



# Model Of Green Purchase Intention Environmentally Friendly Packaging In The Micro And Small Business Food Industry In Riau Province

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## ABSTRACT

In an era of increasing environmental awareness, consumer preferences are changing towards environmentally friendly practices, especially in the food industry. This research aims to develop a comprehensive model of environmentally friendly purchasing intentions by investigating the impact of environmentally friendly packaging on consumer behavior in the micro and small business food industry in Riau Province. The study uses a mixed approach, combining quantitative surveys and qualitative interviews to collect data from consumers and businesses. Quantitative analysis will involve statistical techniques such as regression analysis to identify key factors influencing green purchase intentions. Qualitative data will be analyzed thematically to provide deeper insight into consumer perceptions and business practices regarding environmentally friendly packaging. It is hoped that the findings of this research will contribute to the existing literature on sustainable consumption and provide practical insights for micro and small scale food businesses in Riau Province to improve their environmental sustainability efforts. Ultimately, the developed model will be a valuable tool for policymakers, businesses, and researchers seeking to encourage environmentally responsible practices in the local food industry.

## INTRODUCTION

The Riau Provincial Government has great attention to the economic progress of society with an environmental perspective. This is stated in the Riau Vision 2025, especially in the derivative of one of its missions, namely creating a competitive and sustainable economy

(www.riau.go.id). Sustainable economic development must be able to demonstrate the use of renewable natural resources in a way that does not reduce them and damage them or also does not reduce their function for the benefit and interests of future generations.

Based on data from the Ministry of Environment and Forestry (KLHK), in 2020 the total amount of waste in Indonesia reached 67.8 million tonnes, of which 9.53 million tonnes was plastic waste. Of the total pile of plastic waste, only 10-15 percent is recycled. The remaining 60-70 percent is landfilled in final disposal sites (TPA), 15-30 percent has not been managed and is wasted into the environment, especially waters. Around 50 percent of total plastic waste is single-use plastic bag waste which is very difficult to manage and the number continues to increase. According to data from the World Economic Forum in 2019, it is estimated that the world's oceans will contain 1 ton of plastic for every 3 tons of fish in 2025, and by 2050 there will be more plastic than fish in the ocean. (ketikunpad.ac.id).

Increasing public awareness about the importance of preserving the environment has made many producers of various products begin to switch to using materials that do not damage the environment or in other words, environmentally friendly materials (green products). The materials in question are not only product raw materials but also involve other materials such as product packaging, labeling, wrapping cartons and so on. This change creates challenges that must be answered for the company, which can be opportunities or threats. Smart companies will view environmental issues as opportunities to satisfy consumer needs and desires, not threats. Companies will apply environmental issues in the marketing activities they carry out, giving rise to a new phenomenon in the world of marketing in the form of the green marketing concept (Hariyani and Sartana, 2013).

In situations like that, the term Green Marketing appears. Green Marketing is a product marketing strategy concept by producers for the needs of environmentally conscious consumers. The term green marketing also has similarities with the terms environmental marketing and eco-marketing. However, this green marketing strategy cannot easily run well. The two main problems are that consumers may believe that the product is of lower quality because it is a green product, and consumers may feel that the product is not truly green so that they hesitate to consume the product (Kotler and Keller, 2016). For this reason, companies must be able to innovate and demonstrate green marketing throughout the product life cycle or every production process produced by the company (Wu and Chen, 2014).

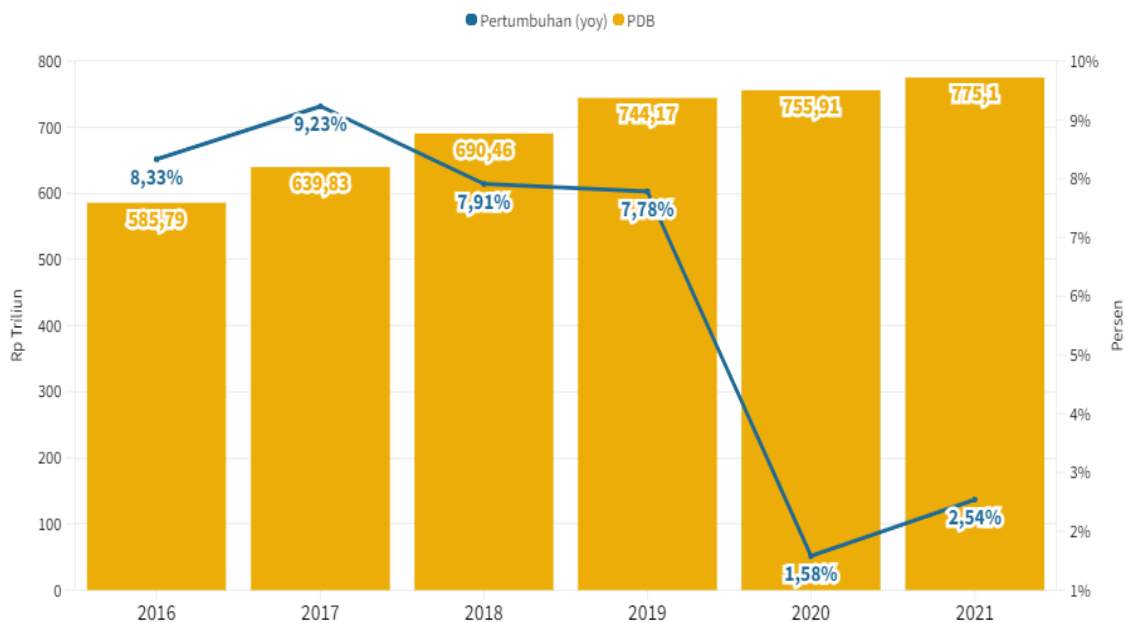
The use of environmentally friendly packaging (sustainable packaging) continues to be encouraged as issues regarding global warming and other issues related to environmental pollution have become a problem in their own right for a long time. The use of environmentally friendly packaging has already developed more internationally. Now industrial players in Indonesia also see this as an opportunity to develop and follow this trend so as not to be left out in global competition. Apart from that, the use of environmentally friendly packaging is a necessity that must be implemented by every industrial player in Indonesia, considering that currently the world is being filled with issues regarding the dangers of waste originating from product waste, including packaging. The importance of sustainable packaging in promoting better health and living, reducing harm to the environment, and in the long term reducing costs. Designing food and beverage packaging with an environmentally friendly paradigm increases product suitability. This is because reusable materials create new value, not only for the company itself but also for other users and businesses that will use and reuse the materials.

With new technologies and design approaches, packaging can help prevent food waste at various stages of the value chain. Some examples of food and drink packaging and disposable food and drink equipment that are environmentally friendly include Biofoam. This packaging is made from starch with added fiber to strengthen the structure. Not only is it biodegradable, biofoam packaging can also be recycled and used many times. In terms of water resistance, biofoam packaging is still lower than styrofoam. So, the new biofoam can be used to package products with low water content. Biofoam can be made from sugarcane bagasse, sorghum

husks, cassava starch, corn industry by-products (ampok), sago dregs (found in abundance in Riau) and biodegradable synthetic polymers, printed using a thermopressing process. Biodegradable plastic or bioplastic is almost entirely made from renewable materials, such as starch, fruit seeds, vegetable oils and microbiota. Oxo-biodegradable plastic, this plastic is a type of plastic that has compounds added to it so that it can be destroyed when exposed to oxygen for a short time. Oxo-degradable plastic will break down into small pieces or what we usually call microplastics. Brown Paper or Kraft Paper. Usually, this product is brown because it is not processed with bleach. What makes this brown paper packaging product environmentally friendly is that it is bio-degradable or easily decomposed because it is processed without using other chemical mixtures. This process also makes it a food-grade material or safe to use as food packaging. Various environmentally friendly straws, such as straws made from bamboo, paper, purun (a type of swamp grass), wheat stalks, and others. Spoons and forks made from wheat bran, rice, wood, bamboo and others.

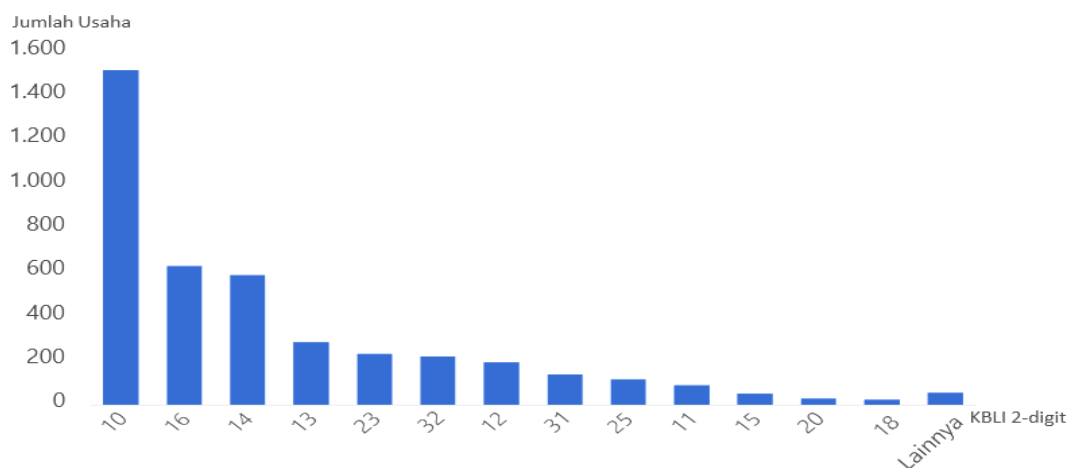
The Central Statistics Agency (BPS) notes that the food and beverage industry is always experiencing an increase, as illustrated in the following graph:

**Figure 1. Food & Beverage Industry GDP Development (2016-2021 )**



Source: Central Statistics Agency 2022

From figure 1 above, it can be seen that the gross domestic product (GDP) at constant prices (ADHK) of the food and beverage industry (mamin) is IDR 775.1 trillion in 2021. This value grew 2.54% compared to the previous year (year on year/yoy) which amounted to IDR 755.91 trillion. The food and beverage industry is considered immune from the Covid-19 pandemic. The reason is, this industry still recorded positive growth in 2020 and 2021 or when the outbreak struck. The following is data on the number of IMKs in Indonesia:

**Figure 2. Number of IMK Businesses according to 2-digit KBLI (Thousand Units)**

**Source: Profile of Micro and Small Industries (IMK) Central Statistics Agency 2020**

Description of the Standard Classification Code for Indonesian Business Fields (KBLI):

KBLI 10. Food Industry

KBLI 11. Beverage Industry

KBLI 14. Apparel Industry

KBLI 15. Leather, Leather Goods and Footwear Industry

KBLI 16. Wood Industry, Goods from Wood and Cork (excluding furniture), Wicker Goods from Rattan, Bamboo and the like

KBLI 18. Printing and Recording Media Reproduction Industry

KBLI 20. Chemical Industry and Chemical Products

KBLI 21. Pharmaceutical Industry, Chemical Medicinal Products and Traditional Medicine

KBLI 23. Non-Metal Excavated Goods Industry

KBLI 25. Non-machinery and equipment metal goods industry

KBLI 31. Furniture Industry

From the data obtained from the Micro and Small Industry Profile published by the Central Statistics Agency (BPS) in 2020 above, the food industry is the industrial group that has the largest share compared to other industries, namely 1,518,824 business units or 36.08 % of total 4,209,817. Meanwhile, for Riau Province itself the number is 20,671 business units. This research was conducted in the micro and small business food industry in Riau Province. The selection of consumer segments in the food industry is based on the level of packaging usage much more than individual consumers. The food industry's activities are processing food and drink ingredients into various types of ready-to-eat food and drinks, packaging and selling them. With the consistent increase in the food and beverage industry and the very large number of micro and small business actors in the food industry, this has resulted in an increase in the use of food packaging. Until now, most food businesses still use food packaging that is not environmentally friendly, such as non-biodegradable plastic and styrofoam, which have a bad impact on the environment, such as triggering pollutants, triggering floods, damaging ground water, poisoning the food chain, and threatening animal life. wild because it is difficult to decompose and various toxic substances. To overcome this problem, perhaps one solution is to increase consumers' green purchase intention by using environmentally friendly packaging.

In fact, small business actors have the desire to carry out environmentally friendly businesses. Survey results related to the pandemic and environmentally friendly business practices launched Thursday (14/10/2021) by the United Nations Development Program (UNDP), the Indonesian Ministry of Cooperatives and SMEs, and Indosat Ooredoo. The survey also

revealed promising results regarding the potential for environmentally friendly businesses in Indonesia. Around 95 percent of MSMEs expressed interest in environmentally friendly business practices. Another 90 percent said they were interested in implementing inclusive business practices, which is an important component of the Sustainable Development Goals (SDG) agenda. However, in practice there are still not many who have implemented it (www.liputan6.com).

Price is an important factor of green marketing. Most consumers will only be prepared to pay for added value if there is a perception of additional product value. These values may improve performance, function, design, visual appeal, or taste. Green marketing must take all these facts into consideration when charging higher prices. Many consumers think that the price of green products is often higher than conventional products (Febriani, 2019). The following is a basic comparison of the prices of the two packaging groups for commonly used packaging products:

**Table 1. Price Comparison for Environmentally Friendly Food Packaging and Packaging Not Environmentally Friendly**

No	Packaging Type	Environmentally Friendly Packaging Materials	Price (Rp)	Packaging Materials Are Not Environmentally Friendly	Price (Rp)
1	Food Box (S)	Eco craft paper	1,000	Styrofoam	250
		Sugarcane Bagasse	1,800		
2	Food Box (M)	Eco kraft paper	1,250	Styrofoam	350
		Sugarcane Bagasse	2,250		
3	Food Box (L)	Eco kraft paper	1,400	Styrofoam	450
		Sugarcane Bagasse	2,700		
4	Burger Box	Eco kraft paper	650	PET plastic mica	325
		Sugarcane Bagasse	1,300	Styrofoam	225
5	Bento box 3 compartments	Sugarcane Bagasse	3,850	PET plastic mica	1,600
				Styrofoam	450
6	500 ml soup bowl	Oxo-biodegradable plastic	1,550	Styrofoam	300
7	Plastic Bag 17x33 cm	Oxo-biodegradable plastic	325	Polyethylene polymer	175
		Cassava and other organic ingredients	700		
8	240 ml glass	Eco kraft paper	550	PET plastic	200
9	Cake box 20x20x10 cm	Eco kraft paper	2,900	PET plastic mica	2,200
10	Standing pouch for chips 17x10 cm	Craft paper oil laminated	525	PET plastic	275

\*) price/unit in Rupiah

Source: Processed Data, 2023

Based on the table above, it is clear that there is a significant price difference between environmentally friendly packaging and packaging that is not environmentally friendly, where environmentally friendly packaging made from various types of bio-degradable materials is much more expensive than non-environmentally friendly packaging, such as plastic and styrofoam. . This will certainly make the public, especially business actors in the food industry, as consumers of packaging products, prefer packaging that is not environmentally friendly because the price is much cheaper, because it will reduce packaging costs to reduce the selling price of food. Thus, only consumers who truly care about health and the environment will intend to buy environmentally friendly packaging with the consequence of being willing to pay more. As the main goal of green marketing itself is to increase consumers' green purchase intention.

According to Waskito (2015) green purchase intention is defined as the possibility that consumers will buy certain products because of their desire to preserve the environment.

Awareness is when consumers have all the information about a product. Green awareness means that consumers understand the effects that products have on the environment. Green awareness is the most important part of green purchase intention. Rizwan et. al, 2014 presented the conceptual model. In this conceptual model, it is proven that customer reactions to marketing activities are interrelated with brand knowledge and consumer brand awareness. Consumer's green marketing awareness, which means that consumers must be aware that green marketing includes all marketing activities carried out by companies by promoting the manufacture of products or service operations that have a positive impact on the environment or alternatively reduce negative impacts on the environment (Wu and Chen, 2014).

Perceived value is one of the variables that most influences consumers' green purchase intention. Green perceived value currently plays an important role in the era of environmental concern. Green perceived value is a consumer's overall assessment of the net benefits of a product or service between what is received and what is given based on consumer environmental awareness (Rizwan, Mahmood, Siddiqui, Tahir, 2014). The emergence of consumers' green purchase intention is also obtained from reducing perceived risk, therefore reducing perceived risk (green perceived risk) aims to increase consumers' green purchase intention. Therefore, minimizing the risks that arise from product use can increase consumers' green purchase intention. It is felt that consumer trust will also increase consumers' green purchase intention. Consumer trust is a key factor in long-term consumer behavior. If consumers have a trusting experience with a manufacturer or seller, then they will have a higher level of purchase interest. So it can be said that green trust is an antecedent of green purchase intention. Consumers' green trust in products will increase consumers' green purchase intention.

Based on the research results of Alamsyah and Febriani (2019), green awareness has a strong impact by increasing consumers' green trust. So a simple model was found regarding the impact of green awareness on consumer trust behavior. Several characteristics that need to be considered related to green brand awareness are awareness, recognition, knowledge response and ease in finding environmentally friendly products. A study conducted by Aris C. Lam et al. (2016) found that green trust is influenced by perceived green value. Moreover, Chen, Y. Shan et al. (2013) concluded that green perceived risk will negatively influence green trust.

Based on the background explained above, it is necessary to conduct research on the " Green Purchase Intention Model for Environmentally Friendly Packaging in the Micro and Small Business Food Industry in Riau Province" . Based on the background described previously and the problem formulation, the aim and objective of this research regarding green purchase intention for environmentally friendly packaging in the micro and small business food industry in Riau Province is to determine the influence of green awareness on green purchase intention.

## **LITERATURE REVIEW**

### **Green Purchase Intention**

The main objective of a green marketing strategy is to increase consumers' green purchase intention for a product or service. Before reaching a purchase decision, consumers must go through several stages such as information gathering and behavior which then lead to consumer purchase intention (Kotler and Keller, 2016). Intention is defined as interest or intention, interest is defined as a specific goal that consumers want to achieve in taking an action. Green purchase intention is the intention to buy services or products that are less or not harmful to society and the environment, meaning that there is an internal desire and willingness of a person to buy environmentally friendly products. With the development of technology, of course, the creation of products will have some adverse and negative effects on the environment such as water pollution, air pollution and damage to the ozone layer, to avoid these harmful

effects, consumers are now more serious and aware of environmental issues and adopt a new trend known as green marketing (Rizwan et.al, 2014).

### **Green Trust**

According to Rizwan et.al (2014) green trust is one of the determining variables for consumers in making green purchase intention. If consumers have good familiarity with the producer, then these consumers will have a higher level of green purchase intention. Green trust is the willingness to rely on products, services, or brands based on trust or expectations resulting from credibility, benevolence, and proficiency about environmental performance (Chen and Chang, 2012). Meanwhile, according to Luis and Pramudana (2017) green trust also means a trust gained from the credibility, ability and goodness of the product for its concern for the environment so that the growth of consumer willingness to depend on a product, service or brand. Another opinion states that green trust is the knowledge possessed by consumers and all conclusions made by consumers about objects, their attributes and benefits (Kong et.al, 2014).

### **Green Awareness**

Green awareness is that consumers have familiarity with the effects of products on the environment, meaning that consumers have awareness of green products when evaluating products, their features and benefits in an environmental context. Rizwan et. al (2014) presented his conceptual model, in this conceptual model, he proved that customer reactions to marketing activities are interrelated with brand knowledge and consumer brand awareness. Green awareness means that consumers realize that green marketing includes all marketing activities carried out by companies by promoting product or service activities that have a positive impact on the environment or reduce negative impacts on the environment (Wu and Chen, 2014).

### **Green Perceived Value**

Perception is the process by which an individual selects, organizes, and interprets information inputs to create a meaningful picture of the world. When a consumer trusts a product, the consumer has a positive purchase intention for the product (Kotler and Keller, 2016). Meanwhile, value is seen as a combination of quality, service, and price or defined as the ratio between how much the customer gets and how much the customer gives. The benefits include functional benefits and emotional benefits. Costs include monetary costs, time costs, energy costs and physical costs. Marketers can increase the value of customer offers in several ways, namely: increasing benefits, lowering costs or prices, increasing benefits and lowering costs, increasing benefits greater than cost increases, lowering benefits smaller than lowering costs (Kotler and Keller, 2016).

### **Green Perceived Risk**

Purchasing behavior will result in consequences that cannot be anticipated with certainty estimates so that it will be able to see the risk in the buying process (Chen and Chang, 2013). Green perceived risk can be interpreted as the characteristics and amount of risk that customers expect from purchasing behavior for a service or product (Luis and Pramudana, 2017). Green perceived risk is the consumer's opinion that the product is not to their liking and cannot meet their needs. Perceived risk can make consumers not buy the product again (Wu and Chen 2014).

## **METHOD**

This research is included in the type of explanatory research, namely research that is used to determine whether or not there is an influence of a variable in a certain situation. In this type of research, there is clearly a hypothesis whose truth will be tested. Meanwhile, the research method is a quantitative explanatory survey, namely research whose quantity can be calculated

using statistical methods. The time coverage (time horizon) of this research is cross section or one shot because the data is only collected at a certain time, namely in 2023. The type of investigation carried out is causality type, that is, the influence of one variable on another variable will be tested.

The influence of the variables to be measured are green awareness, green perceived value, green perceived risk as the independent variable, green trust as the intervening/mediating variable and green purchase intention as the dependent variable. The minimum sample size for this research is:  $(23 + 5) \times 5 = 140$  respondents. Based on the formula above, the minimum sample size in this research is 140 respondents.

## RESULTS

### Convergent Validity

The convergent validity test can be seen from the loading factor value between 0.5-0.7 and the AVE (average variance extracted) value of greater than 0.5. The following is data processing based on 5 variables with a total of 23 statements.

**Table 2. Loading Factor**

Variable	Indicator	Loading Factor	Rules of Thumb	Conclusion
Green Awareness	X1. P 1	<b>0.799</b>	0.700	Valid
	X1.P2	<b>0.757</b>	0.700	Valid
	X1.P3	<b>0.757</b>	0.700	Valid
	X1.P4	<b>0.721</b>	0.700	Valid
	X1.P5	<b>0.760</b>	0.700	Valid
Green Perceived Value	X2.P1	<b>0.621</b>	0.700	Valid
	X2.P2	<b>0.731</b>	0.700	Valid
	X2.P3	<b>0.807</b>	0.700	Valid
	X2.P4	<b>0.813</b>	0.700	Valid
Green Perceived Risk	X3.P1	<b>0.729</b>	0.700	Valid
	X3.P2	<b>0.857</b>	0.700	Valid
	X3.P3	<b>0.851</b>	0.700	Valid
	X3.P4	<b>0.934</b>	0.700	Valid
	X3.P5	<b>0.904</b>	0.700	Valid
	X3.P6	<b>0.841</b>	0.700	Valid
Green Trust	Y1.P1	<b>0.706</b>	0.700	Valid
	Y1.P2	<b>0.766</b>	0.700	Valid
	Y1.P3	<b>0.873</b>	0.700	Valid
	Y1.P4	<b>0.751</b>	0.700	Valid
	Y1.P5	<b>0.778</b>	0.700	Valid
Green Purchase Intention	Y2.P1	<b>0.882</b>	0.700	Valid
	Y2.P2	<b>0.704</b>	0.700	Valid
	Y2.P3	<b>0.816</b>	0.700	Valid

Source: Data processed (2023)



**Table 3. Average Variance Extracted (AVE) Value**

Variable	AVE
GREEN AWARENESS	0.576
GREEN PERCEIVED VALUE	0.559
GREEN PERCEIVED RISK	0.731
GREEN TRUST	0.603
GREEN PURCHASE INTENTION	0.647

Source: Processed data (2023)

Based on the results in Table 2 and Table 3, all variables are valid because they have a loading factor value between 0.5-0.7 and have an AVE value greater than 0.5.

### Discriminant Validity

Discriminant validity is measured by a cross loading value that is greater than other variables so that different construct measures should not be highly correlated. (Ghozali, 2021).

**Table 4. Cross Loading**

	Green Awareness	Green Perceived Value	Green Perceived Risk	Green Trust	Green Purchase Intention
X1.P1	0.799	0.433	-0.344	-0.070	0.263
X1.P2	0.757	0.451	-0.226	0.058	0.260
X1.P3	0.757	0.359	-0.228	0.122	0.156
X1.P4	0.721	0.322	-0.150	-0.007	0.213
X1.P5	0.760	0.470	-0.278	0.096	0.258
X2.P1	0.371	0.621	-0.126	0.065	0.215
X2.P2	0.273	0.731	-0.105	0.298	0.156
X2.P3	0.476	0.807	-0.235	0.032	0.228
X2.P4	0.534	0.813	-0.289	0.114	0.238
X3.P1	-0.202	-0.119	0.729	-0.030	-0.026
X3.P2	-0.239	-0.235	0.857	-0.017	-0.186
X3.P3	-0.292	-0.248	0.851	-0.031	-0.160
X3.P4	-0.355	-0.268	0.934	0.171	-0.259
X3.P5	-0.280	-0.192	0.904	0.162	-0.133
X3.P6	-0.234	-0.120	0.841	-0.008	-0.149
Y1.P1	0.012	0.032	0.031	0.706	0.171
Y1.P2	0.064	0.061	0.024	0.766	0.163
Y1.P3	0.062	0.259	0.146	0.873	0.135
Y1.P4	0.030	0.126	0.021	0.751	0.113
Y1.P5	0.007	0.135	0.043	0.778	0.121
Y2.P1	0.312	0.215	-0.317	0.187	0.882
Y2.P2	0.158	0.171	0.083	0.048	0.704
Y2.P3	0.223	0.280	-0.079	0.122	0.816

Source: Processed Data (2023)

The results of table 4 show that the loading value of each indicator item on the construct is greater than the cross loading value. Thus, it can be concluded that all constructs or latent variables have good discriminant validity, where in the block the construct indicators are better than the other block indicators.

### Reliability Test

The reliability of the instrument in this study was measured using two criteria, namely composite reliability and Cronbach alpha values for each indicator block in the reflective

construct. As a rule of thumb, the composite reliability value must be greater than 0.7, although a value of 0.6 is still acceptable (Hair, Black Babin and Anderson, 2014).

**Table 5. Composite Reliability**

Variable	Composite Reliability	Cronbach's Alpha	Rules of Thumb	Conclusion
GREEN AWARENESS (X1)	0.871	0.817	0.700 __	Reliable
GREEN PERCEIVED VALUE (X2)	0.834	0.734	0.700 __	Reliable
GREEN PERCEIVED RISK (X3)	0.942	0.932	0.700 __	Reliable
GREEN TRUST (Y1)	0.8 83	0.843	0.700 __	Reliable
GREEN PURCHASE INTENTION (Y2)	0.8 45	0.763	0.700 __	Reliable

Source: Processed data (2023)

Based on table 5, the results of the composite reliability and Cronbach's alpha tests show a value of > 0.7. This means that all variables are declared reliable.

### Inner Model Analysis

After evaluating the model and finding that each construct meets the requirements for Convergent Validity, Discriminant Validity and Composite Reliability, the next step is to evaluate the structural model which includes testing model fit, Path Coefficient and R<sup>2</sup>. Model fit testing is used to find out whether a model fits the data.

### Fit Models

**Table 6. Model Fit**

	Saturated Model	Estimated Model
NFI	0.678 _	0.678 _

NFI values ranging from 0 - 1 are derived from a comparison between the hypothesized model and a certain independent model. The model has a high fit if the value is close to 1. Based on the table above, the NFI value is 0.678, which means the model fit can be described as good. (Ghozali, 2014).

### R Square

The structural model is evaluated using R-square for the dependent construct. The R<sup>2</sup> value can be used to assess the influence of certain endogenous variables and whether exogenous variables have a substantive influence (Ghozali, 2014). The R<sup>2</sup> results of 0.67, 0.33, and 0.19 indicate that the model is "good", "moderate", and "weak" (Ghozali, 2014).

**Table 7. R Square**

Variable	R Square
GREEN PURCHASE INTENTION	0.147
GREEN TRUST	0.057

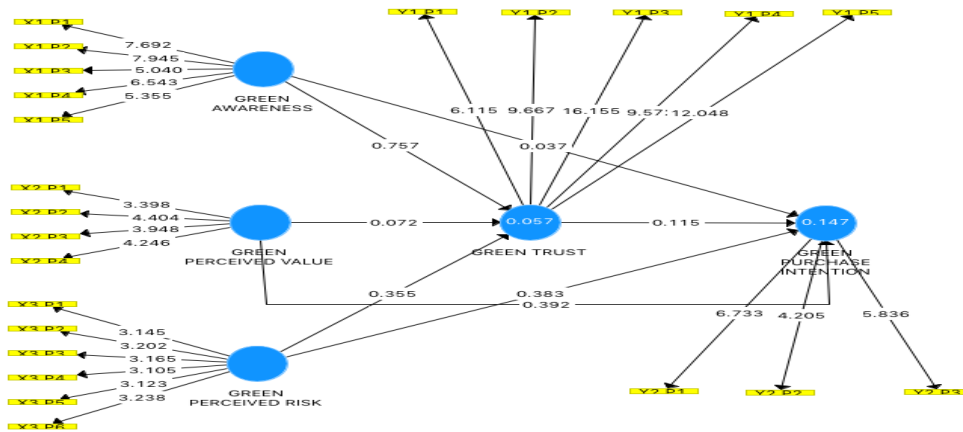
Source: Processed data (2023)

Based on table 7, it can be seen that the structural model shows that the Green Purchase Intention variable shows an R<sup>2</sup> of 0.147, which means that 14.7% of the variance in Green Purchase Intention is explained by the Green Awareness, Green Perceived Value, Green Perceived Risk and Green Trust variables and 85.3% explained by other variables. Meanwhile, the

Green Trust variable has an R2 of 0.057, which means that 5.7% of the Green Trust variance is explained by the Green Awareness, Green Perceived Value and Green Perceived Risk variables and 94.3% is explained by other variables. From the obtained R2 it can be concluded that the structural model (inner model) in this study is classified as "weak".

**Test of the Direct Effect Hypothesis**

**Figure 1. Results of Bootstrapping Data Processing**



To find out the structural relationship between latent variables, hypothesis testing must be carried out on the path coefficient between variables by comparing the p-value with alpha (0.005) or a t-statistic of (>1.96). The P-value and t-statistics are obtained from the output in SmartPLS using the bootstrapping method. This test is intended to test a hypothesis consisting of the following 10 hypotheses:

- H1: There is an influence of green awareness on green purchase intention.
- H2: There is an influence of green perceived value on green purchase intention.
- H3: There is an influence of green perceived risk on green purchase intention.
- H4: There is an influence of green awareness on green trust.
- H5: There is an influence of green perceived value on green trust
- H6: There is an influence of green perceived risk on green trust.
- H7: There is an influence of green trust on green purchase intention.
- H8: There is an influence of green awareness on green purchase intention with green trust as a mediating variable.
- H9: There is an influence of green perceived value on green purchase intention with green trust as a mediating variable.
- H10: There is an influence of green perceived risk on green purchase intention with green trust as a mediating variable.

**Table 8. Direct Effect**

Criteria	Green Awareness	
t-Statistics	2,101	Green Purchase Intention
P- Value	0.0 37	

Source : Exercise data Outputs SmartPLS

**Hypothesis Test 1**

- Ho1: There is no influence of Green Awareness on Green Purchase Intention.
- Ha1: There is an influence of Green Awareness on Green Purchase Intention.

Based on table 8 with a P-Value value of  $0.037 < 0.05$  or with a t-statistic of  $2.101 > 1.96$ ,  $H_0$  is rejected and  $H_a$  is accepted, which means that Green Awareness has an effect on Green Purchase Intention.

**Table 9. Direct Effect**

Criteria	Green Perceived Value	
t-Statistics	0.858	Green Purchase Intention
P-Value	0.392	

Source: SmartPLS Output data processing

### Hypothesis Test 2

$H_0$ : There is no influence of Green Perceived Value on Green Purchase Intention.

$H_a$ : There is an influence of Green Perceived Value on Green Purchase Intention.

Based on table 9 with a P-Value value of  $0.392 > 0.05$  or with a t-statistic of  $0.858 < 1.96$ ,  $H_a$  is rejected and  $H_0$  is accepted, which means that Green Perceived Value has no effect on Green Purchase Intention.

**Table 10. Direct Effect**

Criteria	Green Perceived Risk	
t-Statistics	0.875	Green Purchase Intention
P-Value	0.383	

Source: SmartPLS Output data processing

### Hypothesis Test 3

$H_0$ : There is no influence of Green Perceived Risk on Green Purchase Intention.

$H_a$ : There is an influence of Green Perceived Risk on Green Purchase Intention.

Based on table 10 with a P-Value value of  $0.385 > 0.05$  or with a t-statistic of  $0.875 < 1.96$ ,  $H_a$  is rejected and  $H_0$  is accepted, which means that Green Perceived Risk has no effect on Green Purchase Intention.

**Table 11. Direct Effect**

Criteria	Green Awareness	
t-Statistics	0.309	Green Trust
P-Value	0.757	

Source: SmartPLS Output data processing

### Hypothesis Test 4

$H_0$ : There is no influence of Green Awareness on Green Trust.

$H_a$ : There is an influence of Green Awareness on Green Trust.

Based on table 11 with a P-Value value of  $0.757 > 0.05$  or with a t-statistic of  $0.309 < 1.96$ ,  $H_a$  is rejected and  $H_0$  is accepted, which means that Green Awareness has no effect on Green Trust.

**Table 12. Direct Effect**

Criteria	Green Perceived Value	
t-Statistics	1,811	Green Trust
P-Value	0.072	

Source: SmartPLS Output data processing

### Hypothesis Test 5

$H_0$ : There is no influence of Green Perceived Value on Green Trust.

Ha1: There is an influence of Green Perceived Value on Green Trust.

Based on table 12 with a P-Value value of  $0.072 > 0.05$  or with a t-statistic of  $1.811 < 1.96$ , Ha1 is rejected and Ho1 is accepted, which means that Green Perceived Value has no effect on Green Trust.

**Table 13. Direct Effect**

Criteria	Green Perceived Risk	
t-Statistics	0.927	Green Trust
P-Value	0.355	

Source: SmartPLS Output data processing

### Hypothesis Test 6

Ho1: There is no influence of Green Perceived Risk on Green Trust.

Ha1: There is an influence of Green Perceived Risk on Green Trust.

Based on table 13 with a P-Value value of  $0.355 > 0.05$  or with a t-statistic of  $0.927 < 1.96$ , Ha1 is rejected and Ho1 is accepted, which means that Green Perceived Risk has no effect on Green Trust.

**Table 14. Direct Effect**

Criteria	Green Trust	
t-Statistics	1,586	Green Purchase Intention
P-Value	0.115	

Source: SmartPLS Output data processing

### Hypothesis Test 7

Ho1: There is no influence of Green Trust on Green Purchase Intention.

Ha1: There is an influence of Green Trust on Green Purchase Intention.

Based on table 14 with a P-Value value of  $0.115 > 0.05$  or with a t-statistic of  $1.586 < 1.96$ , Ha1 is rejected and Ho1 is accepted, which means that Green Trust has no effect on Green Purchase Intention.

**Table 15. Indirect Effect**

Criteria	Green Awareness → Green Trust → Green Purchase Intention
t-Statistics	0.250
P-Value	0.803

Source: SmartPLS Output data processing

### Hypothesis Test 8

Ho1: There is no influence of Green Awareness on Green Purchase Intention with Green Trust as a mediating variable.

Ha1: There is an influence of Green Awareness on Green Purchase Intention with Green Trust as a mediating variable.

Based on table 15 with a P-Value value of  $0.803 > 0.05$  or with a t-statistic of  $0.250 < 1.96$ , Ha1 is rejected and Ho1 is accepted, which means that Green Awareness has no effect on Green Purchase Intention with Green Trust as a mediating variable.

**Table 16. Indirect Effect**

Criteria	Green Perceived Value → Green Trust → Green Purchase Intention
t-Statistics	1,209
P-Value	0.229

Source: SmartPLS Output data processing

### Hypothesis Test 9

Ho1: There is no influence of Green Perceived Value on Green Purchase Intention with Green Trust as a mediating variable.

Ha1: There is an influence of Green Perceived Value on Green Purchase Intention with Green Trust as a mediating variable.

Based on table 16 with a P-Value value of  $0.229 > 0.05$  or with a t-statistic of  $1.209 < 1.96$ , Ha1 is rejected and Ho1 is accepted, which means that Green Perceived Value has no effect on Green Purchase Intention with Green Trust as a mediating variable.

**Table 17. Indirect Effect**

Criteria	Green Perceived Risk → Green Trust → Green Purchase Intention
t-Statistics	0.750
P-Value	0.454

Source: SmartPLS Output data processing

### Hypothesis Test 10

Ho1: There is no influence of Green Perceived Risk on Green Purchase Intention with Green Trust as a mediating variable.

Ha1: There is an influence of Green Perceived Risk on Green Purchase Intention with Green Trust as a mediating variable.

Based on table 17. with a P-Value value of  $0.454 > 0.05$  or with a t-statistic of  $0.750 < 1.96$ , Ha1 is rejected and Ho1 is accepted, which means that Green Perceived Value has no effect on Green Purchase Intention with Green Trust as a mediating variable.

**Table 18 Results Hypothesis**

	Hypothesis	Conclusion
Hypothesis 1	There is an influence of <i>green awareness</i> on <i>green purchase intention</i> .	Accepted
Hypothesis 2	There is an influence of <i>green perceived value</i> on <i>green purchase intention</i>	Dit refused
Hypothesis 3	There is an influence of <i>green perceived risk</i> on <i>green purchase intention</i> .	Dit refused
Hypothesis 4	There is an influence of <i>green awareness</i> on <i>green trust</i> .	Dit refused
Hypothesis 5	There is an influence of <i>green perceived value</i> on <i>green trust</i>	Dit refused
Hypothesis 6	There is an influence of <i>green perceived risk</i> on <i>green trust</i> .	Dit refused
Hypothesis 7	There is an influence of <i>green trust</i> on <i>green purchase intention</i> .	Dit refused
Hypothesis 8	There is an influence of <i>green awareness</i> on <i>green purchase intention</i> with <i>green trust</i> as a mediating variable .	Dit refused
Hypothesis 9	There is an influence of <i>green perceived value</i> on <i>green purchase intention</i> with <i>green trust</i> as a mediating variable.	Dit refused
Hypothesis 10	There is an influence of <i>green perceived risk</i> on <i>green purchase intention</i> with <i>green trust</i> as a mediating variable.	Dit refused

## Discussion

The research results show that green awareness influences green purchase intention. This means that the level of consumer awareness about environmental issues, sustainability, or environmentally friendly products has a positive impact on the intention or tendency to buy products that are considered more environmentally friendly. This is in line with the conceptual model developed by Rizwan et. al (2014), this concept proves that customer reactions to marketing activities are interrelated with brand knowledge and consumer brand awareness.

The research results show that green perceived value has no effect on green purchase intention. This means that there is no influence of the values provided by environmentally friendly products on consumer buying interest. Green perceived value relates to the extent to

which consumers believe that products that are considered environmentally friendly have higher value compared to similar products that are not environmentally friendly. The results showing that green perceived value has no effect on green purchase intention indicate that consumers do not see a big enough difference between environmentally friendly products and conventional products in terms of the value provided. Referring to the definition of Chen and Chang (2012) and Wu and Chen (2014) that green perceived value is closely related to the spirit of environmental concern.

This can encourage consumers to choose the product based on the value of the benefits of a product according to the amount of money that must be paid for it. Meanwhile, research conducted by Akbar, Hassan, Khurshid, Niaz (2014) in Pakistan on consumers using green products shows that the perception of the value of a product is able to build a worth of mouth (WOM) effect so that it can increase consumer purchasing value. Here it can be concluded that the results obtained by researchers include: (1) research conducted on micro and small business actors in the food industry in Riau Province who know and are familiar with environmentally friendly packaging. Knowing and being familiar with environmentally friendly packaging does not guarantee that they have become users of green products or in other terms are called green customers.

Green customers or green consumers are those who consider the environmental impact first before buying and consuming a product (Utami, 2020). This is different from the sample conducted by Akbar, Hassan, Khurshid, Niaz (2014) who specialized their research on green product users. (2) the desire to use green products as a form of concern for the environment may already exist because respondents already know and are familiar with environmentally friendly packaging, but are constrained by the very high price of environmentally friendly packaging compared to non-environmentally friendly packaging. Price is a critical element of the marketing mix.

The research results show that green perceived risk has no effect on green purchase intention. This means that when consumers consider purchasing a green product, the level of risk they perceive in terms of environmental or sustainability aspects does not have a significant impact on their decision to purchase the product. They do not consider this risk to be a major factor influencing their purchase intentions. It has been suggested that other factors, such as price, quality, brand, or personal preference, influence purchasing decisions more than environmental risk.

The research results show that green awareness has no effect on green trust. This shows that the level of consumer awareness or understanding of environmental issues does not significantly influence their level of trust in products or brands that are considered environmentally friendly. While environmental awareness can be a good first step, consumers may need additional information or concrete evidence about a product or brand that shows real involvement in environmentally friendly business practices to build trust.

The research results show that green perceived value has no effect on green trust. This means that the perceived environmental value of a product or brand that is considered environmentally friendly does not significantly influence the level of consumer trust in that product or brand. Consumers are more inclined towards the practical or functional aspects of the product rather than the environmental value. It is suspected that they care more about price, quality, reliability, or the direct benefits provided by the product, and this trumps environmental value in building trust.

The research results show that green perceived risk has no effect on green trust. This means that the level of risk perceived by consumers related to products or brands that are considered environmentally friendly does not significantly influence their level of trust in these products or brands. Perceived risk is not the dominant factor in building consumer trust. Consumers focus more on expected benefits and other positive factors when they consider products or brands that are considered environmentally friendly.

The research results show that green trust has no effect on green purchase intention. This means that the level of consumer trust in products or brands that are considered environmentally friendly does not have a significant impact on consumers' intentions or tendencies to buy these products. These findings highlight that to encourage consumers to purchase products that are considered environmentally friendly, companies need to understand other factors that further influence purchase intentions and how they may influence consumer preferences. Efforts are needed to educate consumers, provide concrete evidence of product value and sustainability, or improve the quality of green products to influence more positive purchase intentions.

The research results show that green trust cannot mediate the influence of green awareness on green purchase intention. This means that the level of consumer trust in products or brands that are considered environmentally friendly does not mediate the influence of environmental awareness on the intention to purchase the product. Trust in products or brands that are considered environmentally friendly may be low or not strong enough to be a significant mediator in the influence of environmental awareness on purchase intentions. This could be due to lack of adequate information, poor previous experience, or uncertainty regarding green products.

The research results show that green trust cannot mediate the influence of green perceived value on green purchase intention. This means that the level of consumer trust in products or brands that are considered environmentally friendly does not mediate the influence of perceived environmental value on the intention to purchase the product. So even though consumers consider the product to have high environmental friendly value, their level of trust in the product does not influence their purchasing intentions. This could be caused by the availability of other product options that are easier to obtain, economical and practical even though they are not environmentally friendly.

The research results show that green trust cannot mediate the influence of green perceived risk on green purchase intention. This means that the level of consumer trust in products or brands that are considered environmentally friendly does not mediate the influence of perceived risk on their intention to purchase the product. So even though consumers perceive low environmental risk, their level of trust in the product does not influence their purchasing intentions. This can be caused by the lack of information that consumers have about environmentally friendly products that have low risk, then consumers feel more comfortable using other products that are easier to obtain at affordable prices even though they are not environmentally friendly as well as other factors that influence consumers' purchase intentions towards products. environmentally friendly.

## **CONCLUSION**

The research results show that green awareness influences green purchase intention. This means that the level of consumer awareness about environmental issues, sustainability, or environmentally friendly products has a positive impact on the intention or tendency to buy products that are considered more environmentally friendly. The research results show that green perceived value has no effect on green purchase intention.

This means that there is no influence of the values provided by environmentally friendly products on consumer buying interest. The research results show that green perceived risk has no effect on green purchase intention. This means that when consumers consider purchasing a green product, the level of risk they perceive in terms of environmental or sustainability aspects does not have a significant impact on their decision to purchase the product. The research results show that green awareness has no effect on green trust. This means that consumers' level of awareness or understanding of environmental issues does not significantly influence their level of trust in products or brands that are considered environmentally friendly. The research results show that green perceived value has no effect on green trust. This means that



the perceived environmental value of a product or brand that is considered environmentally friendly does not significantly influence the level of consumer trust in that product or brand.

The research results show that green perceived risk has no effect on green trust. This means that the level of risk perceived by consumers related to products or brands that are considered environmentally friendly does not significantly influence their level of trust in these products or brands. The research results show that green trust has no effect on green purchase intention. This means that the level of consumer trust in products or brands that are considered environmentally friendly does not have a significant impact on consumers' intentions or tendencies to buy these products.

The research results show that green trust cannot mediate the influence of green awareness on green purchase intention. This means that the level of consumer trust in products or brands that are considered environmentally friendly does not mediate the influence of environmental awareness on the intention to purchase the product. The research results show that green trust cannot mediate the influence of green perceived value on green purchase intention. This means that the level of consumer trust in products or brands that are considered environmentally friendly does not mediate the influence of perceived environmental value on the intention to purchase the product. The research results show that green trust cannot mediate the influence of green perceived risk on green purchase intention. This means that the level of consumer trust in products or brands that are considered environmentally friendly does not mediate the influence of perceived risk on their intention to purchase the product.

## **SUGGESTION**

Manufacturers that focus on green products can develop strategies that focus more on the sustainability and environmentally friendly qualities of their products to attract consumer groups that already have an understanding of environmental awareness issues. The government can provide policies to limit the circulation of non-environmentally friendly packaging in order to encourage consumer buying intentions for green products.

For further researchers to be able to add other factors that have an influence on consumer buying interest in green products. For future researchers to be able to increase the number of respondents and expand the population outside Riau Province.

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