

UDC 332

THE EFFECT OF GREEN MARKETING TOOLS ON PURCHASING OF ENVIRONMENTALLY FRIENDLY PRODUCTS X

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ABSTRACT

Green marketing promotes products in a way that minimizes the negative environmental impact of the product or service development process. One of the consumer considerations when purchasing goods is to consider green marketing tools. Green marketing tools consist of eco brands, eco labels and eco advertising. The purpose of this study is to analyze the impact of green marketing tools on purchase behavior via purchase intention. The sample for this study consisted of 356 consumers of product X. The analytical method for this study was the partial least squares (PLS) analysis. As a result, only eco-friendly ads were displayed that did not significantly influence purchasing behavior based on purchase intention.

KEY WORDS

Eco brands, eco labels, environmental advertising, purchase intention, purchase behavior.

Environmental and health awareness has changed the perspectives and lifestyles of people and economic actors. This is reflected in changing patterns of business approaches, gradually leading to environmental sustainability-based business activities. Environmental Sustainability-Based Marketing 'Environmental marketing' is a new development in marketing that represents potential and strategic opportunities for synergies between business people as users and society (Mostafa, 2007).

Green marketing is a marketing science term that came into use in the late 1980s. Another leap into the world of marketing, with John Grant's book *The Green Marketing Manifesto*, has made the world of business greener (D'Souza, et al. Al, 2007). This change presents businesses with challenges that they must respond to, which can exist in the form of opportunities or risks.

Kotler and Keller (2012) see green marketing as a special case in the implementation of supply chain management that is reflected in the attitudes and behaviors of consumers and producers. (Jain and Kaur, 2006) added that green marketing is any marketing activity undertaken by a company to create products that have a positive impact on the environment or reduce a negative impact on the environment (Batnagar, 2012). Peattie & Crane (2005) define some indicators as follows: 1) Green marketing is the process of developing products that have a lower environmental impact during their manufacture, use and disposal than conventional products; 2) Green marketing includes the process of developing products that have a positive impact on the environment; 3) Green marketing must link product sales to relevant conservation groups and events.

Green marketing aims to meet the needs and desires of consumers in the target market and must be supported by an understanding of consumer behavior. Kotler and Keller (2012) argue that it is important to consider marketing concepts in relation to consumer behavior. In this case, the key to achieving organizational goals lies in the organization's ability to create, deliver and support customer value (Sutivyo & Ekasari, 2021). Communicate your target market (customer value) more effectively than your competitors (Lumbantobing, et al., 2020). Following the concept of marketing, creative and innovative companies are

constantly on the lookout for what consumers want and need. According to Peattie & Crane (2005), a realistic analysis of consumer behavior observes not only observable activities, but also the unobservable processes that always accompany purchases. According to Sumarwan (2012), consumer behavior is the activity of people directly involved in the procurement and use of goods and services, including the decision-making processes involved in preparing and deciding on activities (Sulivyo, 2021).

A purchase decision is a consumer's decision to purchase and use a product according to the consumer's needs and capabilities (Subandriyo, et al, 2022). A green marketing approach integrates environmental considerations into all aspects of a company's activities, from strategy formulation, planning and preparation to production, distribution or distribution to customers, to influence purchasing decisions. It is believed that this is possible (Dahlstrom, 2011).

One of the consumer considerations when purchasing products is to look at green marketing tools. Green marketing tools consist of eco-brands, eco-labels and eco-advertisements. According to Rahbar & Wahid (2011), this tool is also used by consumers to distinguish between green and non-green products. Green marketing tools such as eco-labeling, eco-branding and eco-advertising are needed to influence consumer perceptions of the characteristics of eco-friendly products and the characteristics that lead consumers to purchase eco-friendly products. The use of this green marketing tool plays an important role in influencing the purchasing behavior of consumers who purchase green products (Consumer Purchasing Behavior), thereby mitigating the negative effects of increased pollution from synthetic products (Sutivyo, 2022). Ecolabel as a green marketing tool is one of the tools developed according to the Market Approach Act to promote environmental protection and product sustainability. This activity was motivated by promoting improved product quality in development through eco-labeling programs at the local level where the products were produced (Mohajan, 2012). This ensures that for every product we manufacture, the consumer who uses or purchases it does not have a negative impact on the environment and its functioning, both in the region and the country in which the product is manufactured. Environmental considerations are believed to be integrated into all aspects of a company's activities, from strategy formulation, planning and preparation, to production, distribution and sales to customers, and to influence purchasing decisions. (Dalstrom, 2011).

An eco-brand is a name, symbol or product design that does not harm the environment. Eco-branding features allow consumers to differentiate green products from other non-green products in a variety of ways. Previous research in Western countries supports the notion that consumers in the United States and Germany are taking positive actions towards products such as The Body Shop and eco-brands of green energy (Rahbar and Wahid, 2011).

Environmental advertising, also known as green advertising, provides information about the environmental friendliness of products and services. This is because consumers are becoming more environmentally conscious and demanding environmentally friendly products. As a result, environmental advertising has received special attention from the international community. This is due to an existing desire to protect one's environment (Sarkar, 2012).

LITERATURE REVIEW

Green marketing is defined as a means of promoting products in a manner that minimizes the negative environmental impact of the product or service development process (Gurusamy & Senthilnathan, 2013). Green marketing also refers to organizations that attempt to promote, price, and sell products based on the concept of environmental friendliness (Sarkar, 2012). The dimensions of green marketing tools are categorized into his three dimensions of eco-label, eco-brand and eco-advertisement, which are used as independent variables in this study. Previous research has focused on highlighting the important role that three aspects of green marketing tools play in influencing green purchasing behavior (Hessami, et al. 2013).

Eco-label

An ecolabel is a label that identifies the overall environmental priority of a product (such as goods or services) within a product category based on life cycle considerations (Boztepe, 2012). An ecolabel is a sign or claim that a company has considered the environmental impact of various production or distribution methods (Haery, 2013). Ecolabeling refers to the use of green product labels by economic operators when advertising their products (D'Souza et al., 2007). Labels can range from small pieces of paper to intricate graphics that are part of product packaging.

In some cases, sellers may want a blank label, but in many courts they usually have to provide additional information according to a set of rules (Kotler & Keller, 2012).

Eco-brand

An eco-brand can simply be interpreted as a name, symbol or product design that does not harm the environment. Eco-Brand's branding allows marketers to differentiate the products consumers want from others (Rahbar & Wahid, 2011). The eco-brand itself involves positive communication and differentiates the brand from its competitors by its eco-friendly attributes (Chen & Chai, 2010).

Environmental Advertisement

Environmental advertising is defined as an attempt to share information about the business environment (Ali & Ahmad, 2012). Green advertising is advertising aimed at promoting the social, economic and environmental benefits of products in order to shape environmentally conscious consumer values and behavior (Amoako, 2022). Green advertising refers to searches that include green her messages that target the environment, environmental sustainability, or the needs and desires of environmentally conscious stakeholders (Jain & Kaur 2006).

Consumer Buying Decision Process

According to Peter & Olson (2012), the definition of a buyer's decision (purchase decision) is to identify all possible options for solving a problem and to systematically identify options and their respective advantages and disadvantages. is to set a goal for Objective assessment (Novianti & Sulivyo, 2021). According to Kotler & Keller (2012), the five buyer decision processes are: Identifying problems, gathering information, evaluating alternatives, making purchase decisions, and subsequent purchase behavior.

Eco-label and Purchase Behavior

Environmentally friendly products are products that influence consumer buying behavior (consumer buying behavior) and are the subject of serious debate among environmentalists, government officials, manufacturers and consumers. It is gain. According to Chan & Lau (2002), ecolabels have a significant impact on consumer willingness to purchase eco-friendly products. Research by Grant (2008) shows that environmentally friendly products have a positive and significant impact on consumer engagement, which in turn influences consumer purchasing decisions. A study by Syahbandi (2012) found that environmentally friendly products influence consumer choices and that these environmentally friendly products are positively associated with consumer choices regarding those products. rice field. Results of a study by Delafrooz et al. (2014) showed a positive and significant impact on consumer purchasing behavior among ecolabels. Based on our review of previous research studies, we can make the following hypotheses:

H1: Eco-label has positive and significant impact on purchase intentions;

H5: Eco-label has positive and significant impact on purchasing behavior through purchase intentions.

Eco-brand and Purchase Behavior

A Bhatnagar study (2012) shows that eco-branding variables influence consumer buying behavior. The results of Jan et al. (2019) found that green marketing tools with eco-

branding had a very positive impact on the structure of consumer purchasing decisions. The results of Delafrooz et al. (2014) showed that eco-brand variables have a large positive impact on consumer purchasing behavior. Zhang & Zhao (2012) showed in their study that the hypothesis regarding the impact of eco-branding on actual consumer purchases was positive and significant, so the hypothesis was accepted. Based on our review of previous research studies, we can make the following hypotheses:

H2: Eco-brand has significant positive impact on purchase intentions;

H6: Eco-brand has positive and significant impact on purchasing behavior through purchase intention.

Environmental advertisement and Purchase Behavior

Promotion of products and services to the market can be done through advertising, public relations, promotion, direct marketing and on-site advertising (Dewi. et al., 2021). Smart green product sellers can build trust in their green products by using sustainable marketing and communication tools and practices (Haery, 2013). Abdul & Muhmin (2007) found in their research that green advertising has a significant positive impact on consumer engagement and influences consumer purchasing decisions from businesses. Leo. (2013) found in their research that green advertising as a green marketing tool has a positive and significant impact on the structure of consumer purchasing decisions. Checkmark etc. (2016) In their study, the hypothesis regarding the effect of environmental advertising on actual consumer purchases was proved to be acceptable because the effect was positive and significant. Ashok & Aswathanarayana (2018) found that green advertising is an important factor in persuading consumers to purchase products. Joshi & Rahman (2015) showed that environmental advertising influences purchase intent. Based on our review of previous research studies, we can make the following hypotheses:

H3: Environmental advertisement has a significant positive impact on purchase intention;

H7: Environmental advertisement has a positive and significant impact on purchasing behavior through purchase intention.

Purchase Intention and Purchase Behavior

Purchase intention can generate purchase behavior from the consumer's experienced interests (Dewi. et al., 2022). In the interest stage, consumers like a particular product and want to own it, so positive beliefs about the product lead to purchasing decisions (Sulivyo & Tessa, 2020). Purchase intent is a variable that influences purchase behavior (Sulivyo, et al, 2019). Based on this description, the research hypotheses are:

H4: Purchase intention has a significant positive impact on purchasing behavior.

METHODS OF RESEARCH

There are five variables in this survey. Eco-label, eco-brand, environmental advertising, purchase intention, purchase behavior. The sample for this study consisted of his 293 consumers of product X. The analytical method for this study was Partial Least Squares (PLS) analysis. Partial least squares (PLS) analysis was performed through secondary data acquisition and hypothesis testing.

RESULTS AND DISCUSSION

Validity test

A convergence validity test is declared valid if the value of the load factor is greater than or equal to 0.3. On the other hand, the validity of the discriminant is determined from the AVE value and declared valid if it is greater than or equal to 0.5. The convergence validation results are shown in the following table.

Table 1 – Outer Loading

n/n	Eco Brand	Eco Label	Environmental Advertisement	Purchase Behavior	Purchase Intention
EA1			0,993		
EA2			0,985		
EA3			0,991		
EB1	0,974				
EB2	0,982				
EB3	0,982				
EL1		0,949			
EL2		0,964			
EL3		0,951			
PB1				0,957	
PB2				0,966	
PB3				0,971	
PI1					0,955
PI2					0,915
PI3					0,936

The maximum load factor for eco brand statement items is 0.982 and the minimum is 0.974. Ecolabel declaration articles have the highest Impact Factor value of 0.964 and the lowest of 0.949. The environmental statement item has a maximum stress factor of 0.993 and a minimum of 0.985. The description of purchasing behavior has a maximum loading factor of 0.971 and a minimum loading factor of 0.957. Intent articles have a maximum load factor of 0.955 and a minimum of 0.915. After testing convergence validity, examine the AVE values to test discriminant validity.

Table 2 – Average Variance Extracted (AVE) and Cronbach Alpha

n/n	Cronbach's Alpha	Average Variance Extracted (AVE)
Eco Brand	0,979	0,960
Eco Label	0,951	0,910
Environmental Advertisement	0,986	0,973
Purchase Behavior	0,959	0,924
Purchase Intention	0,906	0,843

Based on Table 2, the AVE score for each variable is greater than 0.5, so all propositional elements are discriminatively valid. Instrument reliability checks were tested with Alpha Cronbach analysis. Cronbach's alpha is the average of all parts of the coefficients resulting from the various divisions of the scale term. Based on Table 2, the Alpha Cronbach value for each variable is greater than 0.7, so we can conclude that the statement position for each variable is reliable.

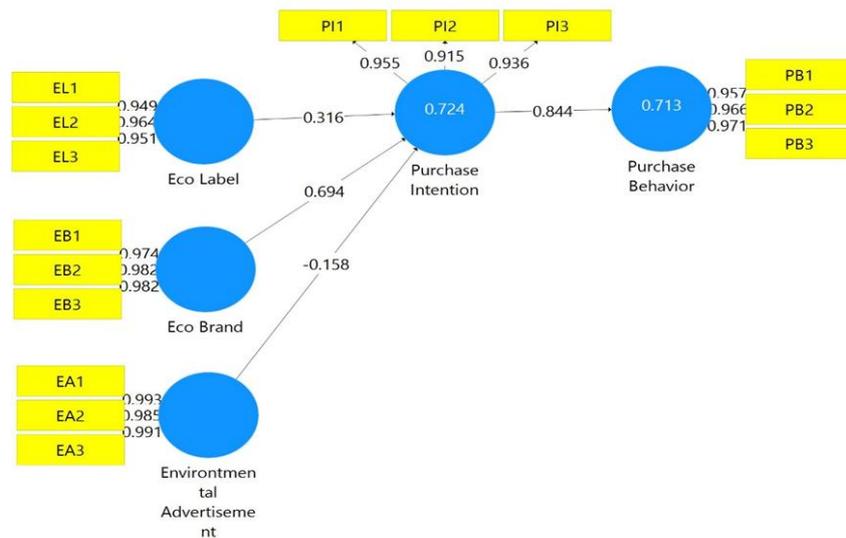


Figure 1 – Conceptual Framework

Table 3 – Hypothesis Testing Summary

n/n	T Statistics (O/STDEV)	P Values
Eco Brand -> Purchase Intention	6,688	0,000
Eco Label -> Purchase Intention	2,574	0,010
Environmental Advertisement -> Purchase Intention	1,297	0,195
Purchase Intention -> Purchase Behavior	33,051	0,000

Based on table 3, the p-value for hypothesis 1 is 0.010 <0.05, meaning that there is an eco-label effect on purchase intention. The p-value for hypothesis 2 is 0.000 <0.05, meaning that there is an eco-brand effect on purchase intention. The p-value for hypothesis 3 is 0.195 > 0.05, meaning that there is no effect of environmental advertisement on purchase intention. The p-value for hypothesis 4 is 0.000 <0.05, meaning that there is an influence of purchase intention on purchase behavior.

Table 4 – Mediation Hypothesis Testing

n/n	T Statistics (O/STDEV)	P Values
Eco Brand -> Purchase Behavior	6,609	0,000
Eco Label -> Purchase Behavior	2,660	0,008
Environmental Advertisement -> Purchase Behavior	1,334	0,183

Based on table 4, the p-value for hypothesis 5 is 0.008 <0.05, meaning that there is an eco-label effect on purchase behavior mediated by purchase intention. The p-value for hypothesis 6 is 0.000 <0.05, meaning that there is an eco-brand effect on purchase behavior mediated by purchase intention. The p-value for hypothesis 7 is 0.183 > 0.05, meaning that there is no effect of environmental advertisement on purchase behavior mediated by purchase intention.

CONCLUSION

Based on the findings, it can be concluded that the ecolabel has a positive and significant impact on consumer purchasing behavior for product X. This means that accurate information, the use of environmentally friendly products, and easy identification will encourage consumers to continue to purchase. Eco-brands have a significant positive impact on consumer purchasing behavior for product X. This means that using the right brand logo that features eco-friendly products can further improve consumer buying behavior. Environmental advertising does not have a significant positive impact on consumer purchasing behavior for product X. This means that the use of promotional tools is inappropriate and inconsistent with the image used to drive consumer buying behavior.

The results of this study support the role of environmentally oriented marketing stimuli in purchasing decisions. As consumers become more conscious of environmental sustainability, they are more likely to buy products that match the value they seek. When consumers want natural products, we minimize waste and care about environmental sustainability. Therefore, businesses need to be able to further improve these factors to generate profits and drive consumer purchasing decisions. Based on the conclusions, recommendations can be made to management to strengthen the environmental brand by enhancing the brand information as a more attractive environmental product for consumers. Environmental advertising practices are being reassessed to be more effective by working more closely with communities and nonprofits as an information guide for consumers to make purchasing decisions.

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