Does Green Advertising Matter to Purchase Intention?  
A Study of Indonesia Green Family Business  
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ABSTRACT  
Green marketing has acquired popularity in recent years, especially during the Covid-19 pandemic. The increasing consumer fear of virus transmission caused the upsurge of health and environmental concerns. Green marketing proposes a way to satisfy customer needs and maintain the environmental sustainability. It becomes a consideration for all the companies to practice green, including the family business. Apart from pursuing profit, family businesses explore eco-friendly products because they care about their heirs. They are hoping the next generation can experience a friendly environment. Despite the great opportunities of green products, changing consumer buying behavior is not easy. The study’s goal is to assess the impact of green advertising variables on green family business purchase intentions in Indonesia. Green advertising is a marketing approach that promotes environmental benefits based on consumer outlook. Green advertising elements such as claim believability, relevance, advertisement information, and attitudes toward commercials are thought to influence green product purchase intention. The results depict that all the factors significantly affect purchase intention in Indonesia green family business. According to this study, green family businesses should organize a deep dive into promotional content to sustain and strengthen the credibility of their promises. The green family business should concentrate on how the items help the buyer to make advertisements more relevant. They must also obtain favorable responses through green campaigns to raise environmental awareness and consumer participation.

Keywords: Covid-19, Indonesia Green Family Business, Green Marketing, Green Advertising, Purchase Intention.

1. BACKGROUND

The vital issues about environmental detriment are rising in the recent period. Improvements in the manufacturing and industrial sectors have a severe long-term impact, especially on the environment [1]. In addition, the occurring the coronavirus disease 2019 (Covid-19) pandemic is creating catastrophic consequences on almost all sectors worldwide. Some research uncovered that people might adapt their values and behavior to manage their agonize or anxiety [2],[3]. The outburst of Covid-19 was closely linked with environmentally destructive actions [4]. Environmental problems promote environmental concern, thus changing customer behavior and buying patterns [5].

In recent times, buyers are more aware of the product they consume. Customers spend more to get high-quality goods. Green consumerism has emerged, customers are more conscious of acquiring viable, secure, and environmentally friendly products [6]. Dande's [7] research indicates that environmental problems will increase the public's attention and makes the manufacturing considered to produce and sell environmentally friendly products. No exception for the family business. The family business has a distinctive value from other businesses. Not only consider financial incentives, but also the succession of their business [8]. They want to provide their descendants with a good life and environment.

Many businesses utilize marketing tactics to raise awareness of environmental issues in order to attract customers' attention. Green or ecological marketing is among the organization's techniques to enforce company social and environmental obligations. Green or ecological marketing is construed by the American Marketing Association [9] as a set of marketing...
actions designed to encourage and sustain environmentally beneficial consumer behavior.

One of the gears of green marketing is green advertising. Prakash [10] figures green advertising to promote products using environmental claims, attributes, structures, rules, and tactics. Well-communicated green advertising will help the brand thrust into buyers' minds. A green brand is a technique to indicate that the brand focuses on both profit and environmental components [11]. According to Pujari et al. [12], Green advertising and marketing has a good impact on the firm.

Purchase intention is one of the essential principles that organizations should consider. Purchase intention, according to Bosnjak et al. [13], is a habit and desire that motivates people to shop for a product. The desire of a person to commit to activities that encourage environmental friendliness is known as green buying intention [14]. Consumers will be influenced to buy environmentally friendly products if they have any intention or interest in doing so, as well as if they are encouraged to learn about the benefits of doing so and have a willingness to connect with the environment [15].

Knowing what factors drive green purchase intention is essential for the company. According to Ahmad et al. [16], various aspects, including as the trustworthiness of claims, relevance, attitudes toward commercials, and information in advertisements, encourage green buying intention. Zhu [17] proclaims that claims plausibility is a reliable source and the message is delivered and devised. Relevance is related to the advertisement's connection with environmental issues. Handriana and Wisandiko [18] outline attitudes towards advertisements as consumer emotions and evaluation of the commercials. The attitude towards advertisement relies on the material contained in ads. If a person is optimistic about the commercial, they can acquire its message. The information given in the advertisement should expose the relation of the product and environment to gain customers' interest. Based on that, the research aims to analyze the role of the factors to green buying intention.

2. LITERATURE REVIEW

2.1. Green Family Business

A family-owned firm is characterized by family members’ participation in decision making both strategic and tactical. Its activities intersect between family and business [19]. The family-owned businesses' goals are to gain profit and sustain the environment [20]. This business is more likely to endorse ecological behavior than a non-family business [21]. The company practice green to inherit a better place for their successors.

2.2. Green Consumer Behavior

Peattie [22] defined green consumer behavior as buying selections, usage, after-use, home control, collective conduct, customer exertion, and it reflects a variety of environmental concerns. Green behavior is often associated with green consumption or acquiring products that do not pollute or harm the natural environment, according to Paço et al. [23]. Green conduct is also associated with an experience of social concern and social obligation. Customers' attention to environmental issues and a preference for environmentally friendly items drive eco-friendly consumer behavior.

Understanding consumer behavior in green advertising necessitates knowledge of customer profiles, green consumer category identities, factors that impact green spending, decision-making techniques, and willingness to pay [22]. It is vital to apprehend the green customers and the components that impact their buying decisions and behavior.

2.3. Green Marketing

Green marketing is an attempt to develop a long-term, aggressive corporate structure that is socially and environmentally beneficial. Green marketing is divided into three aspects by Choudhary and Gokarn [24]. Firstly, green marketing promotes products that are deemed environmentally friendly. Secondly, it is the development and promotion of products to reduce undesirable effects on the physical environment or enhance their particular qualities [25]. Thirdly, an entity's effort is to provide, sell, package, and recover items in an environmentally conscious or sensitive manner.

2.4. Green Advertising

Green advertising is a type of green promotion that helps businesses improve their sustainability [26]. Green advertising is a method of eliciting client intentions for product consumption while also contributing to environmental sustainability [27]. As shown in a study by Gupta and Kaur [28], an appealing style of advertising incorporates
environmental considerations to attract new customers and keep existing customers shopping for green products. To be inferred, the goal of green advertising and marketing is to modify customer buying habits while maintaining customer loyalty.

Many commercial areas have begun to use mass channel of communication to illustrate the eminence and capacity of non-polluting products with notable characteristics. To draw the target audience, the enterprise should have a connection between company value and product expense, which concerns environmental and social responsibility problems.

2.5. Green Advertising Factors

Green marketing, in practice, contains components that may influence behaviors and attitudes toward ecological marketing. Ahmad et al. [16] identified characteristics that influence purchasing intentions, including claim believability, relevance, attitude toward commercials, and commercial information.

2.5.1. Credibility of Claim

In step with Zhu [17], claim credibility in green advertising performs a crucial function. Consumers’ perceptions of the product and the ad are influenced by the trustworthiness of claims. Additionally, environmental claims in advertising efforts aimed at gaining a competitive advantage [29]. The role of green advertising claims is to differentiate products and add value. If the origin of the claim is reliable, it could affect customer trust. Green claims grab customers' positive reaction to manufacturers and their tendency to appreciate the company's effort to maintain the environmental elements.

2.5.2. Relevance

Following Ahmad et al. [16], green advertising's relevance is advertising that is applicable, significant, suitable, and vital to the people. It needs to follow the desires of target customers and current environmental situations.

There are two categories of green advertising's relevance [30]. The initial is the product's environmental relevance, and the following is pro-environmental customers' relevance. The belief in the product's compatibility with environmental challenges, such as resource depletion, contamination, or natural life deterioration [30], is reflected in its ecological significance. The relevance of pro-environmental consumer orientation referred to consumers' concerns about present-day environmental issues.

2.5.3. Attitude Towards Advertisement

Customers' attitudes regarding commercials are how they act or react to advertisements. An advertisement enthusiast consumers responded favourably to green advertisements, in obedience to Ahmad et al. [16]. This consumer will easily be influenced by green advertising. On the other hand, indifferent customers will have difficulties responding to green advertising. This consumer will easily be influenced by green advertising. On the other hand, indifferent customers will have difficulties responding to green advertising.

Attitudes towards green marketing also are stimulated by robust claims towards environmental problems. It is because those claims will have an effect on customer attitudes about the significance of environmental problems. When presented with an advertisement, customers develop affection and cognition, which influence their attitude toward commercials and their notion of the brand [7].

2.5.4. Information in Advertisement

There are two forms of environmental information. The first is that customers should be knowledgeable to be aware of the side effect of the product on the surroundings. The second is the consumer's erudition in the eco-friendly production of the product [16]. Green advertising informs viewers about the implications of global sustainability and the consequences that consumer spending has on the environment. Environmental advertising, often known as green marketing, presents insight into eco-friendly products so that consumers can decide to choose whether or not to purchase them [31].

2.5.5. Purchase Intention

Intentions are aspirations to do something referred to as planning decisions. Purchase intention is referred to as a product buying purpose during the buying process. It is related to the consumer's preference or cognitive behavior that exhibits their intention to buy a specific brand [32]. Purchase intention is typically associated with consumer behavior, perceptions, and attitudes [33].
3. RESEARCH FRAMEWORK AND HYPOTHESIS

A hypothesis represents temporal presumption to a research problem [34]. It can be empirically proven or supported by facts in field research.

Credible claims can create a positive perception if only the information presented is clear, concise, and based on facts. A plausible and sensible claim can raise its veracity and consumer purchase intent. Truthful claims have a substantial impact on a customer's decision to buy.

H1: Purchase intention influenced by credibility of the claim

Green advertising needs to be relevant to the solutions of environmental issues that a product's offered. Ahmad et al. [16] found that green advertising gains a positive consumer response when the advertising is pertinent to environmental protection.

H2: Purchase intention influenced by relevance

Attitude towards commercials is a susceptibility to react favorably or unfavorably to advertising incentives. One's perception towards advertisement whether positive or negative will stimulate their purchase intention.

H3: Purchase intention influenced by attitude towards advertisement

Information in advertisement implies the procedure over consumers' recognition, both content, and context. When consumers regard it as informative and represent the product as eco-friendly, it will increase their intention to buy.

H4: Purchase intention influenced by information in the advertisement

The hypothesis model arranged as follows:

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4. METHOD AND RESULTS

4.1. Data Collection and Procedure

This study uses purposive sampling as part of the nonprobability sampling by determining some considerations [35]. The reason is that not all the samples suit the phenomenon under study.

4.2. Measures

The Likert scale was used to gauge the respondents' level of agreement on the variables. The scale is four-point where 1 = Strongly Disagree; 2 = Disagree; 3 = Agree; 5 = Strongly Agree.

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4.3. Data Analysis

Quantitative research methods regard as a research approach based on the concept of positivism. It's utilized to research specific populations or samples. There are several statistical tests carried out in this study:

4.3.1. Validity Test

The study employs a validity test to measure the questionnaires are valid. It is done by comparing the value of r-count and r-table. If the r-table is less than the r-count (At a significant level of 5 percent) and the r-count has a positive value, it can assume "valid".

The sample number of the study is 250. The results show that the r-count is more than the r-table.
of 0.1241, and the significant value is less than 0.05. In short, all questions are valid.

4.3.2. Reliability Test

To assess the instrument's consistency, a reliability test was carried. It is considered reliable if the respondent's answer is stable at different times. A variable is reliable if Cronbach Alpha value > 0.60. If Cronbach Alpha value ≤ 0.60, the variable is unreliable. The result depicts that Cronbach's Alpha value is more than 0.60, which is 0.901. In conclusion, the instrument is reliable.

4.3.3. Normality Test

Normality test aims to measure the residual variables distributed normally. It implies that biased possibility is decreasing. The test was carried out by comparing the Kolmogorov-Smirnov value's probability with 0.05. It is normally distributed if the probability of the coefficient value is greater than 0.05. The test output exhibit that the asymptotic significance 2-tailed is 0.083 or greater than 0.05. As a result, the data distribution can be assumed to be normal.

4.3.4. Heteroscedasticity Test

The heteroscedasticity test determines whether there is a divergence variance in the regression model from one observation's residual to another. The presence of heteroscedasticity can be acquired with a significant level of 5%.

The scatterplot shows that the data points disperse around 0 and not in a wavy pattern. As a result, no heteroscedasticity can be deduced.

4.3.5. Multicollinearity Test

The multicollinearity test is used to ascertain whether or not the independent variables are related. A satisfactory regression model requires dissociating independent variables. The multicollinearity test was executed by examining the tolerance and variance inflation factor (VIF). If the VIF value is greater than 10 and the tolerance value is less than 0.1, multicollinearity occurs.

The overall tolerance value more than 0.1 or the VIF value more than 10 are shown in Table 2. Finally, there is no evidence of multicollinearity among the independent variables.

4.3.6. T-test

The study uses a t-test to evaluate the proposed hypothesis. The test describes the influence of an independent variable on the dependent variable. The hypothesis accepted if P-value ≤ 5% means that the independent variable has a significant effect on the dependent variable. However, if the P-value is> 5%, the hypothesis is rejected.

The results of the t-test describe as follows:
1. Credibility of claim has a significant and positive effect on purchase intention.
2. Relevance has a significant and positive effect on purchase intention.
3. Attitude towards advertisement has a significant and positive effect on purchase intention.
4. Information in advertisement has a significant and positive effect on purchase intention.

4.3.7. Goodness of Fit (F-test)

The F-test is useful to evaluate the model accuracy (model's goodness of fit). It can be achieved with a significant level of 5%. If P-value ≤ 5%, it means that the model is accurate.
The F count result is 53.356, with a p-value of 0.000. In conclusion, there is a simultaneous influence on Purchase Intention of claim’s credibility, relevance, attitude toward commercial, and commercial information.

4.3.8. Determination Coefficient Test (R Square)

The ability of the model to explain variations in the independent variable is measured by the coefficient of determination (R square). The better the regression model's outcomes, the higher the R square (near to 1).

Cronbach Alpha value ≤ 0.60, the variable is unreliable. The result depicts that Cronbach's Alpha value is more than 0.60, which is 0.901. In conclusion, the instrument is reliable.

4.3.9. Linear Regression Test

The effect of independent variables on the dependent variable is investigated using multiple regression analysis. The following is a formula for the regression equation:

\[ Y = 0.170X1 + 0.239X2 + 0.288X3 + 0.347X4 \]

The equation shows that the claim's trustworthiness, relevance, attitude toward the advertisement, and information in the advertisement all have a favorable impact on purchase intent.

5. DISCUSSION

The findings corroborate Ahmad et al. [16] and Zhu's [17] research. The credibility of the claim has a considerable and favorable impact on purchasing intent. It demonstrates that the more credible the claims in the green advertisement will increase consumer purchase intention. If the consumers perceive that the claim is truthful, they will be intended to buy. When the advertisement can convince the consumer that their product takes parts to preserve the environment, the consumers will be interested buy the product.

The study reveals that relevance has a significantly positive effect on purchase intention. The green advertisement with higher relation to the environment’s current issue will increase the consumer purchasing intent. The advertisement should assure that the products can bring a solution to solve the ecological problem.

The research output shows that attitude towards advertisement has a significantly positive effect on purchasing intent. It can be inferred, when the consumer respond positively to the commercial it will strengthen their motives to buy the product.

The result of the analysis indicates that the information in advertisements has a significant and positive influence on purchasing intent. It amplifies the essential role of information in advertisements. Commercial provides specific details about the product and the solutions offered to help people in the buying process. An informative advertisement will persuade the consumer to buy the product.

6. IMPLICATION

Some recommendations to improve the purchase intention based on the findings are proposed. The green family business needs to retain the credibility of the claim. It should identify the main contribution of the advertisement to the environment. It is crucial to consider the distinction of the claim to reduce misleading interpretation of the claim.

Furthermore, the green family business should maintain the advertisement relevance. It can be translated that the advertisement should have a close connection with the environmental issue and the solution. The green family business needs to deepen the environmental topic and choose keyword or content that represents it. The advertisement has to catch the consumer's preference and their tendency to pay attention to the environmental problem then expose it to the advertisement.

For the consumer, advertisement is one of the information sources. Advertisement is a medium to transfer a message from the company to the consumer. To improve the information in the advertisement, the green family business should highlight the needs of the consumers about ecological issues. The information should present how the product is vital and act as the solution for the environmental crisis.

An attractive and aptly advertisement can stimulate the consumer to have a closer look and encourage them to pay more attention to the advertisement. A well-packaged advertisement will help the consumer to be connected and want to involve with the product. Moreover, it will affect their positive attitude towards advertisements.
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