The Influence of Customer Attitude towards Customer Purchase Decision by Implementing Green Marketing

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Abstract

Indonesia has been taking serious attention concerning the disposal of plastic waste in the ocean. Terrible data concerning plastic trash in the Ocean, harm and kill lots of animals around the ocean where plastic waste was found in the stomach of the sea animals. The purpose of this study is to analyse and implement green marketing in the fast food restaurants to promote and educate customers about the dangers of using plastic products and reduce them from the fast food restaurants. The research is to analyse the customer awareness and attitude towards their purchase decision in relating to green marketing as the intervening variable. The data collection is done through distribution of questionnaire, where the population is consisted of customers from KFC restaurants in Jakarta, Indonesia. This is a descriptive and verification research; the descriptive methods are based on assessment analysis and the verification methods are based on quantitative analysis. The sample determination is done through Simple Random Sampling and the analysis technique is using Partial Least Square (PLS). The results show that customer awareness and customer attitude have positive and significant effect towards green marketing and consumer behavior has the most significant influence towards green marketing compared to consumer attitude. The results show that the KFC customers’ awareness concerning the plastic waste is still low even though they understand the danger of the plastic waste, but gradually based on their behavior it starts to increase after implementing green marketing and to educate them the danger of plastic waste and the limitation of plastic products in the restaurants.

Keywords:
Customer awareness
Customer attitude
Green marketing
Purchase decision.

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1. Introduction

Indonesia is a country that has the largest island in the world, with the total of around 17,508 islands including large and small islands. Beside the vast of marine potential, Indonesia also has enormous natural and energy resources. With its vast marine potential, Indonesia continues to utilize and develop tourism potential and scientific investigation of marine potential in Indonesia. However, the exploitation and expansion of businesses in a large capacity has ruled out his concern in maintaining a good and clean environment. This happens because it has not been able to become a clean marine environment from an apprehensive waste disposal. (Big.go.id, 01/06/2019, 20:48).

Tremendous news has been published in various electronic media concerning the disposal of plastic waste as a phenomenal issue which happen not only in the Indonesian ocean but also in international ocean as well. This tragically action of plastic waste disposal has caused a serious issue and kill a lots of sea animals where
most of them have swallow and die with their stomach full of plastic waste. Even the Indonesia Ministry of Environments and Forestry explained that 99% of sea animals will die if proper action has not been taken literally to prevent these plastic disposals.

The World Economic Forum in 2016 states that there are more than 1.50 million tons of plastic in the oceans. Every year, 8 million tons of plastic flows into the sea. Plastic waste can last for hundreds of years in the ocean and will only break down into small particles in a much longer time. The forum expressed that plastic waste will accumulate continuously into the oceans if there is no massive prevention from each country. Without significant action, one day there will be more plastic waste rather than fish in the ocean which is estimated to be 1:3. Plastic waste will continue to grow to 250 million tons, while the number of fish will continue to decline due to increasingly intense of fishing.

With the appealing and alarming news, many organizations from various environmental fields have begun to move to encourage and bring people to aware of the importance of maintaining environmental quality which is not only for human beings but also for animals in the ocean. But until this date, most of the citizen of every country are only act as a spectator rather than taking part to save this planet and ocean by educating and persuading citizens to decrease the disposal of plastic waste. Even though the term "Go Green" has become only a slogan, but it begins to be echoed back into various environmental communities even to the companies who engaged in food and beverage businesses. This continues gradually to educate and build the awareness and concern of human being against their environment that create a huge impact for the human life in the coming future.

According to Ramli and Soelton (2018) that all companies need to develop the ability to apply innovation to take advantages of opportunities, one hand to help overcome the environmental problems and on the other hand is to educate how concerned the company is in promoting marketing with green concept. The marketing strategy taken by marketers to educate customers about the company's concern for the dangers of using products that contain plastic. The purpose of green marketing is to provide education to the customers on how danger the products that contain plastic are. But somehow, many parties argue that the concept of green marketing has been misplaced, because on one hand they want to reduce the use of cutlery and drink containing plastic, but on the other hand consumers might feel dissatisfied with their habits of using plastic products.

1.1. The Issue of Plastic Waste in Indonesia

Consumers are one of the parties that contribute the highest amount of plastic waste, but this cannot be fully blamed to the consumers for what happen, the provider of the products that contain plastic must also take responsibility in this matter. The provider of the plastic products must be awarded of this problem in the beginning and then follow by educating the customers on the danger that might cause to the ocean and even kill the sea animals due to the plastic waste disposal. However, the plastic provider must continue to educate the customer and limit the usage of plastic products as this is not an easy task to perform, most customer will only take it for granted as they are not affected directly by this matter.

According to CNN Indonesia (2018) that Indonesia is the second largest contributor of plastic waste in the ocean after China, follow by Phillipine, Vietnam and Srilanka. Why Indonesia provide a large amount of plastic waste is certainly related to the fourth largest population in the world after China, India and the United States. As the fourth largest population, the contribution of plastic waste in Indonesia is not only from individual but also from companies and households and beside plastic waste there are also rubber waste, paper waste and other kinds of waste that come from the human being.

Plastic waste is supposed to be the most difficult waste to decompose and require a longer time for the plastic waste to decompose and become small particles. One of the largest plastic wastes in Indonesia is derived from plastic bags and plastic straws. According to research done earlier, that plastic straws take about 450 years to disintegrate into small particles or microplastics. According to the data collected by Divers Clean Action, the usage of plastic straws every day in Indonesia has touched 93,244,847 sticks. These straws are mostly come from the fast food restaurants and soft drinks that packed with straws.

Indonesia have a lot of fast food restaurants with local brand and also international brand such as Kentucky Fried Chicken (KFC), Pizza Hut, McDonald and so forth. Among all the fast food restaurants, KFC has the greatest number of restaurants compare to the rest with 630 restaurants, follow by Pizza Hut with the amount of 448 restaurants. (katadata.co.id/2018) By looking at the number of restaurants owned by KFC in Indonesia, this company will certainly contribute the most plastic bags and plastic straw waste in the society.

KFC is aware of this dangerous plastic waste in the ocean and based on their international management decision, KFC is now participating in creating green environment and friendly environment by stoping to provide plastic straw. There is news that show the sea turtle with the plastic straw stuck in the nose and other news that show the death of sea animals in the ocean. This movement was initiated only in the first seven restaurants in Jakarta to educate consumers of not using plastic straw, then later will be implemented to the rest of the restaurants in Indonesia.
1.2. Research Gap

Based on several discussions of the previous research, Rani, Neeraja, and Prasad (2014) in their research inform that bringing into the attention of the customer concerning the environmental degradation, green marketing sells ideas about the relatively superior environmental characteristics of the company's product and service offerings. Maheshwari (2014) explained that marketers need to educate customers concerning the awareness of a green brand that will become success after embedding in the minds of consumers. Papadas, Avlonitis, and Carrigan (2017) stated that green marketing is an important tool for sustainable business strategies, companies need to adopt green marketing practices to achieve better business performance. Bukhari (2011) indicate in his research that by limiting the amount of packaging, choosing materials that can be recycled, and encouraging the collection of packaging waste is an energy element of distribution and promotion. Patil and Shelke (2017) stated that consumer buying decisions in Marathwada are not influenced by green marketing practices undertaken by companies. However, consumers are willing to pay premium prices to get products that are environmentally friendly. According to Mahmoud (2018) that providing better information as input for government policy makers, who are responsible for business development, to encourage the use of green marketing by processing plants to benefit the interests of key stakeholders. Jeevandas, Nair, and Vivek (2019) explained that the data revealed were a large number of prospective customers who have prospects for environmentally friendly products and subsequently this number would increase with green marketing initiatives. Widyastuti, Said, Siswono, and Firmansyah (2019) illustrated that green marketing implementation into marketing strategy and corporate social responsibility program bring benefit, high imperative to the community, and positive value to the company’s green image.

Based on the results of studies from several previous research on the green marketing and friendly environmental marketing, it was revealed that most of the research are analyzing more on the theoretically side that show the research gap, in this research the author will put more efforts on the empirical study based on the field observations and the methodological study based on the constructed variables of customer awareness, customer attitude, green marketing and purchase decision. This research will also discuss more on the customer's side of awareness and their behavior towards their purchase decision concerning the plastics products availability in the fast food restaurants.

2. Literature Review

2.1. Customer Awareness

Kotler and Armstrong (2016) states that the target market of a marketing communicator may not know the product at all, only know its name, or only know a few things about the product. Thus, marketers must first build the awareness. Awareness can be said as the first stage of the process of adopting a new product or idea. Which is when we are aware and know of a product, we will try and buy the product. According to Sciffman and Kanuk (2008) unintentional thinking can lead to awareness of thoughts of a need.

2.2. Customer Attitude

Kapoor and Madichie (2012) explains that attitude is a general evaluation that takes place on people, objects, advertisements, or problems. A general attitude because it applies to more than instantaneous events, such as hearing a loud noise, even though you may, from time to time, develop a negative attitude towards all loud sounds. Attitudes help determine who you choose to date, what music you listen to, or whether you will recycle aluminum cans. Robbins and Judge (2015) states that attitudes are statements of evaluation—both likes and dislikes—about objects, people, or events. They reflect how we feel about something. That attitude is complex, and to fully understand attitude, we must consider its fundamental nature or component.

2.3. Green Marketing

Kotler, and Keller (2016) explains that almost all companies today have emphasized to do green marketing by suppressing industrial pollution and increasing environmentally friendly to the production process and also the materials used in producing their products. The trend for marketers is the attention to raw materials, especially water; rising energy costs; increased levels of pollution; and the role of government in implementing the green marketing revolution. Kotler and Armstrong (2016) express that companies can use various ways to measure their progress in environmental sustainability. This includes internal and external reforestation activities that will provide results to the company and the environment in the short term, and outside reforestation activities that will produce in the long run. At the most basic level, companies can practice pollution prevention. This involves more than controlling pollution and reducing waste.

2.4. Purchase Decision

Prasetyaningsih and Astini (2016) explained that the purchase decision is the next stage after the intention or desire to purchase, but the purchase decision is not the same as the actual purchase. Purchase decisions made by consumers are varied, some are simple and some are complex. According to Kotler and Armstrong (2016) that after seeing the influence that can affect purchasers, marketers must look at how consumers make purchase decisions. The purchaser's decision process consists of five stages: introduction of
needs, information seeking, alternative evaluation, purchase decisions, and post-purchase behavior. Marketers need to focus on the entire purchase decision process rather than just focusing on the purchase decision.

2.5. Research Hypothesis and Framework

1. The influence of customer awareness towards green marketing.
   Kotler and Armstrong (2016) states that the target market of a marketing communicator may not know the product at all, only know its name, or only know a few things about the product. Kotler and Keller (2016) explains that almost all companies today have emphasized to do green marketing by suppressing industrial pollution and increasing environmentally friendly to the production process and also the materials used in producing their products. Thus, the hypotheses that can be formulated in this study are as follows:
   \( H_1 \): The influence of customer awareness towards green marketing.

2. The influence of customer attitude towards green marketing.
   Robbins and Judge (2015) states that attitudes are statements of evaluation—both likes and dislikes—about objects, people, or events. They reflect how we feel about something. That attitude is complex, and to fully understand attitude, we must consider its fundamental nature or component. Kotler and Keller (2016) explains that almost all companies today have emphasized to do green marketing by suppressing industrial pollution and increasing environmentally friendly to the production process and also the materials used in producing their products. Thus, the hypotheses that can be formulated in this study are as follows:
   \( H_2 \): The influence of customer attitude towards green marketing.

3. The influence of customer awareness towards purchase decision.
   Kotler and Armstrong (2016) states that the target market of a marketing communicator may not know the product at all, only know its name, or only know a few things about the product. Prasetyaningish and Astini (2016) explained that the purchase decision is the next stage after the intention or desire to buy, but the purchase decision is not the same as the actual purchase. Purchase decisions made by consumers are varied, some are simple and some are complex. Thus, the hypotheses that can be formulated in this study are as follows:
   \( H_3 \): The influence of customer awareness towards purchase decision.

4. The influence of customer attitude towards job buying decision.
   Robbins and Judge (2015) states that attitudes are statements of evaluation—both likes and dislikes—about objects, people, or events. They reflect how we feel about something. That attitude is complex, and to fully understand attitude, we must consider its fundamental nature or component. Prasetyaningish and Astini (2016) explained that the purchase decision is the next stage after the intention or desire to buy, but the purchase decision is not the same as the actual purchase. Purchase decisions made by consumers are varied, some are simple and some are complex. Thus, the hypotheses that can be formulated in this study are as follows:
   \( H_4 \): The influence of customer attitude towards buying decision.

5. The influence of green marketing towards purchase decision.
   Kotler and Keller (2016) explains that almost all companies today have emphasized to do green marketing by suppressing industrial pollution and increasing environmentally friendly to the production process and also the materials used in producing their products. Prasetyaningish and Astini (2016) explained that the purchase decision is the next stage after the intention or desire to buy, but the purchase decision is not the same as the actual purchase. Purchase decisions made by consumers are varied, some are simple and some are complex. Thus, the hypotheses that can be formulated in this study are as follows:
   \( H_5 \): The influence of green marketing towards purchase decision.

![Figure-1. Research framework.](Source: Conceptual Design.)
3. Methodology

The research designed in this study is using strategic marketing management approach that includes the operationalization variables, data collection method and information collection, defining the population, calculating the sample size and sampling techniques. The design of the analysis conducted in the testing research hypothesis is by conducting the study of the customers of KFC in Jakarta, Indonesia. This research begins with the preliminary research done through 30 customers as the respondent and follow by formulating constructs of the research variables.

The formulation and purpose of this study is to describe and reveal the interrelationship between the research variables explained above. This research is using descriptive and verification method with the type of causal investigation on the relationship and influence between the exogenous and endogenous variables.

The process of observation in this research is using time horizon with cross section/one shot, the collective data is obtained through the research done in 2019, the unit of the analysis is KFC restaurants located in Jakarta, Indonesia. The observation unit is the customers of KFC located around Jakarta. The design of analysis used is to test the hypothesis and to examine the relationship between the research variables by using Partial Least Square (PLS), one of the alternative methods of structural analysis from Structural Equation Modelling (SEM).

The validity testing was done by using the sample of 189 respondents randomly on the customers of KFC. The attempt of this validity testing is to find out the eligible of the selected items including the overall data collection process. The reliability test of this research data is using Cronbach’s Alpha coefficient method. The Cronbach’s Alpha coefficient is the reliability coefficient most commonly used because coefficient will indicate the variance of items with either correct or incorrect format such as Likert scale format. The Cronbach’s Alpha coefficient is mostly used to evaluate internal consistency.

4. Results and Discussion

4.1. Results

The results of descriptive analysis conducted on the customer of KFC restaurants to find out the awareness of customer concerning green marketing in order to control the disaster of plastic waste disposal. This research has been taken to participate and contribute on the dangerous issue that we are facing currently that have a big effect for the future generations where the plastic waste might cause pollution to the ocean and kill the sea animals. The tragic situation is that in the future the next generation might on know all the sea animals from pictures if this disaster cannot be solved or even prevented.

The measurement model of analysis above showed the link between manifest variables (indicators) and each of the latent variables. The analysis of the measurement model is to test the validity and reliability of each of the dimensions and the indicators utilized to measure the variables constructed earlier. The analysis of the measurement model will describe the value of discriminant validity by looking at the value of square root of Average Variance Extracted (AVE) with the suggestion value above 0.5, loading factor (>0.5), and constructed Composite Validity and Reliability (Cronbach’s Alpha >0.70), are concluded that the dimensions and indicators are classified as reliable. As showed below:

<table>
<thead>
<tr>
<th>Variable</th>
<th>AVE</th>
<th>Composite Reliability</th>
<th>Cronbach’s Alpha</th>
<th>R Square</th>
<th>Q Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Awareness</td>
<td>0.649</td>
<td>0.847</td>
<td>0.729</td>
<td>-</td>
<td>0.314</td>
</tr>
<tr>
<td>Customer Attitude</td>
<td>0.609</td>
<td>0.886</td>
<td>0.839</td>
<td>-</td>
<td>0.361</td>
</tr>
<tr>
<td>Green Marketing</td>
<td>0.639</td>
<td>0.841</td>
<td>0.717</td>
<td>0.535</td>
<td>0.403</td>
</tr>
<tr>
<td>Purchase Decision</td>
<td>0.677</td>
<td>0.893</td>
<td>0.840</td>
<td>0.574</td>
<td>0.421</td>
</tr>
</tbody>
</table>

The value of R² shows that the criterion is strong, with large Q value, this figure conclude that the propose model are supported by the empirical research classified as fit. Similarly, the value of AVE is >0.5, which indicate that all variables in the model are estimated to meet the criteria of discriminant validity. The value of both Composite Reliability and Cronbach’s Alpha for each of the variables are >0.70, which means that all the researched variables are classified as reliable and the outer model of this research is also classified as fit.

The result of measurement based on the data processing of model analysis on the dimensions indicates that the overall indicators which were processed above are classified as valid, as most of the value from the loading factors are greater than 0.70.

The measurement model of latent variables against the dimensions explain the validity of the dimensions in order to measure the research variables. The following table shown below present the results of the measurement model analysis of each latent variable against the dimensions.
The results of the measurement model analysis of the research variables against the dimensions shows that almost all of the dimensions are valid with the value of t count > t table (2.01).

The estimated value for the path analysis in the structural model must be significant. This significant value can be obtained by the bootstrapping procedure. The significance of the hypothesis is by looking at the value of the parameter coefficient and the significance value of the T-statistics on the bootstrapping algorithm report. To find out the significant or insignificant is seen from the T-table at alpha 0.05 (5%) = 1.96. Then, T-tables are to compare with the T-counts (T-statistics) as explained below.
From the results of hypothesis testing, it was revealed that customer attitude has the greatest influence on green marketing compared to customer awareness. Customer attitude also has a higher influence towards purchase decision rather than customer awareness. While green marketing also has influence in determining the customer purchase decision.

Based on the testing results above, the research variables indicate that customer attitude has the most significant influence on green marketing as the intervening variable with the figure of 3,742, compare to customer awareness with the figure of 2,227. The direct effect of customer attitude also contributes higher influence towards the purchase decision with the figure of 3,021 compare to the direct effect of customer awareness with the figure of 2,321. Green marketing as the intervening variable also has a positive effect on purchase decision with the figure of 5,044 which means green marketing has a significant effect on the purchase decision of the KFC's customers.

4.2. Discussion
1. The influence of customer awareness towards green marketing
   Based on the testing results, it shows that customer awareness has a positive and significant influence towards green marketing. The results of the analysis show that the T-statistic value is 2,227 with the original sample 0,112. The Y-statistics value is larger than the T-table 1,96 and original sample is positive which means that the customer is aware of green marketing and how green marketing might influence the environmentally friendly products.
2. The influence of customer attitude towards green marketing
   Based on the testing results, it shows that customer attitude has a positive and significant influence towards green marketing. The results of the analysis show that the T-statistic value is 3,742 with the original sample 0,247. The Y-statistics value is larger than the T-table 1,96 and original sample is positive which means that the customers have positive attitude on green marketing and how green marketing might influence the environmentally friendly products.
3. The influence of customer awareness towards purchase decision
   Based on the testing results, it shows that customer awareness has a positive and significant influence towards purchase decision. The results of the analysis show that the T-statistic value is 2,321 with the original sample 0,166. The Y-statistics value is larger than the T-table 1,96 and original sample is positive which means that the customers are aware of their purchase decision and how green marketing might influence the environmentally friendly products.
4. The influence of customer attitude towards purchase decision
   Based on the testing results, it shows that customer attitude has a positive and significant influence towards purchase decision. The results of the analysis show that the T-statistic value is 3,021 with the original sample 0,249. The Y-statistics value is larger than the T-table 1,96 and original sample is positive which means that the customer have positive attitude on their buying decision and how green marketing might influence their buying concerning the environmentally friendly products.
5. The influence of green marketing towards purchase decision
   Based on the testing results, it shows that green marketing has a positive and significant influence towards purchase decision. The results of the analysis show that the T-statistic value is 5,044 with the original sample 0,248. The Y-statistics value is larger than the T-table 1,96 and original sample is positive which means that the customers have positive thinking on green marketing and how green marketing might influence their purchase concerning the environmentally friendly products.
5. Conclusion, Implication and Limitation

5.1. Conclusion

The research hypothesis constructed from this study is based on the four research variables: customer awareness and customer attitude as the independent variables, purchase decision as the dependent variable and green marketing as the intervening variable. Based on the results of the above framework, it can be concluded that customer attitude has the highest influence on green marketing compared to customer awareness. Customer attitude also has the highest influence directly to purchase decision compared to consumer awareness.

The objectives of this research is to find out how is the concern of KFC restaurant customers towards the green marketing to prevent the disposal of plastic waste that might have impact to the ocean of Indonesia. This research has constructed four researched variables to find out the phenomenon issue and the disposal of plastic waste into the ocean.

Based on the hypothesis testing, it can be concluded as follows:

1. KFC customers have awareness on green marketing and the prevention of using plastic bags and plastic straw. The customers' purchase decision is also not affected with the prohibition of using plastic straw in the restaurants.
2. KFC customers have positive attitude on green marketing and the prevention of using plastic bags and plastic straw. The customers' buying decision are also not affected with the prohibition of using plastic straw in the restaurants.
3. This result show that KFC customer are positively aware of the green marketing implemented by KFC to prevent the disposal of plastic waste literally.
4. The finding also show that green marketing is initiative implemented by certain parties, there are no specific regulation to implement green concept and prevent the massive disposal of plastic waste.

5.2. Implication

The study of this research has generated several theoretical and practical implications such as:

1. The constructed variables of customer awareness and customer attitude have positive and significant effect towards green marketing. This result has strengthened and enhances the amount of scientific literature within the scope of strategic marketing concept. The results show that strategic marketing concept can help to participate and contribute on preventing the massive disposal of plastic waste and maintain friendly environment.
2. The results of this study also indicate that the variables of customer awareness and customer attitude have positive and significant effect towards the purchase decision of the KFC's customers. This result has strengthened and enhances the amount of scientific literature within the scope of strategic marketing concept. The results show that strategic marketing concept can help to persuade customers of preventing using plastics products in the restaurants to prevent killing the sea animals, without hurting their feeling by not providing the plastic straw in the restaurants.
3. The results of this study also indicate that the variables of customer awareness and customer attitude have positive and significant effect towards purchase decision in relating to green marketing as the intervening variable on KFC's customers. This result has strengthened and enhances the amount of scientific literature within the scope of strategic marketing management and also pointed out that applying strategic marketing is one of the ways to help controlling the disposal of waste and also help to educate customers to save the planet and ocean for the sake of the next generation.

5.3. Limitation

This study is limited to analyzing of the plastic waste in Jakarta and as we understand that the disposal of plastic waste can come from the whole area of Indonesia. This research is also limited on studying the plastic waste and individually, we have not come to the attention of waste disposal from company. There are still hundred types of waste on earth that need to be managed properly which may harm the environment and society. Further research is suggested to cover a wider area of plastic waste disposal and other types of waste that need to control as not to cause further damage to the environment.

References


