

The Influence of Green Campaign Towards Consumer Purchase Intention

A Study of “X” Coffee Shop in Jakarta

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ABSTRACT

Green Campaigns are used to expose any environmental issues to the societies and at the same time to give knowledge about the awareness of green behavior on the environment and will later lead to the intention of purchasing green products. However, as a report stated, 86% percent of the adult population in Indonesia who live in big cities like Jakarta are still not familiar with the need for a company to conduct business activities in an environmentally friendly manner. Furthermore, a previous study stated that consumers still do not realize that the coffee they enjoy from “X” is a green product. It also can be concluded that environmental-based consumer behavior has not been well formed, other than that, consumers still have less knowledge of public awareness about Go Green's business. Thus, the purpose of this research is to find the influence of green campaigns towards consumer purchase intention. This research uses surveys by distributing a total of 253 questionnaires from consumers who previously ever visited "X" coffee shop in the Jakarta area in order to gain the data. Then, the data proceed through the SPSS system to test the validity, reliability, classical assumption, and single regression analysis. Based on the research findings, it reveals that from three indicators, attitude has the most significant impact. Furthermore, the result of this study indicated that green campaign has an impact of 34.2% towards consumer purchase intention.

Keywords: *Consumer purchase intention, Green behavior, Green campaign, Theory planned Behavior.*

1. INTRODUCTION

Indonesia is one of the countries with the largest population around the world and also one of the countries with the largest waste producer with the number of 64 million tons of waste every year [1]. However, the growth of the “green” movement has rapidly increased in this decade because of the technology that is also growing rapidly that affects people to be more aware of the environmental issues [2]. Along with this, some concepts such as green campaigns are employed. People and consumers become pro-environmental in their behavior because they are worried and concerned about the environmental issues by implementing the pro-environmental behavior by changing their living pattern and start using environmentally friendly products and these are the reasons why recent companies or industries do care and highly think of the eco-friendly environment in producing, marketing, and selling their products [3]. The environmental issues such as climate change, global

warming, and plastic waste forced business stakeholders or companies to be wiser of using natural sources and forced them to be more into using environmental-friendly products [4].

the primary stakeholders for service companies like hotels and restaurants are consumers, consumers will make the decision that affects and leads to the goals and achievements of the company itself [5]. Regarding the topic of this research, nowadays consumers are preferring to deal and purchase to companies that have products with eco-friendly and are less harmful to the natural sources and environment. Therefore, some service companies like hotels and restaurants are motivated enough and have a sense of willingness to move forward to be more pro-environmental because the significant number of consumers can be seen to give support to the company. The rise of global environmental issues in recent decades has motivated companies to produce more eco-friendly products, but there are still companies that produce pollution and use a material that is difficult to

recycle or using natural sources for the products they sell and this situation is damaging to the earth [5]. Usually, eco-products have a label that shows the products are made with respect and safety for the environmental aspects.

Based on previous studies [7], consumers are willing to pay a higher or extra price for eco-friendly products and it is an opportunity for any business or company. Therefore, it will be a great possibility and opportunity for businesses and companies to have more consumers who prefer and are willing to buy eco-friendly products and as a value proposition for themselves. Consumer behaviors are one of the biggest impacts on the intention of purchase, purchasing process, and also the perception of the products. Hence, changing human behavior is needed for the continuity of the environment and go green campaign concept is used for this way. Also based on previous research knowledge and education about green products are the major factors that could influence green consumers on purchasing products [1].

However, according to, 86% percent of the adult population in Indonesia who live in big cities like Jakarta are still not familiar and also do not know the need for a company to conduct business activities in an environmentally friendly manner [8]. Meanwhile, one of the provinces that contributes the most waste in Indonesia is Jakarta with a number of 7,400 tons of waste every day [9]. Indonesian people still do not care about being environmentally friendly, especially if they know and feel that there are no benefits when they have to be environmentally friendly.

Furthermore, according to a previous study consumers still do not realize that the coffee they enjoy from "X" is a green product. It also can be concluded that environmental-based consumer behavior has not been well formed, other than that, consumers still have less knowledge of public awareness about Go Green's business [7].

2. RESEARCH METHOD

The type of study that will be used in this research is descriptive research as it aims to systematically describe the existing case under the study by using quantitative analysis or also known questionnaires.

2.1. Population and Samples

The population for this research will only consist of consumers who ever visited and made a purchase from "X" in Jakarta, so the sampling method is non-probability or judgmental sampling, in which people are selected in order to provide information that cannot be obtained from other choices. Using Hair et al formula, for this research, the minimum sample is 270. However, after spreading the questionnaires to all respondents, the respondents

who passed the screening questions are only 253, and those 253 respondents are used for this research. For the pre-test, the questionnaires are spread to 32 respondents

2.2. Data Collection and Analysis

Both primary and secondary data are used for this research. The primary data collected through questionnaires as it is a quantitative collection method, while the secondary data collected through previous studies, articles, journals, government publication, and book. Descriptive data analysis is using questionnaires as its data. This method will identify which statements or questions are agreed the most or agreed the least by the respondents. The result will be beneficial for making future recommendations for the company, consumers, and future research.

Next, the data proceed through the SPSS system to test the validity, reliability, classical assumption, and single regression analysis to make sure the statements or questions are qualified for the research and can be used for future research with similar topics or variables. If the Pearson correlation is above the minimum R table, then the statements or questions considered valid, for this research the R table will be 0.3494 for pre-test, and 0.1234 for post-test. Moreover, for reliability the test must be above the minimum Cronbach α which is 0.70 to be considered as a reliable questionnaire.

Next will be the Classical Assumption Test which is the Normality Test, Heteroscedasticity Test, and Hypothesis Test. Normality Test used to find out whether the dependent variables and the independent variables both have normal distribution or not. In this test, the normality test is using Kolmogorov Smirnov where the value of sig must be higher than 0.05, then the data is normally distributed. Research can be categorized as good research if the data has a normal distribution [10].

Heteroscedasticity is conducted to test whether there is an inequality between one observation to other observations. If the probability value is $> 5\%$ (0.05) then heteroscedasticity is not detected and a good regression model usually does not occur heteroscedasticity [10].

For the Hypothesis Test, there are two tests which are F-test and T-Test. The F-test is known as the ANOVA Test, which is a test to see how the influence of all the independent variables together on the dependent variable, the model is significant as long as the column of F count $> F$ table, in which for this research, the F table is 3,89. Meanwhile, the T-test is known as a partial test, which is to test how the influence of each independent variable on the dependent variable, this test can be done by comparing T-count with T-table or by looking at the column of significance on each T count, the T test process is identical to the F test through the SPSS system.

Simple linear regression is a method to predict the connection or the value of a single dependent variable or variable Y towards a single independent variable or variable X with the coefficient of b0 and b1 of the linear model. It can be seen from the model summary table (R-square) which shows the impact given by the independent variable to the dependent variable, which in this research, the impact is 34.2% [11].

3. RESULTS AND DISCUSSION

3.1. Profile of the Respondents

Out of 253 respondents, 69% of them are female, 82% are in the age between 17-24 years old and 46% of them are students.

3.2. Descriptive Statistics

The following questions or statements below are the three most agreed by the respondents from independent variable: (1) The respondents think that green campaign that are held in "X" Coffee Shop is a positive campaign (Attitude); (2) The respondents will be an eco-friendly person (Attitude); (3) The respondents think that "X" green campaign is interesting to see (Attitude).

The following questions or statements below are the three least agreed by the respondents from independent variable: (1) The respondents find it difficult to be friendly with the environment (Perceived Behavioral Control); (2) The respondents know about "X" green campaign from their relatives (friends & family) (Subjective Norms); (3) Most of the respondent's relatives (friends & family) know about "X" green campaign (Subjective Norms)

3.3. Validity and Reliability Test (Pre-test)

After collecting the questionnaires that have been spread, the data are input to the SPSS system, the results are all statements or questions pass the validity test; all Pearson correlations from both variables are above 0.3494 minimum for pre-test, and 0.1234 for post-test, and the questionnaire pass the reliability test which both of the Cronbach α alpha of both variables are above the minimum 0.70.

3.4. Classical Assumption Test

The normality test is using Kolmogorov Smirnov in which the value of sig must be higher than 0.05, for this research the sig. number is higher than 0.05 means that the data has a normal distribution. As on the table 1, the sig. number is higher than 0.05 means that there is no heteroscedasticity in this research. The table above shows the result of the F-Test, the F-value is 130.621 which is way more than the stated on the F-table which is 3.89.

Table 1. Normality test in the classical assumption test

| Normality test | | |
|--------------------------|----------------|------------|
| | Residual | |
| N | 253 | |
| Normal Parameters | Mean | 0.00000000 |
| | Std. deviation | 4.97150849 |
| Most Extreme Differences | Absolute | 0.055 |
| | Positive | 0.047 |
| | Negative | -0.055 |
| Test Statistic | 0.055 | |
| Asymp. Sig. (2-tailed) | 0.064 | |

The table above shows us that the proposed hypothesis is accepted, as the T count number was 11.429 which is higher than the T table (1.984), and also the significance value is 0.000.

3.5. Simple Linear Regression

As shown on the table 2, the result above is the model summary of post-test that shows the R Square is 0.342 which can be concluded that the independent variable (Green Campaign) influences the dependent variable (Consumer Purchase Intention) by the percentage of 34.0%.

3.6. Cross Tabulation

As seen Table 2, it can be seen that all indicators of variable X have a correlation with variable Y yet on different levels. The result indicates that Pearson's sig was < 0.5. Moreover, the r^2 value percentage is coming from $R^2 = (R \text{ value})^2 \times 100\%$. The most to the least significant indicator that has an impact on variable Y is Attitude with the number of 32.83%, followed by Subjective Norms with the number of 30.25%, and lastly Perceived Behavioural Control with the number of 15.76%.

According to the table above, it shows that from the variable X which is the Green Campaign, the highest indicator is Attitude with the mean value 4.4901. This indicator has a question related to the campaign being a positive campaign. It shows that many people think that the green campaign that is held by the "X" coffee shop is categorized as a positive campaign. Also, the number of 4.4901 is included in the 5th Likert interval which is categorized as a very high impact.

The second highest is also from indicator attitude with the question related to someone who is willing to become an eco-friendly person with the mean value number 4.1818 and categorized in the 5th Likert interval as high impact.

Table 2. SPSS results for heteroscedasticity test, F-test, T-test, simple linear regression, and descriptive analysis

| Heteroscedasticity Test | | | | | |
|---|-----------------------------|---------------------|------------------------------|---------------------------------------|-------------|
| Model | Unstan- dardized | Coefficients | Standardized | t | Sig. |
| | B | Std. Error | Beta | | |
| 1 (Constant) | 2.87 | 0.887 | | 3.328 | 0.001 |
| Green Campaign | -0.018 | 0.015 | -0.074 | -1.172 | 0.242 |
| F-Test Result | | | | | |
| Model | Sum of Squares | df | Mean Squares | F | Sig. |
| 1 Regression | 3241.286 | 1 | 3241.286 | 130.621 | 0.000 |
| Residual | 6228.406 | 251 | 24.814 | | |
| Total | 9469.692 | 252 | | | |
| T-Test | | | | | |
| Model | Unstan- dardized | Coefficients | Standardized | t | Sig. |
| | B | Std. Error | Beta | | |
| 1 (Constant) | 27.479 | 2.051 | | 13.396 | 0.000 |
| Green Campaign | 0.399 | 0.035 | 0.585 | 11.429 | 0.000 |
| Simple Linear Regression Model Summary | | | | | |
| Model | R | R square | Adjusted R Square | Std. Error of the Estimate | |
| 1 | 0.585 | 0.342 | 0.340 | 4.98140 | |
| Descriptive Analysis (Y) | | | | | |
| Product Knowledge 1 | 253 | 1.00 | 5.00 | 4.1937 | 0.80057 |
| Product Knowledge 2 | 253 | 1.00 | 5.00 | 4.3794 | 0.83470 |
| Product Knowledge 3 | 253 | 1.00 | 5.00 | 4.4466 | 0.69159 |
| Product Knowledge 4 | 253 | 1.00 | 5.00 | 4.4545 | 0.68059 |
| Product Knowledge 5 | 253 | 3.00 | 5.00 | 4.3874 | 0.65477 |
| Product Knowledge 6 | 253 | 1.00 | 5.00 | 4.2253 | 0.74578 |
| Product Quality 1 | 253 | 2.00 | 5.00 | 4.2648 | 0.73802 |
| Product Quality 2 | 253 | 2.00 | 5.00 | 4.1344 | 0.81997 |
| Product Quality 3 | 253 | 1.00 | 5.00 | 4.2609 | 0.83757 |
| Brand Loyalty 1 | 253 | 1.00 | 5.00 | 4.1976 | 0.85477 |
| Brand Loyalty 2 | 253 | 1.00 | 5.00 | 3.9565 | 0.94810 |
| Brand Loyalty 3 | 253 | 1.00 | 5.00 | 3.7470 | 1.05749 |
| Total | 253 | 77.00 | 135.00 | 108.6482 | 13.51215 |
| Valid N (listwise) | 253 | | | | |

The table 3 is showing variable Y which is consumer purchase intention. It can be seen that the highest indicator in variable Y is product knowledge with the number of 4.4545 can also be included in the 5th Likert interval and has a very high impact, and the statement is that by using a green product, it can reduce the damage in the environment. The second highest indicator is also from product knowledge with the mean number 4.4466 and the statement is one way to protect the environment is by purchasing green products. The third highest indicator from consumer purchase intention is also product knowledge with the mean number of 4.3874 which is the statement that by purchasing green products, it is categorized as environmentally responsible. Out of

the 3 highest indicators, all of the 3 are from product knowledge which can be concluded that if people are gaining a lot of knowledge from the product, people are willing to purchase the products.

3.7. Discussion

The hypothesis of this study is as listed below:

- H10: Green campaign has no significant impact towards consumer's purchase intention
- H11: Green campaign has a significant impact towards consumer's purchase intention

Table 3. Cross Tabulation

| Indicators | Pearson chi-square (sig.) | Pearson's R (Symmetric Measures) | R ² (%) | Interpretation |
|--|---------------------------------|--|--------------------|-------------------------------------|
| Attitude --> Consumer Purchase Intention | 0 | 0.573 | 32.83 | Strong correlation, Moderate impact |
| Subjective Norms --> Consumer Purchase Intention | 0 | 0.55 | 30.25 | Strong correlation, Moderate impact |
| Perceived Behavioral Control --> Consumer Purchase Intention | 0.032 | 0.397 | 15.76 | Moderate correlation, Weak impact |

From three indicators in variable X, attitude is showing the most significant determinant. This finding corresponds to the study by Hosseinpour, Mohamed, Rezai, AbdLatif, & Shamsudin [12] indicating that the majority of the participants have positive attitudes towards the green campaign, while in this research the participants are showing positive attitude on “X” green campaign.

Therefore, by supplementing the research done by Maichum, Parichatnon, & Peng [13], attitude is the factor that has the most significant impact on consumer purchase intention for eco-friendly products and it is concluded that consumer’s purchase intentions are depended on their environmental attitudes which in this research depend on the green campaign that is held by “X” coffee shop.

Additionally, based on the result, subjective norms also play a role in affecting consumer purchase intention. The result of this research is in accordance with previous study [13] even though the result is not particularly the same.

Lastly, the result of perceived behavioral control is not showing a significantly high number however, the questions are related to people who felt it was difficult to be an eco-friendly person. In fact, it is shown that most of the respondents find it not too difficult to act as an eco-friendly person [13]. This relationship has an influence from the "X" green campaign because perceived behavioral control is considered a good indication of the respondent’s intentions to purchase.

4. RECOMMENDATION

4.1. Management

X" Coffee needs to be more intense to promote its campaign by providing more accurate and detailed information about the programs and products they are offered and educating consumers with the green campaign applied. Such information can increase consumer knowledge and awareness as well as making consumers easy to evaluate their products and influences their intention to purchase.

First, collaboration with influencers, artists, or brands that are closely related to eco-friendly or pro-environmental behaviour or products that make consumers interested in the concept. Previous research stated that by using an artist or influencer, it will boost consumer interest and trust to the brand because the consumers believe in the artist or influencer as their fans.

Second, create a challenge and giveaway for the consumers also through social media (Instagram) as already known that “X” Instagram is always up-to-date and often posted a content and previous research stated that Instagram accounts who hold challenge and giveaway will grow 70% faster than those who don’t. Also this concept conducted topic which eco-friendly activities and pro-environmental manner such as clean table after use and separate the waste based on its type, it is expected that this activities will create consumer habit to do eco-friendly activities not only in the “X” stores but in all places such as streets, indoor places, outdoor places, etc. The consumers will later get the prizes if they join the challenge and follow all the regulations such as tumbler or voucher this also known as giveaway. It will be a great opportunity for “X” company and it will boost the consumers' intention and interests. Third, realization of other innovations for the environment such as Plant-Based menu and NextGen Cup.

Plant-Based Menu, based on The Good Food Institute, consumer interest in vegetarian or the food that have plant-based ingredients grows 29% over the past two years. Starbucks introduced a new innovative food and beverage menu with plant-based ingredients across key platforms such as food, cold brew, espresso, etc. and it’s already implemented in various countries outside Indonesia such as the United States, Canada, China, etc. Meanwhile in Indonesia, this method can be implemented and carried out as environmentally friendly manners and boost consumer interest and increase “X” sales.

NextGen Cup, “X” company is on its journey to develop a more recyclable and compostable hot cup which is expected to be implemented in the year 2022. This innovation will firstly be implemented in countries outside Indonesia; however, it will be easier for “X” companies in Indonesia to follow the innovation. This

innovation is designed to provide insights and learnings for partner and consumer with the goal of no noticeable differences in performance between the new cup and current cup. Furthermore, it is expected that the future cup can be recycled more readily than the current cup. After the overall recommendation, "X" Coffee is expected to keep maintaining and always evaluate each program that is carried out.

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