THE EFFECT OF GREEN MARKETING ON BRAND IMAGE AND PURCHASE DECISION
(Study on Consumer of Starbucks Café Ubud, Gianyar Bali)

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ABSTRACT
This research aimed to (1) explaining the effect of Green Marketing toward Brand Image (2) explaining the effect of Green Marketing toward Purchase Decision, (3) explaining the effect of Brand Image toward Purchase Decision. The type of this research is explanatory research with quantitative approach. The variables of the research are Green Marketing, Brand Image, and Purchase Decision. The criteria of population in this research are (1) Respondent consumer with 18-35 years old, (2) Consumer of Starbucks Ubud or have ever purchase product at Starbucks Ubud, and (3) Respondent that understand about Starbucks Green Marketing. The sampling technique for this research was using purposive sampling and the data collection method by spreading questionnaire to 118 respondents according to population criteria. Data analysis used descriptive analysis and path analysis. The results showed that (1) Green Marketing has significant influence toward Brand Image, (2) Green Marketing has significant influence toward Purchase Decision, (3) and Brand Image has significant influence toward Purchase Decision.

Keywords: Green Marketing, Brand Image, Consumer Purchase Decision and Starbucks

ABSTRAK

Kata Kunci: Green Marketing, Brand Image, Consumer Purchase Decision and Starbucks
INTRODUCTION
The American Marketing Association in Yazdanifard (2011: 637) defines Green Marketing as an eco-friendly product marketing, combining activities such as modification products, production process change, packaging, advertising strategies and also raising awareness of marketing compliance among industries. Green Marketing covers many aspects before the product is offered to consumers as a green product. Terms that are often equated with green marketing is environmental marketing and ecological marketing.

Green marketing is a new strategy that can be used by companies in marketing. Green marketing not only offer environmentally friendly products to consumers but also covers how the production process and product distribution. According to McCharthy in Kotler and Keller (2015) the company implements 4 elements of the marketing mix 4p: price, product, place and promotion. And companies use these components by manipulating them to sell products and services offered from the advantages of environmental preservation. (Byrne, 2003: 2).

Silvia (2014: 188) in his research concluded that, if green marketing is well developed it can be an effective marketing method to build a good image. A good image can shape consumer perception of brand image of a product. Kotler and Keller (2009: 403) mention, brand image is the perception and belief held by consumers, as reflected associations embedded in the memory of consumers. Romadon (2014) has conducted research on the influence of green marketing on the brand image of Pertamax Series products. The results showed that the variables of green marketing have a significant effect on the brand image variable, so it can be concluded that a brand image will be created by the existence of green marketing by companies both from green product and green pricing. The American Marketing Association (AMA) Describe that brand image is the brand perception in the mind of a person. Brand image is a reflection of the brand personality or the form of the product and is something that a person believes about the brand in the person's thoughts, feelings and expectations. Based on the definition can be said that the brand image is the thinking, perception, and consumer confidence in a brand.

Positive brand image can affect company or company's products, so that in the end can trigger the happening of purchasing of product by consumer. This is because a positive corporate image is likely to trigger buyers or consumers to buy the product (Sutisna and Pawitra, 2001: 83). Brand image also plays an important role in the development of a brand because the brand image closely related to the reputation and credibility of the company which is then used by consumers as guidelines in making purchasing decisions (Wijaya, 2013:58). Before making a purchase, usually consumers first pay attention to the choice of products to be purchased and seek information on these products. Some things that consumers pay attention to include product quality, price, location and brand, so that consumers can decide which products to buy. According to Kotler and Armstrong (2008: 181), consumer purchase decisions are to buy the most preferred brand of various alternatives, but two factors can lie between purchase intention and purchase decision. the first factor is the attitude of others and the second factor is the situational factor. Agustin (2015: 3) argues that green marketing is expected to form the impetus to buy a product. This becomes a role model in accommodating consumer behavior, thus influencing purchasing decisions. Companies that implement green marketing are more preferred by consumers. Especially selective consumers in purchasing environmentally friendly products. Brand image also plays an important role in the development of a brand because the brand image closely related to the reputation and credibility of the company which is then used by consumers as guidelines in making purchasing decisions

One of the companies that implement green marketing and has become a pioneer is Starbucks. Based on the Company Facts Shoot in the Starbucks book - Corporations That Changes the World is rumored that Starbucks is focused on making good employee environments for employees, making a positive contribution to society, together with coffee farmers to ensure their long-term success and minimize environmental impacts (Bussing-Burks, 2009: 32). The Starbucks Experience book written by Joseph Michelli in 2006, also explains that Starbucks has done in its quest to become an environmentally friendly company. Green Marketing that Starbucks has done since 2004 until now are: 1) Make savings on water and energy. 2) Protect forests from clearing due to excessive coffee planting. 3) Recycle paper cups. 4) Introducing tumbler. 5) Replace paper cups into plastic cups made from polypropylene. Starbucks has set environmental responsibility as its corporate core value since 1971 (www.starbucks.com)
According to research conducted by Rizwan and Xian (2008:47) on Starbucks Brand image said that Starbucks has a good brand image in the eyes of respondents with the most powerful image is Starbucks Coffee as a well-known company and also a satisfactory service system and the number of promos that are done in everyday also their unique American style coffee shop is what the respondent thought of Starbucks.

The location selected in this study located at Starbucks Ubud, Gianyar Bali The selection of the location is due to the conformity of the title on The Effect of Green Marketing on Brand+ Image and Consumer Purchase Decision. Starbucks is one of the famous brands of coffee outlets. Starbucks has also long been implementing the Green marketing strategy for environmental concerns. And Bali have a lot of tourist that came from this country and another country and Ubud is one of tourism object in Gianyar area, Bali which still preserves its natural culture and attracts many domestic and international tourists to it (properti.kompas.com) and because of its interest by its natural culture, and with that advantage the writer can get more various respondent such as foreigner consumer that came to that Starbucks so that is why the writer is interested to choose this Starbucks become the location of research. Based on the description above Starbucks is one of the coffee outlets that use the strategy of green marketing and good brand image, and with that strategy of green marketing can it make the brand image to the consumer as a green brand and will it affect the consumer purchase decision. That's why the authors are interested to conduct research entitled "The Influence of Green Marketing on Brand Image and Consumer Purchase Decision (Case study on Starbucks Café Ubud)".

LITERATURE REVIEW

Green Marketing

Pujari (2003) in Situmorang (2011: 135) said that green marketing conducted by the company has a positive impact for the company, among others: increased sales, improve customer feedback, closer to customers, enhance competitiveness, improve corporate image. Hawkins and Mothersbaugh (2016: 88-89), assert that green marketing is as follows: (1) The development of products whose processes of production, use, and disposal do not cause harmful effects to the environment; (2) Develop a product with a positive impact on the environment; (3) The proceeds from the sale of such products shall be used for the benefit of the organization or environmental event. Grewal and Levy (2010: 128) describes green marketing as a strategic effort undertaken by companies to provide eco-friendly goods and services to target consumers. Hult et al. (2012: 21), explains that green marketing is a strategic process involving stakeholder assessment to create long-term relationships with customers while maintaining, supporting and preserving the natural environment in running the company.

Marketing mix is a strategy that companies use to win the competition. Kotler and Armstrong (2008: 71), explains that the marketing mix as a tactical and controlled marketing tool combined by the company to generate the desired response of the target market. According to Tiwari et al. (2011:2) the Green Marketing mix is the development of the conventional marketing mix. Here are the elements of the Green Marketing mix:

1) Green Product
2) Green Pricing
3) Green Promotion
4) Green Placing

Brand Image

Kotler and Keller (2009: 403), explains that brand image is the perception that consumers have when they first hear a memorable and embedded slogan in the consumer's mind. Consumers who are accustomed to using a particular brand tend to have consistency towards the brand image or this is also called brand personality (Rangkuti, 2002: 43). The brand image has three supporting components according to Aaker and Biel (1993:71), namely:

1) A corporate image
2) The image of the user
3) Product image

Brand image is a rational and emotional perception of a particular brand (Dobni and Zinkhan, 1990). Nowadays, the company's competition to compete with consumers is no longer limited to the attributes of products as product usefulness, but has been linked with brands that are able to provide a special image for consumers, in other words the role of the brand is shifting (Aaker 1991). At a low level of competition, the brand is merely a name. While at a high level of competition, the brand contributes in creating and maintaining the competitiveness of a product (Pujadi, 2010).
Hoeffler and Keller (2003), suggested the dimensions of corporate image, which can effectively affect brand equity consisting of:

- a. Product attributes, benefits, and behavior in general, related quality and innovation
- b. People and relationship, related to customer (customer orientation)
- c. Values and programs, related to environmental concerns and social responsibility
- d. Corporate Credibility, related skills, trust, and fun

**Purchase Decision**

According to Kotler and Keller (2007) purchasing decisions are a stage in the buyer decision-making process where the consumer will actually buy. The process is a settlement of a price problem consisting of five stages. The five stages of the purchase decision process are:

- a. Problem recognition
- b. Information search
- c. An alternative assessment
- d. Purchase decision
- e. Post purchase behavior

Amirullah (2002: 62), argues that purchasing decisions are the process by which consumers evaluate alternative alternatives and choose one or more alternative options and choose one or more of the necessary alternatives based on certain considerations. Peter and Oslon (2013: 163), argue that purchasing decisions are an evaluation process undertaken by potential customers to combine their knowledge of the choice of two or more product alternatives and choose one of them.

According to Swastha and Handoko (2012: 102), the structure of purchase decisions consists of 7 components, namely:

1. Decisions about the type of product
2. Decisions about product form
3. Decisions about the brand
4. Decisions about the place of sale
5. Decisions about the number of products
6. Decisions about the time of purchase
7. Decision on method or method of payment

**Hypothesis**

H1: Green Marketing has a significant effect on Purchase Decision.

H2: Green Marketing has a significant effect on Brand Image.

H3: Brand Image has significant effect on Purchase Decision.

![Figure 1 Hypothesis model](image)

**RESEARCH METHOD**

This research uses explanatory research with quantitative approach. This Research takes place at Starbucks Café at Ubud. Sampling technique in this research is using purposive sampling. The sample amounted to 118 respondent. The characteristics of the population in this study, namely:

- a. Consumers of Starbucks Ubud that have purchase the product there.
- b. Consumers of Starbucks that are at least 17 years old because they are considered mature and belong to Millennial and Age generation have an influence on the activeness of someone to participate (Slamet, 1994: 142). In this case the older group considered more experienced or senior, will give more opinion in terms of decision making.
- c. Consumers that knew about Starbucks Green Promotion such as Earth Day, and Tumbler Day.

**RESEARCH RESULTS AND DISCUSSION**

**Table 1** The Result of Path Coefficient Testing of Purchase Decision

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Beta</th>
<th>T</th>
<th>P value</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>0.361</td>
<td>4.633</td>
<td>0.000</td>
<td>Sig</td>
</tr>
<tr>
<td>Z</td>
<td>0.482</td>
<td>6.184</td>
<td>0.000</td>
<td>Sig</td>
</tr>
</tbody>
</table>

Dependent Variable Y

R square (R^2) : 0.583

Source: SPSS Output

**Table 2** The Result of Path Coefficient Testing of Green Marketing and Brand Image

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Beta</th>
<th>t</th>
<th>P value</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td>0.635</td>
<td>8.857</td>
<td>0.000</td>
<td>Sig</td>
</tr>
</tbody>
</table>

Dependent Variable Z

R square (R^2) : 0.403

Source: SPSS Output
In the relationship of Green Marketing with Purchase Decision there are alleged variable Brand Image as intervening variable. The calculation of the effect of Brand Image as intervening variable is as follows:

Structural equations:
\[ Y = \text{PYX} + (\text{PZX} \times \text{PYZ}) \]

Direct Effect of Green Marketing on Purchase Decision is 0.361

Indirect Effect (IE) = PZX \times PYZ
= 0.635 \times 0.482
= 0.306

Total Effect (TE) = PYX + (PZX \times PYZ)
= 0.361 + 0.306
= 0.667

From the results of these calculations indicate that Brand Image proved as an intervening variable in the relationship between Green Marketing with Purchase Decision. This is evidenced by the results of calculations Indirect Effect is worth 0.306. Total Effect of Green Marketing on Purchase Decision through Brand Image of 0.667.

The hypothesis model determination of this research data is measured from the relation coefficient of determination (R2) in both equations. Model results as follows:

\[
R^2_{\text{model}} = 1 - \left(1 - R^2_1\right) \left(1 - R^2_2\right) = 1 - \left(1 - 0.403\right) \left(1 - 0.583\right) = 1 - (0.597)(0.417) = 1 - 0.2489 = 0.7511 or 75.11\%
\]

The calculation result of model determination equal to 75.11\% explain that contribution of model to explain the structural relationship of three variables studied is equal to 75.11\%. While the rest of 24.89\% is explained by other variables that are not contained in this research model.

**The Influence of Green Marketing (X) and Purchase Decision (Y)**

Based on the Table 2, the calculation result of the influence of Green Marketing on Purchase Decision show the significant influence. This can be proved by beta coefficient of 0.361 and the probability of (0.000<0.05). The hypothesis states that Green Marketing has a significant influence on Purchase Decision accepted. The amount of influence of Green Marketing variable to Purchase Decision variable can be seen from the value of coefficient of determination (R2) that is equal to 0.583 or 58.3\% with influence of other variable not found in this research equal to 0.417 or 41.7\%.

In Boztepe (2012) which has proven the influence of environmental awareness, green products, green prices, and green promotion of significant purchasing decisions in Istanbul, Serta Jeevarathnam & Tushya (2016) in his research also said that green marketing mix influences purchasing decisions from South African consumers. and Aldoko explain about this influence, where the results of the research a significant influence of Green Marketing on purchasing decisions on Tupperware customers in the Faculty of Administrative Science 2012/2013 Brawijaya University.

In accordance with the results of this study can be concluded that Green Marketing by Starbucks has a significant influence on Starbucks Purchase Decision.

**The Influence of Green Marketing (X) and Brand Image (Z)**

Based from Table 1, the calculation result of the influence of Green Marketing on Brand Image show the significant influence. This can be proved by beta coefficient of 0.635 and the probability of (0.000<0.05), and then Green Marketing has significant influence on Brand Image. From the hypothesis states that Green Marketing has a significant influence on Brand Image is accepted. The amount of influence of Green Marketing variable to Brand Image variable can be seen from the value of coefficient of determination (R2) that is equal to 40.3\% with influence of other variable not found in this research equal to 59.7\%.

The results of this study indicate that there is a green marketing strategy undertaken by Starbucks can affect brand image in the eyes of consumers. this hall is in line with Polonsky (1994: 3) thinking that companies that care about the environment will gain competitive advantage over companies that do not care about the environment. In addition Yan and Yazdanifard (2014: 33) stated that green marketing and green product development have various advantages for companies in increasing the benefits of sustainable for the environment and also increase awareness of the Brand Image of a company.

Putripeni (2014) concludes that Green Marketing has a significant influence on brand. Wich she stated that Green Product (X1) Green Price (X2) and Green Place (X3) have significant impact on Brand Image where consumer would...
have positive Brand Image on company that are using Green Marketing. For Putripeni case is The Body Shop Mall Olimpic Garden Malang, also in Aldoko (2016) Green marketing proved to have a significant influence on brand image. This means that green marketing run by Tupperware Corporation has good prospects for development as a choice of marketing methods in the modern era because environmental issues can build a good image. It is in line with the theory of Grant (2007: 64) about one of the green marketing goals of green, which has a purpose to communicate that the brand or company is concerned about the environment so that it can bring a positive image to consumers.

In accordance with the results of this study can be concluded that Green Marketing by Starbucks has a significant influence on Starbucks Brand Image.

The Influence of Brand Image (Z) and Purchase Decision (Y)

Based from Table 2, the calculation result of the influence of Consumer Trustworthiness on Purchase Intention show the significant influence. This can be proved by beta coefficient of 0.482 and the probability of (0.000<0.05). The hypothesis states that Electronic Word of Mouth has a significant influence and a positive sign on Purchase Intentionis accepted. The amount of influence of Electronic Word of Mouth variable to Consumer Trustworthiness variable can be seen from the value of coefficient of determination (R2) that is equal to 0.583 or 58.3% with influence of other variable not found in this research equal to 0.417 or 41.7%.

A positive brand image owned by a company will be an opportunity for the company to become a consumer priority in making purchasing decisions. Kotler and Keller (2008: 259) say "as consumers become increasingly complicated, rushed and running out of time, the brand's ability to simplify decision-making and reduce risk is something very valuable." Furthermore, Sutisna and Pawitra (2001: 83) explained that the benefits of the brand image include the presence of a positive image of a brand will allow consumers to make purchases and allow the company to do brand extension in the future.

The results of this study strengthen research from Istantia (2016) which has proved a significant influence of the brand image variable on the variables Purchasing Decision on consumers of environmentally friendly products Philips LED lamps in Perum Kepanjen Permai 1, RW 4, Talangagung Village, Kec. Kepanjen, Malang, East Java. The results of this study are also in line with the opinion of Aaker (1991: 112) which states that Brand Image will be the reason to make a purchase for consumers. And this research also strengthens research from Aldoko (2016) which stated that Brand Image has significant influence to the variable of Purchasing Decision at Tupperware customers in the Faculty of Administrative Science 2012/2013 Brawijaya University.

In accordance with these results it can be concluded that the positive Brand Image that has been owned Starbucks can give a positive impact to the Purchase Decision Products on products owned by Starbucks.

Based on the direct and indirect effect calculation, can be concluded that direct effect of Green Marketing variable to Purchase Decision variable greater than indirect effect of Green Marketing to Purchase Decision through Brand Image. This shows that in this research, the role of Green Marketing is important in influencing purchase decisions.

CONCLUSION & SUGGESTIONS

Conclusions

1. The results showed that the variable Green Marketing (X) has a direct influence on Brand Image (Z). This shows that Green Marketing offered to consumers has been able to create a positive Brand Image for Starbucks, where consumers consider Starbucks an environmentally friendly company.
2. The results showed that the variable of Green Marketing (X) has a positive effect on Purchase Decision (Y) and there is a significant influence. This shows with the existence of Green Marketing offered by Starbucks can help consumers in making purchasing decisions.
3. The result of research shows that Brand Image (Z) variable has positive effect on Purchase Decision (Y) and there is significant influence. This shows with the brand image Starbucks a positive or good in the eyes of consumers will facilitate consumers in making purchasing decisions.

Suggestions

Practical Suggestion

1. Starbucks is expected to make new innovations in place procurement. Starbucks can start reaching out to small towns with high regional revenue to cover all consumers in Indonesia.
2. Starbucks is expected to improve and innovate the green products it provides. This can be done by replacing plastic cup that are used for product packaging and replace it with cup that are more recyclable and giving information to customer that Starbucks product packaging are easy to unravel.

3. Starbucks is expected to innovate in relation to green promotions. this can be done by increasing promotional activities on green products through social media or using recycle paper for media of advertising.

4. the application of Green Starbucks marketing strategy is an important thing to be developed, with the existence of green marketing can form a positive brand image Starbucks. Responding to this, as for advice that can be given to Starbucks is expected to further strengthen Starbucks brand image by further promoting the use of tumbler, where the minimization of the use of plastic cups and cup paper on each product will further show pro environmental activities in the eyes of consumers and can reduce the felling of trees and can reduce the use of materials that can pollute the environment. Promotions that can be done is the addition of a day on tumbler day and the imposition of a discount on the tumbler price and by intensifying the advertisement about the importance of tumbler for environmental sustainability.

Academic Suggestion
1. For further research, the addition of sample number, respondent characteristic, and questionnaire distribution should be considered considering in this study the sample is only available in Starbucks Café Ubud.

2. Further research is expected to provide other variables so that more in-depth analysis can be related to Green Marketing (Tiwari et al 2011), Brand image (Biel 1992), and Purchase Decision (Kotler and Keller 2007)

REFERENCES


Journal:


Internet