Coral Business in the Era of Covid-19; A Review from the Perspective of Consumers’ Purchasing Intention

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ABSTRACT

Business-related to marine life has the potential to be developed. People, especially the upper-middle class, really admire the beauty of these corals and marine ornamental fish through a hobby known as reefing. The coral or saltwater aquarium business is up-and-coming from a business perspective. However, the Covid-19 pandemic has brought a devastating effect on most businesses in Indonesia. This study aims to determine the consumers purchasing intention in corals and marine ornamental fish during the pandemic. The research method used was an explanatory survey. The research was conducted on the marine ornamental fish lover community at the “Indo Fish Club”. The population was 1452 people, and a sample of 100 people was taken. The sampling technique used is judgment sampling, which is selecting sampling based on the sample members' characteristics that are adjusted to the research objectives. The results showed that consumers' purchasing intention for corals during the pandemic was still high. Therefore, the saltwater aquarium business's potential is very potential to be developed and get attention from the government because it can help environmental conservation programs and improve the economy after the Covid-19 pandemic.

Keywords: coral, saltwater aquarium, consumers’ purchasing intention, environmental conservation, covid-19.

1. INTRODUCTION

Recently the Covid-19 pandemic has occurred in almost all parts of the world. As a result, all economic and social activities have been limited. This also impacts the sustainability of coral reef businesses. The positive impact of Covid-19 on coral cultivation is that it can provide opportunities for coral reefs to develop appropriately. This is because there are no visitors or tourists as it was previously. This environmental improvement brings positivity to marine life [1].

Meanwhile, the negative impact of Covid-19 on coral cultivation is the Fish Farmer Exchange Rate (NTN) and the Fish Cultivator Exchange Rate (NTPi) according to BPS (Central Bureau of Statistics) data that has shown an increase but is still declared a deficit. Total NTN in May 2020 was 98.69, increased to 99.22. In other words, there was an increase of 0.53 [2].

Environmental concerns have driven an increase in consumer demand for environmentally friendly products [3]. This creates a new environmental ethic that has increased individual awareness and significantly changed people's consumption behavior [3,4]. The
phenomenon of green consumer behavior has developed as a new paradigm of marketing discipline for marketers and researchers in the field of contemporary consumer research [5-9].

Based on the results of a comprehensive study, it turns out that corals can be cultivated not only in the sea but also inland / non-marine areas with the term "aquaculture". In addition to helping nature maintain its ecosystem, according to the results of previous studies, corals cultivated through aquaculture processes tend to have better resistance in an artificial saltwater aquarium ecosystem compared to corals that live and are cultivated from the sea. This research focuses more on capturing the phenomenon of shifting consumer behavior in Indonesia towards purchasing environmentally friendly products. It is also expected to contribute to entrepeneurs by providing a customer model design based on environmentally friendly products as a solution and reference for the growing quantity and quality of local products, which carries its siding with nature, especially Indonesian nature is considered rich and needs to be protected.

Business related to marine life has the potential to be developed. People, especially the upper-middle class, really admire the beauty of these corals and marine ornamental fish through a hobby known as reefing. The coral or saltwater aquarium business is up-and-coming from a business perspective. However, the Covid-19 pandemic has brought a devastating effect on most businesses in Indonesia. This study aims to determine the consumers’ purchasing intention in corals and marine ornamental fish during the pandemic.

Some studies show that from a management perspective, environmental management has a positive impact on financial performance, implying a commitment to focus more on green management [10-12]. Several companies have adopted green marketing strategies and explored environmental attributes as a source of competitive advantage [13]. These challenges involve most of the functional areas of the company, including R&D, design, manufacturing, and marketing [14-16]. Companies respond by introducing various environmentally friendly initiatives such as green products and services [17, 18,3], green supply chains [18-22]. However, not all companies have sufficient capabilities to implement environmentally friendly marketing strategies.

Reference [6] analyzed several unsuccessful marketing cases on environmentally friendly products, then highlighted the factors that must be considered to thrive and market these environmentally friendly products. If a company is to adopt the green marketing concept successfully, it must integrate the green marketing concept into all aspects of routine marketing activities [23,24]. Reference [16] emphasizes that environmentally friendly marketing must simultaneously fulfill two conditions: developing products with high environmental quality and meeting customer expectations. Then, promoting and accelerating the adoption of environmentally friendly behavior is the key to environmental sustainability [25,26]. This study focuses on purchasing intention rather than behavior because the intention has broader implications and will often positively impact an individual's actions [27-29].

According to reference [30], purchasing intention is a feeling that arises in an individual after receiving stimulation from the product he sees and the desire to buy appears. According to reference [31], purchasing intention is a psychological force that exists in an individual that impacts purchasing. From these two theories, it can be concluded that purchasing intention is a feeling that arises from the psychological basis of consumers, which is related to marketing stimuli from a company that leads to consumer action. The effect of purchasing intention leads to consumer purchasing decisions.

Purchasing intention forms a motivation that will continue to exist in mind and become a powerful desire and, in the end, will be realized to meet their needs. Reference [32] said that purchasing intention arises after the existence of an alternative evaluation process, and in the evaluation process, a person will make a series of choices regarding the product to be purchased based on brand Interest. According to reference [31], motivation is an impetus in an individual that forces him to take action. When a person has motivation for a particular object, he will have an extra desire to try to have that object and vice versa. This motivation becomes a stimulus that shapes consumers' purchasing intention. According to reference [33], the factors that shape consumers' purchasing intention include:

- One's attitudes can influence purchasing intention by reducing one's preferred alternatives that depend on the negative image that other people say about alternatives that are preferred by consumers and consumer motivation in following the wishes of others.
- Unanticipated situation factors, these factors will later change the consumer's position in making purchases.

According to reference [34], there are four dimensions of consumers' purchasing intention: transactional Interest, referential Interest, preferential Interest, and explorative Interest.

- Transactional Interests, consumers have the desire to buy the products from the brand.
- Referential Interest, consumers have an interest in recommending products from a brand to others.
• Preferential Interests, describing consumer tastes for a brand
• Explorative Interest, describing consumer interest in finding information on a brand

2. METHODS

The research method used was an explanatory survey. The research was conducted on the marine ornamental fish lover community at the "Indo Fish Club". The population was 1452 people, and a sample of 100 people was taken. The sampling technique used is judgment sampling, which is selecting sampling based on the sample members’ characteristics that are adjusted to the research objectives. The data collection technique was done by spreading the questionnaire to 100 respondents. Then, it was analyzed descriptively.

The object of this research is purchasing intention on coral reefs. Purchasing intention is a feeling that arises in an individual after receiving stimulation from a product he sees, and the desire to buy it appears [30]. Dimensions of purchasing intention consist of Transactional Interest, Referential Interests, Preferential Interests, and Explorative Interests.

3. RESULT AND DISCUSSION

Table 1. show information about respondents' characteristics based on their age, gender, marital status, occupation, and education level.

Table 1. Demographic characteristics of the sample

| Age group in years | Frequency |
|--------------------|-----------|
| < 19               | 5         |
| 20 - 30            | 15        |
| 31 - 40            | 22        |
| 41 - 50            | 46        |
| > 50               | 12        |
|                    | 100       |

| Gender             |           |
|--------------------|-----------|
| Female             | 5         |
| Male               | 95        |
|                    | 100       |

| Marital status     |           |
|--------------------|-----------|
| Married            | 76        |
| Single             | 24        |
|                    | 100       |

| Occupation         |           |
|--------------------|-----------|
| Public sector employees | 17     |
| Private sector employees | 32     |
| Student            | 5         |
| Entrepreneur        | 34        |
| Other              | 12        |
|                    | 100       |

| Education level    |           |
|--------------------|-----------|
| Secondary level    | 12        |
| Graduate           | 67        |
| Post-graduate      | 21        |
|                    | 100       |

Based on the study results, it was found that the majority of respondents were between 41-50 years old, male, married, working as an entrepreneur, and possess a bachelor's degree.

Consumers purchasing intention arises after receiving stimulation from the product he sees, from which he becomes interested in trying the product until finally the desire to buy to have it arises. In this study, the purchase intention to be investigated is the purchasing intention of corals. There are four dimensions of purchase intention: transactional Interest, referential Interest, preferential Interest, and explorative Interest. Table 2. Show the result of the research on consumer purchasing intention for coral reefs during the pandemic period.

Table 2. Results of the Research on Consumer Purchasing intention for Coral Reefs during the Pandemic Period

| Question item                                                                 | Percentage | 1 | 2    | 3    | 4    | 5    |
|-------------------------------------------------------------------------------|------------|---|------|------|------|------|
| I might purchase the corals during the pandemic                              |            |   |      |      |      |      |
| Strongly disagree                                                             | 0%         | 14%| 25%  | 46%  | 15%  |
| Disagree                                                                      | 28%        | 0% | 4%   | 12%  | 8%   |
| Neutral                                                                       | 1%         | 13%| 32%  | 51%  | 14%  |
| Agree                                                                         | 53%        | 6% | 10%  | 3%   | 3%   |
| Strongly agree                                                                | 0%         | 4% | 10%  | 53%  | 3%   |
| I will prioritize buying the coral products during the pandemic compared to other products | | | | | | |
| Strongly disagree                                                             | 0%         | 14%| 25%  | 46%  | 15%  |
| Disagree                                                                      | 28%        | 0% | 4%   | 12%  | 8%   |
| Neutral                                                                       | 1%         | 13%| 32%  | 51%  | 14%  |
| Agree                                                                         | 53%        | 6% | 10%  | 3%   | 3%   |
| Strongly agree                                                                | 0%         | 4% | 10%  | 53%  | 3%   |
| I will recommend the corals to my closest friend                              |            |   |      |      |      |      |
| Strongly disagree                                                             | 0%         | 14%| 25%  | 46%  | 15%  |
| Disagree                                                                      | 28%        | 0% | 4%   | 12%  | 8%   |
| Neutral                                                                       | 1%         | 13%| 32%  | 51%  | 14%  |
| Agree                                                                         | 53%        | 6% | 10%  | 3%   | 3%   |
| Strongly agree                                                                | 0%         | 4% | 10%  | 53%  | 3%   |
| The corals suit my hobby well during the pandemic                             |            |   |      |      |      |      |
| Strongly disagree                                                             | 0%         | 14%| 25%  | 46%  | 15%  |
| Disagree                                                                      | 28%        | 0% | 4%   | 12%  | 8%   |
| Neutral                                                                       | 1%         | 13%| 32%  | 51%  | 14%  |
| Agree                                                                         | 53%        | 6% | 10%  | 3%   | 3%   |
| Strongly agree                                                                | 0%         | 4% | 10%  | 53%  | 3%   |
| I always seek information regarding the corals                                |            |   |      |      |      |      |
| Strongly disagree                                                             | 0%         | 14%| 25%  | 46%  | 15%  |
| Disagree                                                                      | 28%        | 0% | 4%   | 12%  | 8%   |
| Neutral                                                                       | 1%         | 13%| 32%  | 51%  | 14%  |
| Agree                                                                         | 53%        | 6% | 10%  | 3%   | 3%   |
| Strongly agree                                                                | 0%         | 4% | 10%  | 53%  | 3%   |

In table 2, the dimensions of transactional Interest include two statements. The first statement, “I might purchase the corals during the pandemic,” was dominated by the answer “agree,” with a percentage of 46%. The second statement in this dimension is that “I will prioritize buying the coral products during the pandemic compared to other products”, the answer in this item is dominated by agreeing with a percentage of 42%. From Table 1, it is explained that the majority of respondents made corals their leading choice in buying products during the pandemic period.

The Referential Interest dimension includes the question "I would recommend corals to my closest friend", dominated by 51% agreeing answers. From these answers, it can be concluded that the respondents
would prefer to recommend coral reefs to their closest friends.

The Preferential Interest dimension includes the statement, "The corals suit my hobby well during the pandemic", which is dominated by agreeing answers as much as 61%. From these answers, it can be concluded that coral reefs are in accordance with most respondents’ tastes in their hobbies during the pandemic.

The explorative interest dimension has one statement item that is submitted to the respondent. The statement is "I always seek the latest information regarding the corals", with the answer on this item dominated by "agree" with 53%. From these answers, it can be concluded that the majority of respondents have an interest in finding the latest information about coral reefs.

During the Covid pandemic, it turned out that consumers’ Purchasing Intention in coral reefs was still high because they came from the upper-middle class, where they did much work from home due to social restrictions. To overcome their boredom, they channeled their hobbies to aquariums and bought coral reefs. Thus, environmental conditions can affect consumer behavior in making purchases. This is in line with research conducted by [27-29].

4. CONCLUSION

The results showed that consumers’ purchasing intention for coral reefs during the pandemic for saltwater aquarium enthusiasts was still in the high category. Therefore, the saltwater aquarium business’s potential is very potential to be developed and get attention from the government because it can help environmental conservation programs as well as improve the economy of the community after Covid-19.

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