GREEN PURCHASE INTENTION AND BEHAVIOR AMONG MILLENNIAL COFFEE SHOP CUSTOMERS

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ARTICLE INFORMATION
Received: 29th March 2020
Revised: 19th April 2020
Issued: 28th April 2020

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DOI:10.31933/DIJDBM

Abstract: The main purpose of this research is to identify the environmental concern, attitude towards the environment and attitude towards the green product to green purchase intention and green purchase intention and behavior of Millennial Coffee Shop customers in Jakarta and Tangerang. Data gathering is done by online questionnaire through google form and given to respondents that usually purchase coffee in coffee shops with ages 18-36 years old. This research is using SEM (Structural Equation Modeling) to analyze the model with Software SmartPLS 2.0 M3 for data processing. Results from this research shows that there are significant influences between attitude towards green product towards green purchase intention and green purchase intention towards green purchase behavior. While environmental concern and attitude towards the environment did not have significant influence towards green purchase intention.

Keywords: Green purchase intention, green purchase behavior, environmental concern, attitude, millennial

INTRODUCTION
According to Euromonitor International, the coffee industry is growing exponentially today. In 2016, the number of sales in Coffee shops increased 9.1% globally compared to 2014–2015 (Friend, 2016). Significant increase in coffee production through 2018-2019 predicted to reach 174.5 million bags, increased from 15.6 million bags compared to last year (USDA Report “Coffee: World Markets and Trade”, 2018). According to the International Coffee Organization in 2019, Indonesia placed in fourth position on the list of coffee producers in the world. Along with the increase of production, coffee drinkers are also followed due to the increase of specialty stores and chain stores.

For Millennials, coffee is not only a refreshing drink, but more to pride, intelligence and social acceptance (Valustrat, 2019). According to National Coffee Drinking Trends 2019,
statistics showed that the younger generation (Millennial and Gen Z) are the booster factor of coffee consumption in America. In Indonesia, especially in Jakarta, the majority of middle class millennials spend their evening in coffee shops and the trend of coffee drinking spreading across others (Hidayah, 2018). Coffee consumption by Jakarta’s millennial now has become a lifestyle, according to a survey conducted by Moneysmart.id that categorizes the percentage of spending lifestyle on Jakarta’s Millennial. Based on the survey, Jakarta’s Millennial expenses in café or coffee spending are the second highest expense (23.3%) after travelling (37.7%). With monthly average spending for coffee consumption amounted from IDR 100,000 to 1,600,000 (Hidayah, 2018).

However, along with increasing popularity and demand of coffee shops and café, other side effects of environmental impact also increase (Filimonau, 2019). Majority of the packaging uses non-disposable cups and plastic straws, even though some coffee shops offer paper cups for hot beverages. Although using paper, there is 5% of plastic trace in the paper cup, that plastic trace makes paper cups harder to be recycled (Ecoffeecup.eco, 2019). Packaging is the main contributor of all plastic waste, in 2015 almost 141 million tons or contributed 42% from total global waste. About 60% of all packaging used in foods and drinks are from plastic (Groh, et al., 2019).

For years, the majority of consumers have been aware of their behavior in purchasing products (purchasing behavior) as direct impact towards ecology (Laroche, et al., 2001). Nowadays, consumers start to be aware of “green” purchasing behavior, that gives the chance for consumers to decrease the negative impact by choosing the more environmentally friendly goods (Nam and Lee, 2017). The increase of consumer awareness in environmental problems followed with higher attention in purchasing more environmentally friendly products in the future (Killbourne and Pickett, 2007; Laroche, et al., 2001).

The coffee industry and consumers are more aware of using more environmentally friendly products, like decreasing and eliminating usage of plastic cups and straw in coffee shops. Starbucks, as coffee shop leaders’ announce at the end of 2020s, will not provide plastic straw to its customers (National Geographic, 2018). With the campaign from many institutions, attention and awareness of many consumers about the issues is increasing. Usage of reusable cups, tumblers and stainless straw are now encouraged by the coffee shop among the young generation, as one of concern towards the environment. The increase of “green products’ awareness on Indonesian consumers create significant implications in many industries especially in the coffee industry (Askadilla dan Krisjanti, 2017). With increasing awareness and seriousness towards environmental problems, consumers prefer to use more environmentally friendly products to reduce negative impact on the environment (Jang, et al., 2015). Environmental concern also causes significant changes in consumer behavior when buying products and their attitude towards eco-friendly business (Han dan Kim, 2010). Every company has to adapt and understand “green” consumer behavior as their key of success (Askadilla and Krisjanti, 2017).

LITERATURE REVIEW

Pro-environment behavior or green behavior is a behavior that reduces the environmental impact as much as possible or even can provide benefits to the environment (Steg and Vlek, 2009). Green environment or green behavior not only controlled by social norms but also emerged from personal values shared by the community (Varela-Candamio, et al., 2018). Pro-environment behavior includes activities such as environmentally friendly products usage, goods and services related to environment, organic products and waste management (Park and Ha, 2012).
Kim and Choi (2005) define that environmental concern is individuals’ attention to the environment and environmental issues. Furthermore, Mat Said, et al., (2003) defines environmental concern as trust, attitude, and level of concern for the individual towards the environment. Environmental concern refers to consumer attitudes towards environment quality for the benefits that will affect the whole community (Bickart and Ruth, 2012). Environmental concern is often emphasized as one of the main measures for predicting a person’s pro-environment behavior that exists in various green marketing literatures from time to time (Jaiswal and Kant, 2018). Aligned with the study of Liu, et al. (2014) which states that understanding environmental concern from each individual in the community is required when making public policy and promote community involvement in behavioral development or green behavior.

The main factor in the theory of planned behavior (TPB) is intention or the desire of each individual to perform certain behaviors. Intention indicates how hard people want to try and how much effort is planned to act in order to behave. In other words, the stronger one's intention to engage in a certain behavior then most likely that actual behavior will be carried out (Ajzen, 1991). According to Yadav and Pathak (2016), intention also refers to individual readiness to do a certain behavior. Green purchase intention refers to willingness and motive of consumers for buying these environmentally friendly products, in other words consumers are not only concerned with the ecological impact but also environmental consequences that can be caused by their purchasing decisions on the product (Jaiswal and Kant, 2018). Green purchase intention is also conceptualized as an opportunity and willingness for someone in consideration of their purchase, to choose products with environmentally friendly function compared to other traditional products (Rashid, 2009).

The first hypothesis states whether consumer awareness of the environment can influence their intention to buy environmentally friendly products. Environmental concern can be realized through different ways starting from adhering certain beliefs to their actual behavior (e.g. recycling and consuming environmentally friendly products) (Choi dan Johnson, 2019). General green product consumers in Malaysia states that environmental concern and green purchase intention have significantly positive relationships (Aman, et al. (2012). Environmental concern can be identified as one of the factors important in influencing consumers’ green purchasing behavior. Research conducted by Alidan Ahmad (2012) on students in Pakistan also stated that environmental concern shows a positive relationship with green purchases intention. Maichum et al. (2016) in his study of green products consumption in Thailand also stated that environmental concern shows positive relationship with green purchase intention. Some other studies which show a positive relationship between environmental concern with green purchase intention namely Hartmann and Apaolaza-Ibáñez (2011), Albayrak (2012) and Choi and Jonhson (2019). Based on above literatures we proposed this hypothesis:

**H1: There is a significant influence between environmental concerns with green purchase intention.**

Attitude is defined as a psychological condition that determines liking or dislike from an individual of a particular object (Ajzen and Fishbein, 2000; Eagly and Chaiken, 2007). Attitude plays an important role in influencing behavior, therefore attitude involvement in research on consumer behavior is a necessity (Follows and Jobber, 2000). Theory of planned behavior (TPB) developed by Ajzen (1991) describes that attitude is one of three independent concepts in determining intentions, other than subjective norms and perceived behavioral intentions.
control. Attitude, according to Azjen (1991), refers to which extent someone has a favorable or not favorable evaluation or judgment to the intended behavior. Azjen (1991) also claims that the more positive an individual's attitude towards a certain behavior, the greater the opportunity for the individual to engage in the behavior. In this research, the object is attitude towards the environment and attitude towards the green product, which are the two attitudes that refer to an assessment of the environment made by the consumers to assess their perceptions and desires to act (Chekima, et al., 2015). In some studies or research regarding green behavior, attitude towards the environment and attitude towards the green product variables have been widely used for predicting consumer green behavior in various types of objects.

The second hypothesis states whether consumers’ attitudes to the environment can influence their intention to buy environmentally friendly products. Attitude plays an important role in influencing behavior and therefore, attitude is something that must be presented on research regarding consumer behavior (Follows and Jabber, 2000). Chekima (2015) states that attitude towards the environment refers to an assessment of the environment carried out by consumers and valued through their perceptions and desires to act. Positive relationship between attitude towards the environment with green purchase intention has been widely reported and cited by previous studies covering a variety of samples throughout the world (Chekima, et al., 2015) including research conducted by May, et al. (2012) towards members of non-profit organizations in Malaysia; Chekima, et al. (2015) towards green product consumers in Malaysia; Lai and Cheng (2016) towards undergraduate students in Hong Kong; and Xu, et al. (2018) towards young consumers who buy cars from major private universities in Texas, United States of America. Therefore, the hypothesis proposed is:

**H2: There is a significant influence between attitude towards the environment with green purchase intention.**

The third hypothesis states whether consumer attitudes towards environmentally friendly products can affect their intention to buy green products. In the context of green buying, one's attitude plays an important role (Prakash and Pathak, 2017). Previous research shows that consumers with environmentally friendly attitude influences their desires to buy (Ahmed and Varshney, 2011; Limbu, et al., 2012). Consumers with a positive attitude towards environmentally friendly products have a higher desire to buy it (Cheah and Phau, 2011). Some research shows a positive relationship between attitude towards the green product with green purchase intention, including research conducted by Paul, et al., (2015) on general green product consumers in India; Yadav and Pathak (2016) among young consumers in India; Ko and Jin (2016) on green apparel consumers in the USA and China; Nam and Lee (2017) on green sportswear consumers in the USA; Prakash and Pathak (2017) towards young consumers who want to buy products with environmentally friendly package in India; and Sreen, et al., (2018) on urban consumers who buy general green products. Therefore, the hypothesis proposed is:

**H3: There is a significant influence between attitude towards the green products with green purchase intention.**

Green purchase behavior is defined as the consumption of products that provides benefits to the environment, which can be recycled and responsive to ecological problems
Green purchase behavior is a complex form of ethical decision making process and considered to be socially responsible behavior (Joshi and Rahman, 2012). It emphasized that green purchase behavior is different from general purchase behavior. General purchase behavior encourages consumers to make an assessment of the benefits to be gained as well as the costs. Whereas in green purchase behavior, consumers are not focused on the benefits or satisfaction that will be obtained for themselves, but rather focus on the future (e.g. cleaner environment) and how it would benefit the community as a whole (McCarthy and Shrum, 2011).

The fourth hypothesis states whether a consumer's intention in buying environmentally friendly products has an influence on consumers behaviour when buying the product. According to Yadav and Pathak (2017), intention refers to an individual's readiness to perform certain behaviors. According to Theory of Reasoned Action (TRA) by Azjen and Fishbein (1975), consumer behavior is determined by their intention, including with attitude and subjective norms. Green purchase intention refers to consumer's desire and motive to buy environmentally friendly products (Jaiswal and Kant, 2018). According to Lai and Cheng (2016) factors that influence consumers desire to buy environmentally friendly products are more effective than other factors to capture consumer behavior towards green purchases. Positive relationship between purchase intention and purchase behavior for environmentally friendly products also been shown by several studies (Kanchanapibul, et al., 2014; Mishal, et al., 2017; Yadav and Pathak, 2017; Jaiswal and Kant, 2018; Chaudhary and Bisai, 2018). Therefore, some research shows that intention as an indicator to measure environmental related behavior (Jaiswal and Kant, 2018). Based on above literatures we proposed this hypothesis:

**H4: There is a significant influence between green purchase intention and green purchase behaviour.**

**Picture 1. Hypothesis Diagram**

**RESEARCH METHODS**

In order to test the hypotheses and analyse the quantitative research, a group of individuals chosen as respondents to foresee the relationship between the variables with the characteristics or respondent behavior, by involving a statistical process to see the results (Tavakoli, 2012). This research is categorized as descriptive, and aims to get a picture of accurate information profile about a group of individuals, events or situations (Robson,
The research strategy conducted through surveys, this strategy is common to be used in business and management research (Kumar, 2011; Sekaran and Bougie, 2016). This strategy allows researchers to gather quantitative and qualitative data on various types of research questions (Sekaran and Bougie, 2016). Data collection is carried out by using primary and secondary data. Primary data obtained through questionnaires distributed online to respondents and observed directly by researchers with scale attitudinal used is a Likert scale. Likert scale helping respondents to put the attitude intensity toward the specific issue (Kumar, 2011). Likert scale on this questionnaire has score 1 to 5, where value 1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, and 5 = Strongly Agree.

The population in this research are individuals located in the Jakarta and Tangerang area, aged between 18-36 years. For sample size selection, the minimum number of samples is at least five times more than the number of indicators to be examined thus the sample is represented, n x 5 observed variables (indicators) (Hair, et al., 2014) . In this study the number of indicators is 33 items, hence the minimum sample that must be met is 165 (33 indicators multiplied by 5). The sampling technique used is included in the non-probability sampling category. Non-probability sampling technique used in this research is purposive sampling type. For data analysis, the PLS-SEM method used SmartPLS version 2 software to process the data.

**FINDINGS AND DISCUSSION**

The respondents chosen in this research were millennial generation consumers of coffee shops aged between 18-36 years domiciled in the Jakarta area and Tangerang. The questionnaire was compiled using the Google Form application. Distribution of questionnaires addressed to respondents who regularly buy coffee at coffee shops every week. Total respondents obtained has met the minimum number of research samples, amounting to 165 (the number indicator multiplied by 5).

Validity test is carried out on the statement items in the questionnaire. Validity tests in this research used the loading factor, average variance extracted (AVE), and cross loading. Upon testing the data validity with the method, all questionnaires will be tested as valid. Reliability test measuring the unbiased (error free) and ensuring its consistency (Now and Bougie, 2016). In this research, the reliability test will be conducted using composite reliability and Cronbach’s alpha. After finishing the data process using the said method, all items on the questionnaire are said to be reliable.

<table>
<thead>
<tr>
<th>Table 1. R Square Value</th>
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</thead>
<tbody>
<tr>
<td><strong>Construct</strong></td>
</tr>
<tr>
<td>Attitude towards the Environment</td>
</tr>
<tr>
<td>Attitude towards the Green Product</td>
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<tr>
<td>Environmental Concern</td>
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<tr>
<td>Green Purchase Behavior</td>
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<tr>
<td>Green Purchase Intention</td>
</tr>
</tbody>
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Table 2. Latent Variable Correlation Coefficient Value

<table>
<thead>
<tr>
<th>Construct</th>
<th>AE</th>
<th>AGP</th>
<th>EC</th>
<th>GPB</th>
<th>GPI</th>
</tr>
</thead>
<tbody>
<tr>
<td>AE</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AGP</td>
<td>0.544</td>
<td>1.000</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EC</td>
<td>0.572</td>
<td>0.451</td>
<td>1.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GPB</td>
<td>0.361</td>
<td>0.541</td>
<td>0.442</td>
<td>1.000</td>
<td></td>
</tr>
<tr>
<td>GPI</td>
<td>0.352</td>
<td>0.579</td>
<td>0.366</td>
<td>0.748</td>
<td>1.000</td>
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</tbody>
</table>

Table 3. Path Coefficient Value

<table>
<thead>
<tr>
<th>Construct</th>
<th>AE</th>
<th>AGP</th>
<th>EC</th>
<th>GPB</th>
<th>GPI</th>
</tr>
</thead>
<tbody>
<tr>
<td>AE</td>
<td></td>
<td>-0.010</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>AGP</td>
<td></td>
<td>0.523</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EC</td>
<td></td>
<td>0.136</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GPB</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GPI</td>
<td></td>
<td></td>
<td></td>
<td>0.748</td>
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</tbody>
</table>

Table 4. Structural Model Test (Hypothesis)

|                    | Original Sample (O) | Sample Mean (M) | Standard Deviation (STDEV) | Standard Error (STERR) | T Statistics (|O/STERR) |
|--------------------|---------------------|-----------------|-----------------------------|------------------------|-------------|
| AE -> GPI          | -0.011              | -0.05           | 0.072                       | 0.880                  | 0.151       |
| AGP -> GPI         | 0.524               | 0.520           | 0.074                       | 0.000                  | 7.124       |
| EC -> GPI          | 0.136               | 0.15            | 0.076                       | 0.073                  | 1.798       |
| GPI -> GPB         | 0.751               | 0.755           | 0.036                       | 0.000                  | 20.677      |

Based on calculation carried out and shown by the table above, we conclude that:

a. Attitude towards the environment with green purchase intention is not positively and significantly related, T statistic result between the variable is 0.151 which the number is < 1.96 and P Value = 0.88
b. However, attitude towards the green product is showing a positive and significant impact on Green Purchase Intention, T statistic results between the variable is 7.124 which the number is > 1.96 and P Value = 0.000

c. Subsequently, environment concern with green purchase intention also not positively and significantly related, T statistic results between the variable is 1.798 which the number is > 1.96 and P Value = 0.073

d. Furthermore, green purchase intention is also showing a positive and significant impact on green purchase behavior, T statistic results between the variable is 16.301 which the number is >1.96 and P Value = 0.000

Hence, statistically states that environmental concern has no significant influence towards green purchase intention. Even though environmental concerns are able to influence green purchase intention indirectly through its impact towards attitude, subjective norms, and perceived behavioral control (Chaudhary, 2018). Also supported with research conducted by Paul, et al. (2015) on consumers in India in regard to TPB predictor variables, as mediators of the relationship between environmental concern and purchase intention. However, other research stated that environmental concern has no significant influence towards green purchase intention (Ramayah, 2010). Even though the consumers are aware to protect the environment, it is possible that they do not feel morally obligated to show responsibility to the environment for their purchase intention (Ramayah, 2010).

Other results from this research also indicate that attitude towards the environment has no statistically significant influence towards green purchase intention. Path coefficient value between these two variables is also negative, which means that the relationship between the two variables is inversely proportional. Also a possibility caused by other stronger predictor variables, in this research is attitude towards the green product. This is supported by research conducted by Zsoka (2013) which stated that both attitude and knowledge of the environment is not fully reflected in daily activities. Aligned with research conducted by Andrew and Slamet (2013), who examined environmental behavior on C generation in Jakarta which states that the level of concern and attitude of the younger generation towards the environment is still very low, compared with the significance level from the hypothesis of the six variables above, environmental concern and attitude towards the environment has value less than 1.96 (1.568 and 0.108). And might be related to one's level of knowledge regarding environmental issues, as stated by Lai (2000) in his research that conclude environmental problems can be influenced by the level of knowledge of the society.

Second, other results from this research indicate that the attitude towards the green product has the biggest influence on young consumers’ green purchase intention. This result is supported by several research toward the environment behavior on young generations in developed countries conducted by Yadav and Pathak (2016), Prakash and Pathak (2017), and Nam and Lee (2017). Positive attitude towards environmentally friendly packaging is a good starting point to motivate young consumers to buy environmentally safe products. This relationship has also been supported by various empirical research, attitude as an important predictor of consumer intentions to buy products with environmentally friendly packaging. To understand the attitude of young consumers towards environmentally friendly packaging usage is fundamental (Prakash and Pathak, 2017). Result of this research not only shows that young consumers have a positive attitude for products with environmentally friendly packaging, they are also ready to buy it. This research has implications for marketing managers in developing strategies regarding environmentally friendly products in Jakarta and Tangerang markets.
Third, green purchase intention’s variable shows the positive and significant impact on green purchase behavior regarding products with environmentally friendly packaging. Therefore, this finding validates that purchase intention as a more effective predictor compared to other in predicting green purchasing behavior of consumers (Lai and Cheng, 2016). The finding is also supported by several research regarding green consumer behavior (Lai and Cheng, 2016; Jaiswal and Kant, 2018; Kanchanapibul, 2014; Yadav and Pathak, 2017). The similarity of the results from the hypothesis with various samples from different contexts and regions adding generalizations to the results of research.

This research adds to the comprehension of green purchaser’s profile in developed countries. This research also measures the predictors to determine someone's intention in buying or using a specific environmentally friendly product (coffee packaging) and limited to said product. This research supports the establishment of a better socio-psychological research model (TPB) in determining the green purchase intention. This research also shows that consumers’ attitudes towards the product being environmentally friendly (attitude towards the green product) as a main predictor in determining consumer's green purchase intention. Environmental concern and attitude towards the environment does not have a significant influence on consumer's green purchase intention. And concluded that the attitude and awareness of young consumers in Jakarta and Tangerang towards the environment are still lacking and not reflected on their daily lives, especially when visiting coffee shops. The results also have implications for companies or marketers focused on green campaigns/green marketing. Environmentally friendly products have the potential to improve consumer intentions and behavior towards purchasing environmentally friendly products, specifically targeting the millennial and younger generation.

**CONCLUSION AND SUGESTION**

The increasing number of coffee shops and the current level of coffee consumption, not only affecting lifestyles but also the environment. The results indicate the attitude and awareness (attitude towards the environment) of young generation consumers towards the environment does not have a significant influence on their intentions in buying or using environmentally friendly products (green purchase intention). The most positive factor that affects green purchase intention is consumer attitudes towards environmentally friendly products itself (attitude towards the green product). Nowadays, environmentally friendly campaigns in Indonesia are trended, along with the plastic waste problem concern and the increasing numbers of coffee shops in big cities like Jakarta and Tangerang. Hence related to tumbler, reusable cup and stainless straw usage.

The younger generation now began to switch towards environmentally friendly products and become a trend. It is also affecting Coffee shops to determine their attitude. From launching their own merchandise and giving special promotions. This strategy will drive and encourage consumer attitudes towards environmentally friendly products to positively influence their purchase intentions. The intention of young consumers (green purchase intention) also has a positive influence on their (green) purchase behavior. By applying the principle of green purchasing behavior in daily lives, will create more sustainable consumption patterns, and help to reduce environmental damage. Further research can be done by expanding research by relating various other factors or/and comparing various consumer groups. Due to limitations of this research, further studies into various other contexts to give better explanations and ideas towards the green market consumerism in Indonesia and produce theoretical and practical implications in understanding green purchasing behavior.
REFERENCE


