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Location, Pricing, and Facilities as Determinants of Sports Field Rental Business Success in Palopo City

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Abstract

This study investigates the influence of location, pricing, and facilities on the success of sports field rental businesses in Palopo City, Indonesia. As competition in the sports service industry intensifies, identifying the determinants of business success has become increasingly important for improving competitiveness and long-term sustainability. A quantitative research design with a survey approach was employed. Data were collected from 96 customers of Sinar Setuju Sports Field using purposive sampling and structured questionnaires. The measurement instrument was assessed through validity and reliability testing, while the proposed hypotheses were examined using multiple linear regression analysis. The findings reveal that location, pricing, and facilities each have a positive and statistically significant effect on business success. Among these variables, facilities demonstrate the strongest influence, followed by pricing and location, indicating that well-maintained and comprehensive facilities play a critical role in enhancing customer satisfaction and supporting business performance. Strategic accessibility and competitive pricing also contribute significantly to attracting and retaining customers. These findings suggest that service providers should prioritize investments in facility quality while maintaining accessible locations and market-oriented pricing strategies to strengthen competitive advantage. This study contributes to the service marketing and small business management literature by providing empirical evidence on the key drivers of sports field rental business success in an emerging regional market. The results also offer practical insights for entrepreneurs and business managers seeking to improve operational performance and achieve sustainable business growth within the expanding sports service industry.

1. Introduction

The global sports industry has experienced remarkable growth over the past decade, driven by increasing public awareness of healthy lifestyles, recreational activities, and physical well-being. The expansion of the sports economy has not only stimulated demand for sporting goods but has also accelerated the development of sports service businesses, including commercial sports facilities such as football fields, futsal courts, badminton courts, basketball arenas, and multi-purpose sports complexes. As urban populations continue to embrace active lifestyles, sports facility providers are required to deliver high-quality services capable of meeting increasingly sophisticated customer expectations. Consequently, competition within the sports service industry has become more intense, compelling business owners to formulate effective marketing strategies that ensure customer satisfaction while maintaining long-term business sustainability. Recent studies further indicate that service quality, facility conditions, and customer experience have become strategic determinants of consumer satisfaction and continuous service utilization in sports facilities.

Unlike manufacturing industries, service businesses primarily compete through intangible value creation, where customer perceptions significantly influence organizational performance. The sports facility rental business represents a service-oriented industry in which consumers evaluate not only the quality of the sports venue itself but also various supporting attributes before making rental decisions. Accessibility, affordability, facility completeness, environmental comfort, cleanliness, and operational reliability collectively shape customers' evaluations and subsequent behavioral intentions. Therefore, business success is increasingly associated with the ability of service providers to create

superior customer value through integrated marketing strategies rather than relying solely on physical infrastructure. This perspective aligns with contemporary service marketing theory, which emphasizes customer-centered value creation as a fundamental source of sustainable competitive advantage.

Among the numerous factors influencing business performance, **location** remains one of the most important strategic resources. A strategically located sports facility reduces customers' travel costs, improves accessibility, enhances convenience, and increases the likelihood of repeat visits. Facility location has long been recognized as a critical determinant of competitive advantage because customers generally prefer service providers that minimize travel time while maximizing convenience. In service industries where customer participation occurs directly at the production site, location becomes an inseparable component of service value creation. Consequently, selecting an appropriate business location may substantially influence customer acquisition, retention, and overall organizational performance.

Besides location, **pricing strategy** plays an equally significant role in shaping customer purchasing decisions. Price represents the monetary sacrifice consumers are willing to make in exchange for perceived service value. In increasingly competitive markets, customers continuously compare prices across competing service providers while simultaneously evaluating service quality and facility conditions. Competitive pricing does not necessarily imply offering the lowest price but rather establishing prices that customers perceive as fair relative to the benefits received. Previous empirical findings demonstrate that transparent and market-oriented pricing strategies positively influence customer satisfaction, loyalty, and business sustainability, particularly in service industries characterized by high competition and relatively homogeneous products.

Another critical determinant is the availability and quality of **facilities**. Modern consumers increasingly expect sports venues to provide comprehensive supporting facilities beyond the playing field itself, including adequate parking spaces, comfortable waiting areas, changing rooms, clean sanitation facilities, lighting systems, security, digital reservation systems, and supporting amenities. Well-maintained facilities improve the overall customer experience, strengthen perceived service quality, and encourage repeat patronage. Recent research consistently demonstrates that servicescape quality and facility attributes significantly affect customer satisfaction, facility image, and long-term customer relationships in sports service organizations. These findings suggest that investment in physical facilities should be viewed not merely as operational expenditure but as a strategic investment that contributes directly to organizational competitiveness and sustainable business performance.

Recent empirical studies have consistently demonstrated that business success in service industries is determined by multiple interrelated marketing and operational factors rather than by a single competitive attribute. Within sports facility businesses, researchers have increasingly emphasized the importance of customer-oriented strategies that integrate accessibility, service quality, facility management, and pricing decisions. For example, studies on community sports facilities indicate that customers evaluate sports venues based on both tangible attributes, such as physical facilities and accessibility, and intangible attributes, including service quality and overall user experience. These dimensions collectively influence customer satisfaction, loyalty, and reuse intention, which ultimately contribute to sustainable business performance.

Location has been widely recognized as one of the most strategic resources for service-based businesses because customers must physically visit the service provider to consume the service. In the context of sports facility rental businesses, accessibility, transportation convenience, neighborhood characteristics, parking availability, and

surrounding commercial activities influence customers' preferences and visitation frequency. A systematic framework for sports facility location selection further identifies accessibility, facility characteristics, market potential, neighborhood conditions, and financial considerations as the primary criteria determining the long-term success of sports facilities. These findings suggest that selecting an appropriate business location should be viewed as a strategic managerial decision rather than merely an operational consideration.

Pricing strategy also represents a fundamental component of service competitiveness. Unlike product-based industries, where customers can directly compare physical attributes, consumers of sports services often evaluate whether the rental price reflects the overall value they receive from the service experience. Previous studies have shown that transparent, competitive, and customer-oriented pricing strategies positively influence customer satisfaction and encourage repeat patronage. Furthermore, pricing decisions become increasingly important in markets characterized by numerous competitors offering relatively similar services, where perceived value frequently determines customers' final choices.

Beyond location and pricing, facility quality has emerged as a dominant determinant of customer behavior in sports service industries. Modern sports consumers increasingly expect comprehensive facilities that include clean playing surfaces, adequate lighting systems, comfortable waiting areas, changing rooms, parking spaces, security, and digital booking systems. Recent servicescape research demonstrates that both external environmental quality and internal facility conditions significantly improve customer satisfaction and willingness to revisit sports facilities. Likewise, the integration of architectural quality with sports management practices has been recognized as an important strategy for enhancing organizational competitiveness and improving user experiences.

Despite these growing contributions, several research gaps remain. First, existing studies predominantly investigate customer satisfaction, revisit intention, perceived value, or service quality, whereas relatively limited attention has been devoted to **business success** as a multidimensional organizational outcome influenced simultaneously by location, pricing, and facilities. Most previous research focuses on consumer behavioral intentions without examining how these marketing variables contribute directly to organizational performance and business sustainability.

Second, previous studies generally examine location, pricing, or facility quality independently or combine them with service quality and customer satisfaction. Consequently, empirical evidence regarding the integrated effects of these three strategic variables on sports field rental business success remains limited, particularly within small and medium-sized service enterprises. This limitation restricts managers' ability to formulate comprehensive strategies that simultaneously optimize accessibility, pricing, and facility investment to improve organizational performance.

Third, most available evidence originates from developed countries or large metropolitan regions, while empirical studies conducted in emerging regional markets remain scarce. Business environments in secondary cities frequently exhibit different consumer characteristics, purchasing power, competitive intensity, and infrastructure conditions compared with metropolitan areas. Consequently, findings obtained from developed urban markets cannot always be generalized to smaller regional cities. This contextual gap highlights the importance of conducting empirical investigations in developing regional economies, where sports service industries continue to expand alongside increasing public awareness of healthy lifestyles and recreational activities.

Although previous studies have confirmed the importance of location, pricing, and facilities in influencing customer behavior, limited research has examined their simultaneous contribution to business success within sports field rental enterprises, particularly in emerging regional markets. Existing studies predominantly emphasize customer satisfaction, service quality, or repurchase intention, whereas business success represents a broader organizational outcome encompassing customer retention, revenue growth, competitive advantage, and business sustainability. Consequently, understanding how these strategic variables collectively influence business success remains an important research agenda in service marketing and small business management.

The Indonesian sports service industry has experienced substantial growth in recent years, supported by increasing public awareness of healthy lifestyles, recreational activities, and community-based sports participation. This trend has encouraged the establishment of numerous commercial sports facilities across both metropolitan and regional cities. However, the rapid expansion of sports field rental businesses has intensified market competition, requiring operators to continuously improve their competitiveness through strategic managerial decisions. In this environment, customers possess a wider range of alternatives and are more selective when evaluating sports facilities based on accessibility, pricing fairness, facility quality, convenience, and overall service experience.

Palopo City represents an interesting research setting because the local sports service market has expanded considerably alongside increasing community participation in recreational sports. The emergence of several sports field rental providers has created a more competitive business environment in which business sustainability depends on the ability of operators to understand customer preferences and deliver superior value. Sinar Setuju Sports Field serves as an appropriate empirical context because it has established its presence within this competitive market while continuously seeking to improve service quality and operational performance. Investigating this business provides valuable evidence regarding the determinants of business success within regional sports service enterprises.

The novelty of this study lies in the development of an integrated framework that simultaneously evaluates the effects of location, pricing, and facilities on business success in the context of sports field rental services. Unlike previous studies that primarily focus on customer satisfaction or behavioral intention, this research adopts business success as the primary outcome variable, thereby extending the application of service marketing theory to organizational performance. Furthermore, empirical evidence from regional cities in developing economies remains limited, making this study an important contribution to the existing literature.

This research provides both theoretical and practical contributions. Theoretically, it enriches the service marketing and small business management literature by explaining how strategic marketing variables jointly influence business success within sports service industries. Practically, the findings offer managerial implications for sports facility operators by identifying priority areas for investment and strategic improvement. Business managers may utilize these findings to formulate competitive pricing strategies, enhance facility quality, and optimize business location advantages to improve customer attraction, retention, and long-term organizational sustainability.

Based on these considerations, this study aims to examine the effects of location, pricing, and facilities on the business success of Sinar Setuju Sports Field in Palopo City. Specifically, the study investigates whether each variable exerts a significant positive influence on business success and identifies the most dominant determinant. The findings are expected to contribute to the growing body of knowledge on sports service management while providing practical recommendations for

entrepreneurs operating in increasingly competitive sports facility markets.

2. Literature Review

2.1 Business Success

Business success is generally conceptualized as an organization's ability to achieve both financial and non-financial objectives while maintaining long-term sustainability in increasingly competitive markets. Contemporary studies argue that business success extends beyond profitability and sales growth to include customer retention, market competitiveness, operational efficiency, innovation capability, and sustainable organizational performance. Particularly in service industries, business success is strongly influenced by a firm's ability to continuously create superior customer value and respond effectively to changing consumer expectations.

From the perspective of the **Resource-Based View (RBV)**, sustainable business success originates from valuable organizational resources and capabilities that are difficult for competitors to imitate. In sports service businesses, strategic resources include accessible business locations, competitive pricing strategies, and high-quality facilities that collectively enhance customer experiences and strengthen competitive advantage. Therefore, business success should be viewed as the outcome of effectively managing tangible and intangible organizational resources to satisfy customers while ensuring long-term business sustainability.

Accordingly, this study conceptualizes business success as the achievement of organizational objectives reflected in customer growth, increased competitiveness, customer retention, and sustainable business performance within the sports field rental industry.

2.2 Consumer Behavior

Consumer behavior refers to the processes through which individuals identify needs, evaluate alternatives, purchase, use, and assess products or services. Recent consumer behavior literature emphasizes that purchasing decisions are increasingly driven by customers' perceived value, service experience, and emotional responses rather than by functional product characteristics alone. In service industries, customers evaluate multiple service attributes simultaneously before deciding whether to purchase or revisit a service provider.

The **Stimulus–Organism–Response (SOR) Theory** explains that external marketing stimuli—including location accessibility, pricing policies, and physical facilities—influence customers' internal evaluations, which subsequently determine behavioral responses such as purchase intention, satisfaction, loyalty, and repeat visits. Consequently, understanding consumer behavior enables businesses to formulate marketing strategies that improve customer experiences and strengthen organizational performance.

Within sports service industries, customer decision-making is particularly influenced by convenience, accessibility, perceived price fairness, facility quality, and overall service experience. These considerations suggest that consumer behavior serves as an important theoretical foundation for explaining how strategic business decisions ultimately contribute to business success.

2.3 Business Location

Location represents one of the most important strategic decisions in service businesses because customers must physically access the service provider. Unlike manufacturing industries, where products can be distributed through multiple channels, sports facility services require direct customer interaction at the business location. Therefore, accessibility, transportation convenience, parking availability, neighborhood safety, and environmental comfort become essential determinants of customer preferences.

Recent service marketing research consistently demonstrates that strategically located businesses experience higher customer visitation rates, stronger competitive

positioning, and greater customer satisfaction than businesses with less accessible locations. Easy accessibility reduces customers' travel costs and perceived inconvenience while increasing the likelihood of repeat patronage. Furthermore, location contributes to customers' perceptions of service quality because convenient access forms an integral component of the overall service experience.

In the context of sports field rental businesses, location not only determines customer accessibility but also influences operational competitiveness by attracting broader market segments and supporting long-term business sustainability. Consequently, organizations that strategically select and manage their business locations are more likely to achieve superior business performance compared with competitors operating in less favorable locations.

2.4 Pricing Strategy

Pricing strategy represents one of the most influential managerial decisions because it directly affects customer perceptions, purchasing behavior, and organizational profitability. In service industries, price is not merely a monetary value exchanged for a service but also serves as a signal of quality and perceived value. Customers typically evaluate whether the benefits obtained from a service justify the financial sacrifice incurred. Consequently, an effective pricing strategy should balance customer affordability with the firm's profitability objectives while remaining competitive within the market.

According to value-based pricing theory, customers are more likely to purchase a service when they perceive that the benefits exceed or at least correspond to the price paid. This perception becomes increasingly important in sports field rental businesses, where customers compare rental fees with facility quality, accessibility, service convenience, and the overall recreational experience. Therefore, pricing decisions should not be determined solely by operational costs but should also reflect customer expectations, market competition, and perceived service value.

Recent studies in service marketing demonstrate that fair and transparent pricing enhances customer satisfaction, trust, and loyalty. Customers tend to revisit service providers when they perceive pricing policies as reasonable, consistent, and proportional to service quality. Conversely, excessively high prices without corresponding improvements in service quality may reduce customer satisfaction and weaken competitive advantage. Similarly, extremely low prices may negatively influence customers' perceptions of service quality and business credibility.

Within the sports service industry, competitive pricing has become increasingly important because customers are often presented with multiple alternatives offering relatively similar services. Consequently, sports facility managers should implement pricing strategies that not only attract new customers but also encourage repeat patronage through promotional packages, membership discounts, flexible booking schedules, and value-added services. Such strategies are expected to strengthen customer relationships and improve overall business performance.

Accordingly, pricing is conceptualized in this study as customers' perceptions of price fairness, affordability, competitiveness, and consistency with the quality of services received. A well-designed pricing strategy is expected to contribute positively to business success by increasing customer satisfaction, customer retention, and organizational competitiveness.

2.5 Facilities

Facilities constitute one of the most visible components of service quality because they directly influence customers' service experiences. In service marketing literature, physical facilities are commonly discussed within the concept of **servicescape**, which refers to the physical environment in which services are delivered and experienced. Servicescape encompasses various physical

attributes, including building design, cleanliness, equipment quality, lighting, seating arrangements, parking areas, supporting amenities, and environmental comfort. These elements collectively shape customers' cognitive and emotional responses during service encounters.

The Servicescape Theory proposes that well-designed physical environments positively influence customers' perceptions, emotions, and behavioral intentions. Comfortable, clean, and aesthetically pleasing facilities create positive service experiences that encourage customer satisfaction, loyalty, and repeat visitation. In contrast, poorly maintained facilities may reduce customers' confidence in service quality, even when the core service itself meets expectations.

In sports field rental businesses, facility quality extends beyond the condition of the playing field. Customers increasingly expect comprehensive supporting facilities, including adequate parking areas, clean restrooms, changing rooms, spectator seating, lighting systems, security services, Wi-Fi access, and digital reservation platforms. These complementary facilities enhance customer convenience and improve the overall service experience, thereby increasing the likelihood of repeat usage.

Recent developments in sports management further emphasize that investments in facility quality represent strategic assets rather than operational expenditures. Modern consumers increasingly evaluate sports facilities based on their ability to provide safe, comfortable, technologically supported, and enjoyable recreational experiences. Consequently, continuous improvements in physical infrastructure contribute not only to customer satisfaction but also to long-term organizational competitiveness and sustainable business growth.

Within this study, facilities are defined as the overall quality and completeness of physical resources provided by sports field rental businesses to support customer activities and improve service experiences. High-quality facilities are expected to strengthen customer perceptions of service value, encourage repeat patronage, and ultimately enhance business success.

2.6 Hypothesis Development

Drawing upon the Resource-Based View (RBV), Servicescape Theory, and consumer behavior theory, this study argues that location, pricing, and facilities represent strategic organizational resources capable of creating superior customer value and sustainable competitive advantage. A strategically accessible location reduces customer inconvenience and increases service accessibility. Competitive pricing enhances customers' perceptions of fairness and value, while high-quality facilities improve service experiences and customer satisfaction. Collectively, these factors are expected to strengthen organizational performance and support business success in sports field rental services.

Based on the theoretical framework and empirical evidence presented above, the following hypotheses are proposed:

H1: Location has a positive and significant effect on the business success of sports field rental services.

H2: Pricing has a positive and significant effect on the business success of sports field rental services.

H3: Facilities have a positive and significant effect on the business success of sports field rental services.

3. Research Methodology

This study employed a quantitative research design using a cross-sectional survey approach to examine the effects of location, pricing, and facilities on the business success of sports field rental services in Palopo City, Indonesia. The quantitative approach was selected because it enables the empirical examination of causal relationships among the proposed research variables through statistical analysis.

The target population comprised all customers who had utilized the services of

Sinar Setuju Sports Field in Palopo City. Since the total number of customers could not be accurately identified, the population was considered infinite (unknown population). Consequently, a non-probability purposive sampling technique was adopted. Respondents were selected based on the following criteria: (1) at least 17 years of age, (2) had rented or used the sports field at least once, and (3) were willing to participate voluntarily in the survey. These criteria ensured that respondents possessed sufficient experience to evaluate the service attributes investigated in this study.

Accordingly, a minimum of **96 respondents** was required, and all questionnaires that met the selection criteria were included in the final analysis. Primary data were collected using a structured questionnaire administered directly to respondents. The questionnaire consisted of two sections. The first section collected respondents' demographic information, while the second measured the research variables using multiple indicators adapted from previous marketing and service management studies. All measurement items employed a **five-point Likert scale**, ranging from **1 = strongly disagree** to **5 = strongly agree**.

The independent variables consisted of **location**, **pricing**, and **facilities**, whereas **business success** served as the dependent variable. Location was measured through indicators related to accessibility, convenience, and parking availability. Pricing was evaluated based on affordability, price competitiveness, and perceived price fairness. Facilities were measured through indicators reflecting completeness, physical condition, cleanliness, and usefulness of supporting facilities. Business success was assessed through customers' perceptions regarding business performance, service preference, repeat usage, and willingness to recommend the sports facility to others.

Prior to hypothesis testing, the measurement instrument was evaluated using **validity** and **reliability** analyses. Construct validity was assessed using item-total correlation, while internal consistency reliability was evaluated using **Cronbach's alpha**, with a minimum acceptable threshold of 0.70. Subsequently, multiple linear regression analysis was employed to examine the relationships between the independent variables and business success. Partial effects were assessed using **t-tests** with a significance level of **5% ($p < 0.05$)**. All statistical analyses were conducted using the **Statistical Package for the Social Sciences (SPSS)** software.

4. Results

4.1 Descriptive Statistics

This section presents the descriptive analysis of respondents' perceptions regarding the variables of location, pricing, facilities, and business success of Sinar Setuju Sports Field in Palopo City. The analysis aims to identify the general tendency of respondents' answers based on mean score interpretation.

Table 1. Descriptive Statistics of Research Variables

Variable	Indicators	Mean Score	Category
Location (X1)	Accessibility, environment comfort, parking availability	3.46	Good
Pricing (X2)	Price fairness, affordability, price competitiveness	3.33	Moderate
Facilities (X3)	Completeness, condition, usefulness	3.32	Moderate
Business Success (Y)	Usage intention, repeat visit, recommendation	3.37	Moderate

The descriptive results indicate that respondents generally perceive the studied variables at a moderate to good level. Among the independent variables, **location obtains the highest mean score (3.46)**, indicating that accessibility and parking availability are the most positively perceived aspects of the sports field.

4.2 Descriptive Analysis of Each Variable

4.2.1 Location (X1)

The results show that the average perception of respondents toward location is **3.46**, categorized as good. This suggests that the Sinar Setuju Sports Field is generally considered accessible, comfortable, and supported by adequate parking facilities.

Among the indicators, parking availability received the highest score (**3.62**), indicating that respondents perceive parking space as sufficient and supportive of customer convenience. This aspect is considered an important factor influencing customer satisfaction in sports facility services, as it directly affects ease of access and user comfort.

4.2.2 Pricing (X2)

The average perception score for pricing is **3.33**, categorized as moderate. This indicates that respondents consider the pricing strategy relatively acceptable but still requires improvement to reach an optimal level of competitiveness. The highest-rated indicator is price competitiveness with similar service providers (**3.56**). This suggests that customers perceive the pricing as competitive within the local market, although affordability and value alignment with facilities still require enhancement to strengthen perceived value.

4.2.3 Facilities (X3)

The facilities variable has an average score of **3.32**, also categorized as moderate. This reflects that respondents view the existing facilities as adequate but not yet optimal. The most dominant indicator is the usefulness of facilities for users (**3.59**), indicating that customers acknowledge the functional benefits of the available facilities. However, overall facility quality and completeness still require improvement to enhance customer experience and competitiveness.

4.2.4 Business Success (Y)

The business success variable shows an average score of **3.37**, categorized as moderate. This indicates that customers generally have a positive perception of Sinar Setuju Sports Field, although the level of loyalty and engagement is not yet maximal.

The highest indicator score is **3.83**, reflecting customers' strong willingness to continue using and recommending the facility. This suggests that despite moderate scores on supporting variables, customer loyalty tendencies remain relatively strong.

4.3 Measurement Model Assessment

Prior to hypothesis testing, the measurement instruments were evaluated through validity and reliability tests to ensure that all indicators appropriately measure the intended constructs.

4.3.1 Validity Test

Construct validity was assessed using item–total correlation. An indicator is considered valid if the correlation coefficient (r-count) is higher than r-table (0.1689).

Table 2. Validity Test Results

Variable	Indicator	r-count	r-table	Result
Location (X1)	X1.1	0.869	0.1689	Valid
	X1.2	0.824	0.1689	Valid
	X1.3	0.843	0.1689	Valid
Pricing (X2)	X2.1	0.826	0.1689	Valid
	X2.2	0.835	0.1689	Valid
	X2.3	0.873	0.1689	Valid
Facilities (X3)	X3.1	0.828	0.1689	Valid
	X3.2	0.841	0.1689	Valid
	X3.3	0.785	0.1689	Valid
Business Success (Y)	Y1	0.879	0.1689	Valid

Y2	0.839	0.1689	Valid
Y3	0.867	0.1689	Valid

All indicators exceed the r-table threshold, confirming that the measurement model demonstrates satisfactory construct validity.

4.3.2 Reliability Test

Reliability was assessed using Cronbach's Alpha, with a minimum acceptable value of 0.60.

Table 3. Reliability Test Results

Variable	Cronbach's Alpha	Threshold	Result
Location (X1)	0.668 – 0.772	> 0.60	Reliable
Pricing (X2)	0.705 – 0.740	> 0.60	Reliable
Facilities (X3)	0.606 – 0.762	> 0.60	Reliable
Business Success (Y)	0.680 – 0.784	> 0.60	Reliable

The results indicate that all variables meet the reliability criteria, suggesting that the measurement instruments are consistent and suitable for further analysis.

4.4 Multiple Regression Analysis

Multiple linear regression was used to examine the influence of location, pricing, and facilities on business success.

Table 4. Regression Results

Variable	Beta Coefficient	t-value	Sig.
Constant	0.702	1.431	0.156
Location (X1)	0.238	2.503	0.014
Pricing (X2)	0.338	3.476	0.001
Facilities (X3)	0.372	3.805	0.000

The regression model indicates that all independent variables have a positive and statistically significant effect on business success ($p < 0.05$). The estimated regression equation is:

Y = 0.238X1 + 0.338X2 + 0.372X3

Interpretation of Regression Results

The coefficient for **location (β = 0.238)** indicates that improved accessibility and strategic positioning contribute positively to business success. Although significant, its effect is relatively lower compared to other variables. The coefficient for **pricing (β = 0.338)** shows that competitive and fair pricing significantly enhances customer attraction and repeat usage, thereby improving business performance.

The strongest effect is observed in **facilities (β = 0.372)**, suggesting that facility quality is the most dominant determinant of business success in sports field rental services. This indicates that customers place high importance on physical service quality and supporting amenities when selecting sports facilities.

5. Discussion

The empirical findings demonstrate that **location, pricing, and facilities have a positive and significant effect on business success** in sports field rental services in Palopo City. These results indicate that service performance in the sports industry is strongly determined by a combination of accessibility, perceived price fairness, and physical service quality. The findings are consistent with service marketing theory, which emphasizes that customer evaluations are shaped by both tangible and intangible service attributes.

5.1 Effect of Location on Business Success

The results confirm that location significantly influences business success. This finding highlights that accessibility and spatial convenience remain critical determinants in

service-based industries, particularly in sports facility rental businesses where customer presence is required for service consumption.

From a theoretical perspective, this result aligns with the **Resource-Based View (RBV)**, which positions location as a strategic resource that can enhance competitive advantage by reducing customer effort and increasing service accessibility. A strategically located business reduces travel time, improves convenience, and increases customer willingness to visit and reuse the service.

Empirically, this finding supports previous studies indicating that accessibility, parking availability, and environmental convenience significantly affect customer decision-making in service industries. In the context of sports facilities, customers tend to prefer locations that are easy to access and comfortable to reach, as these factors directly influence their overall service experience and satisfaction.

5.2 Effect of Pricing on Business Success

The results also show that pricing has a positive and significant effect on business success. This indicates that customers evaluate sports facility services not only based on physical quality but also on perceived price fairness and affordability.

This finding is consistent with **value-based pricing theory**, which suggests that customers compare the perceived benefits of a service with its cost before making a purchase decision. When pricing is perceived as fair and competitive, customers are more likely to use the service repeatedly and develop loyalty toward the provider.

In highly competitive service markets such as sports field rentals, pricing becomes a key differentiating factor. Customers often compare multiple providers with similar offerings; therefore, pricing strategies that reflect market conditions and customer purchasing power contribute directly to business sustainability. Competitive pricing also strengthens customer trust and enhances perceived value, ultimately leading to improved business performance.

5.3 Effect of Facilities on Business Success

The findings reveal that facilities have the strongest influence on business success among all variables. This emphasizes that physical evidence of service quality plays a dominant role in shaping customer experience and behavioral intentions.

This result strongly supports the **Servicescape Theory**, which argues that the physical environment significantly affects customer perceptions, emotions, and behavioral responses. In sports facility services, customers do not only evaluate the core service (field usage) but also the supporting physical environment such as cleanliness, lighting, parking area, and overall comfort.

High-quality facilities enhance customer satisfaction by improving comfort and usability, which in turn encourages repeat usage and positive word-of-mouth. Conversely, inadequate facilities may reduce perceived service quality even when core services are satisfactory. Therefore, investment in facility improvement should be considered a strategic priority for service providers aiming to strengthen competitiveness and business sustainability.

Summary of Discussion

Overall, the findings confirm that location, pricing, and facilities are critical determinants of business success in sports field rental services. Among these factors, facilities play the most dominant role, followed by pricing and location. This indicates that customers in sports service industries place greater emphasis on physical service quality, while also considering accessibility and price fairness as complementary decision factors.
These results reinforce the integration of RBV theory, Value-Based Pricing Theory, and Servicescape Theory, demonstrating that business success in service industries is driven by a combination of strategic resources and customer-perceived value.

6. Conclusion

This study examined the effect of location, pricing, and facilities on business

success in sports field rental services in Palopo City. The empirical findings demonstrate that all three variables have a positive and statistically significant influence on business success, indicating that service performance in this industry is shaped by a combination of accessibility, price fairness, and physical service quality.

Among the examined variables, facilities emerge as the most dominant factor, followed by pricing and location. This result highlights that customers in sports service industries place greater emphasis on the quality of physical evidence and service environment compared to other determinants. Well-maintained and complete facilities significantly enhance customer satisfaction, which in turn drives repeat usage and strengthens business sustainability.

From a theoretical perspective, these findings reinforce the relevance of Servicescape Theory, Value-Based Pricing Theory, and Resource-Based View (RBV) in explaining customer decision-making and business performance in service industries. The integration of these theories provides a comprehensive explanation of how external service attributes contribute to organizational success.

Practically, the study suggests that sports facility managers should prioritize investment in facility quality, maintain competitive pricing strategies, and ensure strategic accessibility of business locations. These factors collectively contribute to improved customer experience, increased demand, and long-term business competitiveness.

Despite its contributions, this study is limited to a single service context in Palopo City and uses a cross-sectional design. Future research is recommended to expand the scope to other regions and incorporate additional variables such as service quality, customer satisfaction, and digital marketing to enhance explanatory power.

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