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# The Effect of Green Marketing and Brand Image on Purchasing Decisions Through XYZ Online Application

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Abstract: This study was conducted to reveal the impact or effect of Green Marketing and Brand Image in Purchase Decission. The object of this study is online e-commecre platform from one the major supermarket in Indonesia. This supermarket starting to implement the green marketing strategy although they do not claim that they do green marketing, but what they do is closing to green marketing strategy. This major supermarket has a good brand image for offline store but not online. The method used in this research is quantitative method with 300 sample and using regresion analysis to uncover the effect of Green Marketing and Brand Image in Purchase Decision impact to Purchase Decission. The result of this study indicates that both green marketing and brand image has positive impact on puchase decission. The impact is partial also simulataneously. This result giving an insight for that major supermarket to reconsider their strategy especialy on Green Marketing and Brand Image in online platform.

**Keyword:** Green Marketing, Brand Image, Purchase

## **INTRODUCTION**

The COVID-19 pandemic is affecting the growth of Indonesia's digital economy. Activities involving physical interaction are prohibited during the pandemic. Consumers "MUST" use online platforms to fulfill their daily needs. They are advised to conduct transactions and shopping through e-commerce platforms, as well as make payments online, thus changing consumer attitudes and behavior, while businesses and producers are required to be more creative in serving and reaching consumers. Almost every aspect of human life is turning to online virtual media, including financial transactions and access, education, doctor and health consultations, and logistics. Therefore, the pandemic has encouraged people to use the digital economy. Indonesia's digital economy is currently driven by the e-commerce industry which continues to grow rapidly and is in great demand by consumers. One of the online shopping e-commerce in demand by consumers is XYZ Online, an alternative for consumers who want convenience and comfort in shopping for basic or complementary needs.

The relationship between technology and behavior change has been explained by Marshall McLuhan, a Canadian philosopher and communication expert in the book The Gutenberg Galaxy: How to Make a Print Man. The book discusses climate change, technological change, and changes in consumer behavior are interrelated and require global cooperation and collective action from governments, the private sector, and civil society to achieve a sustainable solution. Changes in habit patterns ranging from socializing, working, shopping, and gaining access to banks have become a new lifestyle in society along with the decline in COVID-19 cases.

According to a survey conducted by the Central Statistics Agency (BPS), regarding the development of e-commerce businesses conducted from 2019 to 2023 in 302 districts / cities in 34 provinces throughout Indonesia, that digital-based businesses have grown and developed thanks to technological advances supported by infrastructure and ease of regulation. This is indicated by the estimated growth in the number of e-commerce businesses in 2022 by 4.46% to 2,995,986 businesses. The survey also estimates that 8.89% of businesses will have directly taken orders or run online sales since their commercial operations in 2022. On the other hand, the results of this survey explain that not all e-commerce businesses are able to adapt quickly to the transformation from offline operations to online operations. The percentage of e-commerce businesses able to adapt quickly to operating online reached 51.60 percent, while the rest of the businesses require different adaptations, depending on how quickly they switch.

Geographically, 76.38 percent of e-Commerce businesses are located in Java. The largest number of eCommerce businesses are in West Java Province as much as 21.45 percent, East Java Province 19.09 percent, Central Java Province 18.06 percent, DKI Jakarta Province 8.45 percent.

Along with the development of e-Commerce, consumers are also starting to realize how important it is to maintain health through consumption, as well as increasing awareness of preserving the environment. Consumers are currently paying more attention to environmental impacts in various ways, including buying from environmentally friendly products. Environmentally friendly products are starting to be in demand by consumers. The results of the "Katadata Consumer Survey on Sustainability" survey conducted by the Katadata Insight Center (KIC), as many as 60.5% of consumers buy environmentally friendly products for the reason of "preserving the Earth". And, as many as 51.1% of consumers buy environmentally friendly products for the reason that they are happy and satisfied using them. In addition, 41.3% of consumers buy environmentally friendly products on the grounds that they can provide a good and positive image.

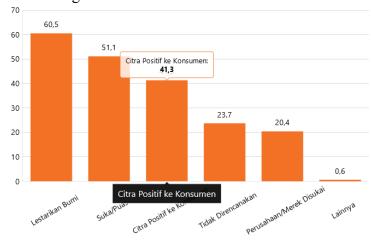


Figure 1. KataData Consumer Survey

The increase in consumers who favor environmentally friendly products ultimately encourages companies to produce environmentally friendly products. The production of

environmentally friendly products must be aligned with an environmentally friendly marketing strategy, also known as green marketing. Green marketing includes various initiatives such as the use of eco-friendly materials, waste reduction, and promotion of sustainable products.

XYZ Online is an innovative digital platform specifically designed to meet the needs of XYZ Supermarket's loyal customers. With this platform, customers can enjoy an easier and more convenient shopping experience without having to visit a physical store. Various products that are usually available at XYZ outlets can now be accessed online, making it easier for customers to choose and purchase daily necessities from anywhere and anytime. In addition, the platform also offers various exclusive promotions and deals that can only be found online, making it a very attractive option for modern consumers who seek convenience and efficiency in shopping.

XYZ Supermarket has a very wide and diverse customer base, reflecting the high trust of consumers in the products and services they offer. This success is based not only on consistent product quality, but also on friendly and professional service that always strives to meet customer needs. With a wide selection of products covering daily necessities, fresh food, as well as household items, XYZ Supermarket has become the go-to destination for many families and individuals looking for convenience and reliability in shopping. This popularity is also reinforced by various loyalty programs and attractive promotions designed to provide more value to loyal customers, further strengthening XYZ Supermarket's position as one of the leading players in the retail industry in Indonesia.

In terms of brand image, XYZ Supermarket has managed to build a strong and positive image in the minds of customers, especially in big cities in Indonesia. This good image is not only reflected in the quality of the products they offer, but also in their consistent and friendly service to customers. XYZ Supermarket is known as a reliable and convenient place to fulfill various daily needs, with a pleasant shopping atmosphere and clean environment. This good brand image is also supported by a strong presence in various strategic locations in major cities, making it the first choice for urban consumers who want a convenient and quality shopping experience. The success in building and maintaining this image demonstrates XYZ Supermarket's commitment in providing the best for its customers, making it one of the most valued brands in the retail industry in Indonesia.

Explicitly, XYZ Supermarket has not openly informed that they are adopting Green Marketing strategies as part of their brand identity. However, the steps that have been taken by XYZ show that they are starting to move in a more sustainable direction. For example, they have started to reduce the use of plastic by offering reusable shopping bags as well as providing more environmentally friendly products such as organic goods. While these initiatives have not been heavily promoted as part of the Green Marketing campaign, these actions reflect XYZ Supermarket's early commitment to supporting sustainability efforts and providing better choices for consumers who care about the environment. These steps are an indication that XYZ Supermarket is beginning to consider the importance of environmentally friendly and sustainable business practices in their operations.

This phenomenon is the main basis of this research, where XYZ Supermarket has begun to take initial steps in Green Marketing and has a strong Brand Image among consumers. This study aims to explore whether these efforts can have a significant impact on online purchasing decisions, especially considering that XYZ Online is a new player in the digital market. Although the brand is well known and trusted by customers in the offline sector, the number of online transactions is still not comparable to sales in physical stores. This raises important questions about the extent to which Green Marketing measures and positive brand reputation can influence consumers' decision to switch to online platforms, and whether these strategies can increase XYZ Supermarket's market penetration in an increasingly competitive digital ecosystem.

Several studies indicate that Green Marketing has a significant influence on consumer purchasing decisions (Fatimah & Chrismardani, 2022; Karlina & Setyorini, 2018; Pertiwi & Sulistyowati, 2021; Setiawan & Yosepha, 2020; Sollu & Hendratmoko, 2024). Green marketing, which focuses on promoting environmentally friendly and sustainable products and services, has been shown to influence the preferences of consumers who are increasingly concerned about environmental issues. When companies implement green marketing strategies effectively, they not only attract the attention of environmentally conscious consumers but also build stronger customer loyalty. Consumers often prefer to buy products from brands that they perceive to be environmentally responsible, feeling that they are contributing to environmental conservation efforts through their choices. Therefore, the application of Green Marketing can be a decisive factor in purchasing decisions, especially in an increasingly competitive market where sustainability is an important added value for many consumers. This is the basis for determining the first hypothesis in this study, namely that there is an influence of Green Marketing on purchasing decisions.

Several other studies have also shown that Brand Image has a significant influence on consumer decisions to visit a place, be it a physical store or an online platform (Atmaja & Menuh, 2019; Augtiah et al., 2022; Geraldine & Anisa, 2022; Ghadani et al., 2022; Ghoni & Soliha, 2022; Karlina & Setyorini, 2018; Rahmawati et al., 2022; Setiawan & Yosepha, 2020; Sollu & Hendratmoko, 2024). A strong and positive brand image creates a favorable perception in the minds of consumers, which in turn encourages them to choose the brand when considering shopping options. Consumers tend to trust and feel more comfortable interacting with reputable brands, as they associate a strong brand image with reliable product and service quality. Therefore, when a brand manages to build and maintain a positive image, this can directly increase consumers' desire to visit or shop at that place, even amid intense competition in the retail industry. The influence of Brand Image is one of the key factors in an effective marketing strategy, because it can influence consumer behavior and drive purchasing decisions. From this, the second hypothesis arises where there is an influence of brand image on purchasing decisions.

Green Marketing and Brand Image conceptually influence visiting decisions in a significant way. Green Marketing, which involves the promotion of environmentally friendly products or services, attracts the attention of consumers who are increasingly aware of environmental issues. According to Kotler and Keller (2021), Green Marketing can create a competitive advantage by meeting the needs of consumers who are more concerned about sustainability. Environmentally conscious consumers tend to choose brands that they perceive as responsible and committed to sustainable practices. Thus, companies that are effective in implementing Green Marketing not only build a positive image but also increase their appeal in the eyes of consumers, driving the decision to visit or buy from the brand.

Meanwhile, Brand Image plays an important role in visiting decisions by influencing consumers' perceptions of the quality and reputation of a brand. Kotler and Armstrong (2021) state that a strong brand image can influence consumer behavior in a positive way, because consumers tend to choose brands that they trust and that have a good image. When a brand has a positive image, it creates a sense of trust and loyalty among consumers, which can encourage them to visit the brand's stores or online platforms more often. Therefore, the combination of an effective Green Marketing strategy and a strong Brand Image can significantly influence consumers' decisions in choosing where to visit or shop. Several studies show that Green Marketing and Brand Image simultaneously influence purchasing decisions (Karlina & Setyorini, 2018; Setiawan & Yosepha, 2020; Sollu & Hendratmoko, 2024). From this theoretical explanation, the third hypothesis arises, namely that there is an influence of Green Marketing and Brand Image on Online Purchasing Decisions.

### **METHOD**

This research is verification quantitative research where the results of this study will describe the condition of each variable in quantitative data and test the truth of the hypothesis through statistical tests (Arikunto, 2016; Sugiyono, 2020). This study uses 300 samples where the respondents are XYZ Online customers. This study uses analytical techniques in the form of multiple regression analysis to determine the effect that occurs both partially and simultaneously and uses the t test and F test to prove the truth of the hypothesis.

#### RESULTS AND DISCUSSION

The results of this study provide a comprehensive overview of the conditions of the three main variables, namely Green Marketing, Brand Image, and Visiting Decisions, obtained through data analysis from questionnaires distributed to 300 respondents. By using comprehensive data processing methods, this research reveals how each variable interacts and influences each other. The data collected from respondents provides valuable insights into how much impact Green Marketing and Brand Image have on consumer decisions to visit or purchase from a place.

**Table 1. Descriptive Analysis Result** Variable % Score Criteria Green Marketing 8446 70,38% High Brand Image 6498 72,20% Strong Keputusan Pembelian 12816 71,20% High

Source: Research Data

From Table 1, we can observe the current condition of each of the variables studied. The Green Marketing variable shows a criterion of "High," which indicates that the environmentally friendly initiatives and practices implemented are quite significant and receive great attention from consumers. Brand Image is at the criterion of "Strong," indicating that the brand image built has succeeded in creating positive perceptions and trust among customers. Meanwhile, Online Purchase Decision was also recorded at "High," indicating that consumers show strong interest and inclination to shop online. The combination of these results illustrates that the company or brand in question has good strengths in terms of environmentally friendly practices and positive brand image and is able to significantly influence online purchasing decisions.

Table 2. Analysis Result (Coeficient)			
Model	В	Std. Error	
(Constant)	3,232	0,962	
Green Marketing (X <sub>1</sub> )	0,672	0,073	
Brand Image (X <sub>2</sub> )	0,949	0,099	

Source: Research Data

Table 2. presents the results of the regression analysis conducted using SPSS software, which provides an in-depth insight into the relationship between the variables under study. The results of the analysis show that the constant value is 3.232, which represents the base value of the regression model when all independent variables are zero. In addition, the Green Marketing variable has a coefficient value of 0.672, which indicates its positive contribution to the dependent variable. Meanwhile, Brand Image has a coefficient value of 0.949, showing a greater influence on the dependent variable than Green Marketing. With this data, we can construct the regression equation as follows: Y = 3.232 + 0.672X1 + 0.949X2. This equation will provide a quantitative picture of how changes in Green Marketing and Brand Image affect purchase decisions or the dependent variable under study, as well as assist in formulating more effective strategies based on this analysis.

Table 3. Analysis Result (t-Statistic)

Variabel t-Statistic P-Value

Variabel	t-Statistic	P-Value
Green Marketing (X <sub>1</sub> )	9,166	0,000
Brand Image (X <sub>2</sub> )	9,615	0,000

Source: Research Data

Table 3. shows the t-statistic results using SPSS. Green Marketing variable X1 has a t-statistic value of 9.166 with a P-value of 0.000. The P-Value of the Green Marketing Variable has a value smaller than 0.05, which means that hypothesis 1 is accepted or there is a positive and significant effect of Green Marketing on Online Purchasing Decisions. These results are in line with several previous studies where Green Marketing has a positive and significant effect on Online Purchasing Decisions (Fatimah & Chrismardani, 2022; Karlina & Setyorini, 2018; Pertiwi & Sulistyowati, 2021; Setiawan & Yosepha, 2020; Sollu & Hendratmoko, 2024).

Table 3. shows the t-statistic results using SPSS. Brand Image variable X1 has a t-statistic value of 9.615 with a P-value of 0.000. The P-Value of the Brand Image variable has a value smaller than 0.05, which means that hypothesis 2 is accepted or there is a positive and significant effect of Brand Image on Online Purchasing Decisions. These results are in line with several previous studies where Brand Image has a positive and significant effect on Online Purchasing Decisions (Atmaja & Menuh, 2019; Augtiah et al., 2022; Geraldine & Anisa, 2022; Ghadani et al., 2022; Ghoni & Soliha, 2022; Karlina & Setyorini, 2018; Rahmawati et al., 2022; Setiawan & Yosepha, 2020; Sollu & Hendratmoko, 2024).

Table 4. ANOVA Result (F-Statistic)

F-Statistic P-Value

873,594 0,000

Source: Research Data

Table 4. shows the results of analysis of variance (ANOVA) where this analysis will produce an F-Statistic along with the P-Value. The F-Statistic value in this research model is 873.594 with a P-Value of 0.000. The P-Value in this research model is smaller than 0.05 so that Hypothesis 3 of this study is accepted, namely that there is a Simultaneous Effect of Green Marketing and Brand Image on Online Purchasing Decisions. The results of this study are in line with and strengthen the results of previous studies which reveal that there is a simultaneous influence of Green Marketing and Brand Image on Online Purchasing Decisions (Karlina & Setyorini, 2018; Setiawan & Yosepha, 2020; Sollu & Hendratmoko, 2024).

The results of this study indicate that Green Marketing and Brand Image have a significant influence on online purchasing decisions, which has important implications for PT XYZ Supermarket as the owner of the XYZ Online application. To increase the attractiveness of their online application, PT XYZ Supermarket should integrate Green Marketing strategies by highlighting their environmentally friendly initiatives and strengthen Brand Image by building a positive and trusted brand image. By promoting their commitment to sustainability and ensuring that their brand image is consistent and strong across digital platforms, the company can increase customer trust and drive greater purchasing decisions on their online app.

### **CONCLUSION**

The results showed that both Green Marketing and Brand Image have a significant influence on Online Purchasing Decisions, both partially and simultaneously. Partially, Green Marketing contributes positively to online purchasing decisions by increasing the attractiveness of products that are considered environmentally friendly and sustainable, which

resonates with consumers who are concerned about environmental issues. On the other hand, a strong Brand Image also influences online purchasing decisions by building consumer trust and loyalty, which encourages them to choose brands that have a positive reputation. Simultaneously, these two variables work together to influence purchase decisions, where consumers consider a combination of good brand image and environmentally friendly practices in choosing to shop online. These findings confirm the importance of integrating green marketing strategies with efforts to strengthen brand image to maximize their impact on consumer purchasing behavior on digital platforms.

This study is limited because it only uses a regression model. Future research can reveal which indicators really shape the variables studied by using structural equation model (SEM) analysis techniques.

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