; Stergiou et al., 2022).

Research Framework

This study analyzes nine variables (capacity, cost, capability, condition, compliance, convenience, configuration, constraints, and cachet) to determine their influence on venue selection decisions at Jakabaring Sport City. The research hypotheses are:

- Ho1 : There are no factors influencing venue selection decisions.
- Ha1 : There are factors influencing venue selection decisions.
- Ho2 : There is no dominant factor influencing venue selection decisions.
- Ha2 : There is a dominant factor influencing venue selection decisions.

3. Materials and Method

This research employs a causal associative study with a quantitative method approach to analyze the variables of capacity, cost, capability, condition, compliance, convenience, configuration, constraints, and cachet, examining their relationship with and influence on venue rental decisions at Jakabaring Sport City. Quantitative research is a method based on perceptions and assumptions about phenomena, producing data in numerical form represented descriptively. Causal associative research investigates relationships or influences between two or more variables (Sugiyono, 2018).

Population and Sample

This study employed observation and questionnaires for primary data collection and literature study for secondary data. Primary data sources were obtained directly by researchers through observation and questionnaires. Observation involved specifically observing and systematically recording findings regarding visible aspects of the research phenomenon (Hasan et al., 2025). The researcher observed event organization phenomena at Jakabaring Sport City in the last two years. Questionnaires were distributed to event organizers who had conducted events at JSC, containing questions about factors influencing their venue rental decisions.

The population comprised event organizers who successfully conducted events at Jakabaring Sport City. Over two years, 28 events were recorded. Two assumptions guided population determination: (1) all event organizer elements were homogeneous in the population due to similar venue selection processes, and (2) each event organizer was represented by four people as decision-makers for venue selection. Based on these assumptions, the total population elements were 112. Using Slovin's formula with a 10% error rate, the sample size was calculated as 53 respondents. Probability sampling technique was employed, providing equal opportunities for each population element to be selected as sample members.

Operational Variable

This study includes independent variables (X): capacity, cost, capability, condition, compliance, convenience, configuration, constraints, and cachet (Rutherford Silver, 2004; Silvers & O'Toole, 2020), and the dependent variable (Y): purchase decision (Sudaryono, 2014). Detailed information is shown in the following table.

Table 1. Research operational variables.

Variables	Dimensions	Indicators
Venue Selection	1. Capacity	Room capacity; Function; Room size
	2. Cost	Venue rental fees; Taxes; Contractors and vendors; Service fees
	3. Capability	Experienced staff; Technical facilities; Venue familiarization
	4. Condition	Venue Atmosphere; Facilities available at the venue directly
	5. Compliance	Compliance with event regulations; Ease of licensing and administration; Security methods
	6. Convenience	The venue's sense of comfort; Easy access; Good parking facilities; Accessible public transportation; Compliance with government regulations
	7. Configuration	Building shape; Decoration; Flexibility
	8. Constraint	Legality; Company policies
	9. Cachet	Specific atmosphere; Venue style; Venue image
Purchase Decision	A selection of action from two or more alternative choices.	Alternative selection, Problem solving, Decision indicators

Data analysis involves systematically searching and organizing collected data, grouping data based on variables and types. The instrument test must meet validity criteria (product moment correlation r -calculated > 0.361) and reliability criteria (Cronbach's Alpha with the condition $\alpha > 0.60$). Classical assumption test use normality testing examined whether data were normally distributed (significance > 0.05). This research employed Confirmatory Factor Analysis (CFA) to analyze the extent to which venue variables influence selection decisions.

4. Results and Discussion

Jakabaring Sport City (JSC) is located at Gubernur Bastari Street, Jakabaring, Palembang, South Sumatra. It represents a comprehensive sports venue complex in Palembang, built to accommodate various sports and global competitions. The complex provides diverse facilities, including Gelora Sriwijaya Stadium, capable of accommodating over 40,000 people, used for football matches and major gatherings. Additionally, Jakabaring Aquatic Stadium, Jakabaring Bowling Center, and Jakabaring Shooting Range are available for swimming competitions, bowling, and shooting training and competitions. Beyond sports events, JSC frequently hosts non-sport events such as music concerts, exhibitions, and various other activities.

Primary data were obtained through questionnaires distributed to 53 respondents who had conducted events at Jakabaring Sport City. Respondent characteristics included event organizers and event owners specifically involved as decision-makers in venue selection. The respondent's position includes as project manager, project administration, finance, marketing, human resource, and production division.

Instrument Testing Results

Validity testing using Pearson Product Moment with r -table > 0.360 was conducted on thirty individuals outside the research sample. All 30 questionnaire items showed r -calculated values exceeding r -table with minimum value 0.658 (Q13) and maximum value 0.920 (Q22) at significance levels of 0.000, indicating all items were valid. Reliability testing using Cronbach's Alpha yielded a value of 0.969 > 0.60 at simultan score. Alpha's score each items calculated exceeding minimum value 0.928 (Q19) and maximum value 0.936 (Q4). This two results indicating the research instrument was highly reliable. The Kolmogorov-Smirnov test produced an Asymp. Sig. (2-tailed) value of 0.200 > 0.05 , indicating normally distributed data.

Factor Analysis Results

Research analysis use Kaiser-Meyer-Olkin Measure of Sampling Adequacy (MSA). The initial KMO-MSA test yielded a value of 0.776 > 0.5 , with Bartlett's Test of Sphericity showing Chi-Square of 1421.999, degrees of freedom 378, and significance 0.000, indicating

sufficient correlation for factor analysis. The initial analysis revealed three indicators with MSA values <0.5 : Capability (0.428), Condition (0.410), and Convenience (0.497). These were extracted in subsequent iterations.

Table 2. Anti-Image Correlation iteration.

Component	MSA Anti-Image Correlation			
	1 st iteration	2 nd iteration	3 rd iteration	4 th iteration
Capacity	.553 ^a	.608 ^a	.406 ^a	-
Cost	.502 ^a	.447 ^a	-	-
Capability	.428 ^a	-	-	-
Condition	.410 ^a	-	-	-
Compliance	.670 ^a	.670 ^a	.721 ^a	.726 ^a (1)
Convenience	.497 ^a	-	-	-
Configuration	.708 ^a	.711 ^a	.693 ^a	.688 ^a (2)
Constraint	.718 ^a	.776 ^a	.778 ^a	.814 ^a (3)
Cachet	.648 ^a	.636 ^a	.714 ^a	.760 ^a (4)

After first iteration, Cost showed MSA value of 0.477 <0.5 and was extracted. Following second iteration, Capacity showed MSA value of 0.406 <0.5 and was extracted. The final iteration retained four indicators with MSA values >0.5 : Compliance (0.721), Configuration (0.693), Constraints (0.778), and Cachet (0.714).

Table 3. TVE, Communalities, Component Matrix.

Dimensions	Initial Eigenvalues	Extraction	Component
Compliance	54.013	.569	.755
Configuration	18.981	.666	.816
Constraint	15.402	.378	.615
Cachet	11.603	.547	.740

Based on Total Variance Explained analysis, the result showed that the first factor (compliance) had total variance of 2.161, explaining 54.013% of total variance, indicating this factor had dominant and significant influence. Based on eigenvalue >1 criterion, only one factor was retained after extraction, explaining over half of total variance in the data. Compliance showed communality of 0.569 (56.9% of variability explained by factors), Configuration 0.666 (66.6%), Constraints 0.378 (37.8%), and Cachet 0.547 (54.7%). Analysis by Component Matrix, the Configuration showed the highest loading (0.816), followed by Compliance (0.755), Cachet (0.740), and Constraints (0.615).

Discussion

The factor analysis identified four dominant factors influencing event organizers' venue selection decisions at Jakabaring Sport City: configuration, compliance, constraints, and cachet. These findings align with Rutherford framework identifying key venue selection elements, though not all nine original variables emerged as significant in this context. Configuration emerged as the most dominant factor (loading 0.816), encompassing building form, decoration, and venue flexibility in accommodating needs. This suggests that event organizers prioritize the physical structure and adaptability of JSC venues. The complex's international-standard facilities and versatile spaces enable diverse event types, from sports competitions to music concerts and exhibitions. The ability to configure spaces according to specific event requirements represents a significant competitive advantage for JSC.

Compliance (loading 0.755) relates to venue adherence to government regulations, including permits and administrative requirements. The finding indicates that event organizers value venues with clear, streamlined permit processes and established relationships with regulatory authorities. JSC's status as a government-managed facility likely facilitates compliance processes, reducing bureaucratic hurdles for organizers. Cachet (loading 0.740) encompasses venue atmosphere, distinctive characteristics, and image. JSC's reputation as an international-standard sports complex, having hosted major events like the 2018 Asian Games, contributes to its cachet. Event organizers leverage this image to enhance their events' perceived value and prestige. The venue's established identity provides associative benefits for events held there. Constraints (loading 0.615) refers to legal limitations and basic operational regulations. While having the lowest loading among the four factors, constraints remain significant in venue selection. Clear policies and operational guidelines provide certainty for event planning and execution.

The elimination of capacity, cost, capability, condition, and convenience from the final factor solution does not indicate these variables are unimportant. Rather, it suggests that in the specific context of Jakabaring Sport City, these factors may be relatively uniform across venues or less differentiating in decision-making. For instance, as a government-managed complex, pricing structures may be standardized, and basic facilities consistently maintained across venues. The dominance of configuration and compliance particularly reflects the Indonesian event context, where physical infrastructure quality and regulatory certainty often determine venue feasibility. Cachet's significance aligns with branding literature emphasizing venue image as a value-adding attribute.

4. Conclusion

Based on factor analysis results, this study concludes that four dominant factors influence event organizers' venue selection decisions at Jakabaring Sport City: compliance, configuration, constraints, and cachet. Compliance encompasses the comfort provided by venues through accessibility, parking facilities, and public transportation. Configuration relates to venue form, building structure, and decoration. Constraints involve administrative ease and legal certainty provided by JSC venue management. Cachet encompasses style, atmosphere, and venue image. Configuration emerges as the most dominant factor, followed by compliance, cachet, and constraints. These findings confirm that multiple factors influence venue selection decisions, with physical infrastructure and regulatory considerations being paramount.

Recommendations:

- a. For Jakabaring Sport City management, ensuring that compliance, configuration, constraints, and cachet indicators remain in optimal condition is essential to increase rental intensity and sustainability through repeat orders from customers.
- b. Other venue owners should enhance indicators that event organizers consider when making venue selection decisions, particularly focusing on physical configuration, regulatory compliance, operational clarity, and venue image.
- c. Future research should conduct SWOT analysis on venues to identify current strengths, weaknesses, opportunities, and threats in the evolving event industry landscape. Additionally, comparative studies across multiple venues would provide broader insights into venue selection determinants.

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