THE EFFECT OF GREEN MARKETING ON PURCHASE DECISIONS AND ITS IMPACT ON CUSTOMER SATISFACTION ON LIYA TOGO VILLAGE WOVEN PRODUCTS WAKATOBI DISTRICT

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Abstract: This study aims to determine and analyze the effect of Green Marketing on Purchasing Decisions and Consumer Satisfaction on Liya Togo Village Weaving Glove Products in Wakatobi Regency, using a survey method approach conducted on 100 tourists who have bought and used the Liya Village weaving sarong. The data analysis tool used is the concept of structural Equation Models with the Smart PLS program. The results of this study indicate that green marketing has a positive and significant effect on purchasing decisions and consumer satisfaction, and purchasing decisions have a positive and significant effect on customer satisfaction. The better the application of green marketing in marketing the weaving of the liya togo village will increase purchasing decisions and customer satisfaction, and higher purchasing decisions will also increase customer satisfaction.

Keyword: Green Marketing, Purchasing Decisions, Consumer Satisfaction

I. Introduction

As one of the efforts of the regional government in increasing economic growth through the tourism sector, the Wakatobi Regency Government, Southeast Sulawesi (Southeast Sulawesi), established four villages in the district as tourist villages, where the Head of the Wakatobi Regency Tourism and Creative Economy Office, Tawakal in Wangi Wangi, revealed that the four villages were designated as tourist villages namely Kapota Village and Liya Togo, Ambeua and Waha Villages. Woven sarongs as one of the mainstay tourism products in Wakatobi district have the potential to be marketed until exports go abroad, but one of the obstacles that will be faced in marketing is the strict rules where products are traded must be products that are environmentally friendly. Therefore, the government needs to provide education to the community, especially to the MSME industry entrepreneurs, about the importance of their understanding of environmentally friendly product development by introducing environmentally friendly marketing or Green Marketing.

According to Setiadi (2010) buying behavior implies that individual activities are directly involved in the exchange of money with goods and services and in the decision-making process that determines these activities. Consumer decisions to buy a product always involve physical activity (in the form of direct consumer activities through the stages of the buying decision process) and mental activities (ie when consumers value products according to certain criteria set by individuals). Shinta Wahyu Hati and Afriani Kartika (2015) found that green marketing has a role that can increase consumer decisions to make purchases, where some research results have also proven that green marketing has a positive and significant effect on purchasing decisions. Green marketing also has a role in increasing customer satisfaction (Shinta Wahyu Hati and Afriani Kartika, 2015), according to Charter (1992) as a holistic and responsible strategic management process that identifies, anticipates, satisfies, and meets stakeholder needs, in return reasonable, which does not adversely affect human welfare or the environment. A purchase decision is a decision as the choice of an action from two or more alternative choices. If a consumer is faced with two choices of brands or products to be purchased, then the person is in a position to make a purchase decision (Schiffman & Kanuk, 1997).

Based on the phenomena and studies in several previous studies indicate that the role of green marketing in influencing consumer decisions to make purchases and increase customer satisfaction, therefore researchers are interested in conducting research entitled "The Effect of Green Marketing on Purchasing Decisions and The Impact on Consumer Satisfaction in Weaving Glove Products in Liya Togo Village, Wakatobi Regency ".

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II. Literature Review and Research Hypothesis

Searching for theories and the results of previous studies related to green marketing, purchasing decisions and customer satisfaction and becoming a reference in this study were reviewed and synthesized to develop research hypotheses as follows:

2.1. Effect of Green Marketing on Purchasing Decisions

Ottman (2006) suggests the concept of green marketing, which according to him the first rule of green marketing is to focus on customer benefits. This might be related to the fact that if consumers see the benefits of buying, they can feel more stimulated to actually buy. With this concept, the environment becomes a benefit associated with buying actions. Green marketing can be defined as the activities of companies that use the environment as the main problem. They use human awareness of environmental problems, and then they provide or offer goods or services that have a minimal impact on the environment.

Some research results have proven that green marketing is significantly able to make people decide to make a purchase (Shinta Wahyu Hati and Afriani Kartika, 2015; Ni Putu Cempaka Dharmadewi Atmaja and Ni Made Satya Utami, 2017; Thoria Omer Mahmoud, 2018).

Based on this, the first hypothesis proposed in this study is:

Hypothesis 1: Green Marketing Has a Positive and Significant Effect on Purchasing Decisions

2.2. Effect of Green Marketing on Consumer Satisfaction

Green marketing according to Charter (1992) is a holistic and responsible strategic management process that identifies, anticipates, satisfies, and meets the needs of stakeholders, with reasonable rewards, which do not adversely affect human welfare or the environment. Green marketing combines various activities, including product modification, changes in production processes, packaging changes, and ad modifications (Henion and Kinnear 1976), in other words green marketing is a way to convince people to buy environmentally friendly products to generate profits while maintaining environmental sustainability.

The results of the research by Shinta Wahyu Hati and Afriani Kartika (2015) found that the elements of green marketing significantly made customers more satisfied with their purchases. Based on this, hypothesis 2 proposed in this study is:

Hypothesis 2: Green Marketing Has Positive and Significant Effects on Consumer Satisfaction

2.3. Effect of Purchasing Decisions on Consumer Satisfaction

According to Schiffman & Kanuk (1997) said that purchasing decisions is a decision as the choice of an action from two or more alternative choices. If a consumer is faced with two choices of brands or products to be purchased, then the person is in a position to make a purchase decision.

Consumer purchasing decisions are influenced by consumer behavior. According to Engel (1995) consumer behavior is an action that is directly involved in acquiring, consuming, and spending products and services, including the decision process that precedes and follows this action. Newman, and Taylor (1978: 59) which states that consumers can feel satisfaction after making a purchase. The results of Ayu et al (2015)’s research found that purchasing decisions had a positive and significant effect on customer satisfaction. Based on this, the hypothesis 3 proposed in this study is:

Hypothesis 3: Purchasing Decisions Have a Positive and Significant Effect on Consumer Satisfaction

III. Research methods

The design of this study uses an explanatory research approach to provide an explanation of causal relationships between variables through testing hypotheses (Kuncoro, 2003). The approach used in this study is a quantitative approach (mainstream approach), whose process starts from theory and then using deductive logic the research hypothesis is derived accompanied by measurement and operationalization of concepts, then empirical generalizations based on statistics so that they can be concluded as research findings (Umar, 2009).

The population used in this study was all consumers who had already purchased woven sarongs in Liya Togo Village, Wakatobi Regency. The size of the population is not known with certainty, therefore the researcher uses a reference to Augusty Ferdinand (2006) which states that for research with a structural model, the technique of determining the sample can use 5-10 times the number of determinant variable indicators. The number of determinant variable indicators in this study were 16 indicators, so the sample used was 16 x 6 = 96 people, fulfilled to 100 people. This is also consistent with the explanation in the book Augusty Ferdinand (2006) which states that for structural models the sample used should be 100. This study uses data analysis methods consisting of two groups, namely descriptive statistical analysis and statistical analysis using the Structural Equation Model approach (SEM) using the SmartPLS 2.0.M3 program.

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IV. Research Results and Discussion.

4.1. Research Results

The procedure in testing hypotheses is by comparing t-count values or t-statistics with t-tables. A hypothesis is said to be accepted if the value of t-statistic is greater (> ) than t-table. To determine the value of the degree of freedom (df), researchers use the aggregate formula (nk) where n = many observations while k = number of variables (free and bound) so that nk = 100 - 3 = 97, so that the t-table value is 1.660 at significance level of 5% (0.05). The t-table value will then be compared with the t-statistic value in the Path Coefficient table after the bootstrapping process is done. To clarify the process of testing the following hypothesis, a picture of the results of bootstrapping is presented:

![Figure 4.1 Model Bootstrapping Results](image)

Based on the results of the bootstrapping process as shown in Figure 4.1. above, the path coefficient value in this research model can be presented in table 4.1 below:

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Effect</th>
<th>Original Sample</th>
<th>t-Stat</th>
<th>t-Table</th>
<th>Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Green marketing → keputusan pembelian</td>
<td>0.904</td>
<td>44.548</td>
<td>1.660</td>
<td>t-statistik &gt; t-tabel</td>
</tr>
<tr>
<td>2</td>
<td>Green marketing → kepuasan konsumen</td>
<td>0.668</td>
<td>3.978</td>
<td>1.660</td>
<td>t-statistik &gt; t-tabel</td>
</tr>
<tr>
<td>3</td>
<td>Keputusan pembelian → kepuasan konsumen</td>
<td>0.117</td>
<td>3.714</td>
<td>1.660</td>
<td>t-statistik &gt; t-tabel</td>
</tr>
</tbody>
</table>

Source: Primary data processed, 2019

Based on the results of the data in table 4.1 above, it can be seen in testing each hypothesis that has been proposed, namely:

1. **Effect of Green Marketing on Purchasing Decisions**
   
   The first hypothesis proposed in this study is “Green Marketing has a Positive and Significant Effect on Purchasing Decisions”. Table 4.1 shows the original sample estimate value between the effect of green marketing on purchasing decisions of 0.904 and positive value. The t-statistic value of 44.548 is greater than the t-table 1.660. This value shows that green marketing has a positive and significant effect on purchasing decisions, thus the first hypothesis proposed in this study is accepted.

2. **Effect of Green Marketing on Purchasing Decisions**
   
3. **Pengaruh Keputusan Pembelian Terhadap Kepuasan Konsumen**

The third hypothesis proposed in this study "Purchase Decisions Have a Positive and Significant Effect on Consumer Satisfaction", Table 4.1 shows the original sample estimate value between the influence of purchasing decisions on consumer satisfaction by 0.117 and is positive. The t-statistic value of 3.714 is greater than the 1.660 t-table. This value shows that purchasing decisions have a positive and significant effect on customer satisfaction, thus the third hypothesis is accepted.

**4.2. Discussion.**

Based on the results of the Structural Equation Model (SEM) analysis using PLS that has been done to determine the effect of green marketing on purchasing decisions and consumer satisfaction of Liya Togo Village weaving gloves, three hypotheses have a positive and significant effect (accepted). purchasing decisions and customer satisfaction can be described as follows:

**4.2.1. Effect of Green Marketing on Purchasing Decisions**

Green marketing is a consistent product marketing strategy of all activities that design services and facilities for the satisfaction of human needs and desires, by not having an impact on the natural environment, while the purchasing decisions referred to in this study are stages in the decision making process. The results of this study found that good green marketing will make consumers increasingly want to decide to buy products that are environmentally friendly weaving sarongs, not wasteful of raw materials, woven sarong products labeled eco labels and there are statements of environmentally friendly products, and prices offered by sarong products Weaving Liya Togo Village which is compatible with environmentally friendly packaging.

The results of this study support the research findings of Ni Putu Cempaka Dharmadewi Atmaja and Ni Made Satya Utami (2017) which state that green marketing is getting better where marketing that is more environmentally friendly will increasingly shape customers to purchase organic products. The results of this study found that the product of Liya Togo Village weaving glove is an environmentally friendly product and not wasteful of raw materials, promotions that include eco green label labels and prices that are in accordance with environmentally friendly packaging costs encourage higher consumer purchasing decisions.

The research results of Deest Lestary Kusnandar and Lucky Radi Rinandiyana (2017) which states that respondents feel the products used are in accordance with the wishes and expectations of consumers, namely using products that are environmentally friendly. They feel comfortable and safe when using products that have been issued by Tupperware. According to respondents' answers, they highly appreciate the products that have been provided or created by Tupperware. So, the green product that has been created by the company can be felt directly by them. Respondents also consider the green product in making purchasing decisions. So, it affects them directly in making purchasing decisions. The research findings of Lestary Kusnandar and Lucky Radi Rinandiyana (2017) are reinforced by the findings of this study, which in this study also obtained results that the green marketing applied to sarong weaving products in Liya Togo Village is like products that are environmentally friendly, promotion using packaging that environmentally friendly and the price is in accordance with the cost of environmentally friendly packaging in accordance with consumer expectations so they decided to buy a woven sarong from the Village of Liya Togo.

The findings of this study indicate that consumers who buy products from Liya Togo Village weaving sarongs generally decide to buy for reasons that are environmentally friendly, promotion using environmentally friendly packaging and prices that are in accordance with the cost of environmentally friendly products and packaging, is in line with the characteristics of respondents based on age which is indeed dominated by consumers aged 40 years and above. Customers who are over 40 years old are consumers who are generally people who are very concerned about health so the products they use are products that are safe and environmentally friendly especially safe for health.

The findings of this study reinforce the results of the research conducted by Baiq Herdina Septik (2017); Ega Mahesa Putra Mardika and Farika Nikmah (2018); Ayu Almaulidta, Suharyono and Edy Yulianto (2015); which states that green marketing is a significant determinant of increasing purchasing decisions.

**4.2.2. The Effect of Green Marketing on Consumer Satisfaction**

Green marketing combines various activities, including product modification, changes in production processes, packaging changes, and ad modification (Henion and Kinnear 1976), in other words green marketing is a way of convincing people to buy environmentally friendly products to generate profits while maintaining environmental sustainability.

The results of this study found that the better the application of green marketing will make consumers satisfied, where to increase consumer satisfaction, the producer of Liya Togo Village weaving gloves in Wakatobi district must increase the production of woven sarongs that are environmentally friendly and not
wasteful of raw materials, increasing promotion through environmentally friendly packaging and pricing according to raw material costs and environmentally friendly production and packaging.

The results of this study support the research findings of Charu Garg (2016) which states that green marketing has a significant positive effect on customer satisfaction. According to Charu Garg (2016), the Green Revolution, go green, environmental protection, sustainable lifestyles, sustainable development, protecting the earth and many more have become natural phenomena in everyday life. Green marketing is a tool used by many companies in various industries to follow this trend. Environmental protection is very necessary. Everyone believes that green life is a better and healthier life for present and future generations. Most consumer purchasing patterns indicate that they have a desire for brands that are 'go green'. Consumers not only want to buy environmentally friendly products but they are also willing to pay more.

According to Rashad Yazdanifard and Igbazu Erdoo Merc (2011) in his research stating that environmental protection is indispensable, everyone believes that green life is a better and healthier life for present and future generations, most consumer spending patterns indicate that they have desires for brands that 'go green'. Consumers not only want to buy their products but are also willing to pay more for it. The findings of this study reinforce findings from the results of research by Rashad Yazdanifard and Igbazu Erdoo Merc (2011) wherein this study found that indicators have the greatest loading factor values that reflect green marketing. The weaving glove of the Village of Liya Togo in growing consumer satisfaction is the production of eco-friendly Liya Togo Village sarong and the price of Liya Togo Village weaving gloves according to the cost of an environmentally friendly production process.

The results of this study are not in line with the research findings of Ayu Almaulidta, Suharyono and Edy Yulianto (2015) who examined the effect of green marketing on purchasing decisions and customer satisfaction that found that green marketing was not able to directly satisfy consumers but the green marketing would be satisfying consumers after consumers increase their purchasing decisions, different from the results of this researcher who found that green marketing is directly able to make consumers satisfied, which in this study shows that the woven sarong products are environmentally friendly and the price of Liya Togo Village woven gloves is in accordance with the production process costs. Customers like to buy the weaving sarong in Liya Togo Village.

4.2.3. Effect of Purchasing Decisions on Consumer Satisfaction

One important factor for companies to be able to survive in competition is to make consumers satisfied because changes in the level of customer satisfaction with company performance will encourage changes in attitude and can even cause changes in consumer behavior (Bansal et al., 2005).

The results of this study indicate that green marketing is an important factor in building customer satisfaction. These results can be explained that consumers of weaving sarongs in Liya Togo Village, Wakatobi Regency perceive that the product of the Liya Togo weaving sarong is an environmentally friendly weaving sarong where the production process costs are more expensive than the production process of woven sarongs that are not environmentally friendly so the price is more expensive. This shows that consumers are interested in buying Liya Togo Village weaving gloves because it is an environmentally friendly product and is willing to pay more because surely the cost of the production process is more expensive and this makes consumers satisfied and happy to use the Liya Togo Village sarong because of what they receive from their purchases in accordance with his expectations.

The research results of Ayu Almaulidta, Suharyono and Edy Yulianto (2015) found that there was a significant effect of the Purchase Decision variable on the Consumer Satisfaction variable. The results of Ayu Almaulidta's research, Suharyono and Edy Yulianto (2015) are in line with the findings of this study which found that significantly the purchasing decision of weaving sarongs in Liya Togo had a positive effect on consumer satisfaction where consumers decided to buy the Liya Togo Village sarong because of its excellent quality because it is environmentally friendly so consumers feel happy and satisfied using the weaving sarong of Liya Togo Village.

The results of this study found that consumers decided to buy the Liya Togo Village sarong because of its good quality and environmental friendliness and therefore consumers feel happy about the purchase, this result when viewed from the characteristics of respondents who are generally over 40 years is certainly logical if consumers they were happy and satisfied with the Liya Togo Village weaving sarong, which is environmentally friendly because consumers who are 40 years old and above are generally people who are very concerned about health, especially if it is observed that consumers are relatively well-established from the economic side who work as good employees the civil servants, private employees, BUMN employees and entrepreneurs are very reasonable if they pay attention to the products they will use whether they are safe to consume or not.
V. Limitations of Future Research and Research

This research has been attempted with all the power to approach perfection, but as a normal human being there are still some things that have not been able to be realized in this study, including the research model is a structural model that should involve mediating variables, but this research has not been conducted by researcher. Therefore researchers hope for future research that wants to examine more deeply the relationship between these variables is recommended to examine the relationship of direct and indirect variables or in other words test the role of the mediating variable of purchasing decisions in this model.

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