The influence of Customer Advocacy to Purchase Intentions in Green Packaging

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Abstract. The innovation in green packaging is growing rapidly amid the rise of going green behavior. Garbage is one of the most concrete problems in the world. We aim this research in calculating a potential in green packaging business as a supplier. We use 109 samples calculated by slovin’s method. We use SPSS simple regression and the conclusion is customer advocacy is strongly influencing purchase intention and the growth of other sectors that need packaging to distribute. It means is a potential business to bring environmentally friendly behaviors especially supporting food&beverages and logistics activities. The result is customer advocacy is strongly influencing purchase intention and the curve show X and Y are distributed normally. So the conclusion is Green Packaging is a potential business judging from the development and growth of the logistics business.

1. Introduction
Before this research, there is a similar topic by Mrs.Rengganis talk about green products, green packaging, and green advertising influencing Purchase Intention[1]. Nowadays, there are so many concepts of green packaging which can support whole Enterprises to stop using plastic material, but the problem is a whole activity in Jakarta using plastic material packaging in Logistics, foods & beverages, etc. We aim this research to tell a potential business in basic needs (green packaging) by calculating customer advocacy and purchase intention. The core of logistics activities is moving material from suppliers to producers for the production process and moving goods from producers to consumers. We aim this research to change the behavior of using plastic with some new innovation. We use customer advocacy because everyone must have used green packaging and the average of them has purchase intention due to awareness of the environment.

Green packaging business has started a lot since the development of biodegradable plastics that developed and began to be used by convenience stores in Indonesia in order to suppress waste and the rules for using paid plastic even though bio-degradable.

Green Logistics is a logistics activity, which aimed to reduce pollution of the environment and consumption of a resource, using of advanced logistics technology planning and implementation of transport, storage, packaging, handling, processing, and distribution. It is an effective and efficient flow of goods that connecting the main green supply and the main green demand to overcome the obstacles between space and time and green services activities in the process of economic management, also known as environmental logistics. [2]
Purchase Intention is a desire or motivation that shows the existence of people to buy something, so a higher purchase intention can be higher purchase decision[3].

The intention to buy is a cognitive plan or consumer desire for an item or certain brands. Tips can be purchased by asking about Like buying the product offered. Buying intention is a purchase respondent to do before actually making a purchase [4]. According to Meskaran There is a difference between actual purchase and purchase intention. If the actual purchase is purchased that is actually made by consumers, purchase intention are the intention that arises in the consumer to make a purchase in the future.

The definition of Purchase Intention according to Fishbein and Ajsen quoted from [4]. Growth of green packaging Currently starts from bio-plastics derive from terrestrial sources related to the food industry, including corn, sugarcane, and cassava. However, according to Bakti Berlyanto Sedayu, a researcher with the Indonesian Ministry of Marine Affairs and Fisheries, seaweed is a far more sustainable alternative.

According to the theory of reasoned action (TRA), behavioral intention is defined as the subjective probability of a person to perform a specific action and intention is the most prominent factor in defining behavior (Davis, 1986). In consumer purchase behavior studies, purchase intention is defined as consumers’ intention to buy a product in the future [5]

The use of styrofoam which is often applied by culinary entrepreneurs has now begun to be abandoned because as we know that the basic ingredients are very difficult to melt. It takes a minimum of 100 years to be able to melt the packaging of the material. For this reason, many entrepreneurs are starting to replace the packaging with the synthesis material with environmentally friendly polypropylene-based plastic containers. Polypropylene is a good choice for product packaging because it is a highly durable material in both container and closure forms, as well polypropylene is a good barrier against, moisture, oil, and alcohol as well PP is resistant to many chemicals.

Biofam can also be used as a replacement for Styrofoam which is made from natural ingredients and certainly easily undergoes a process of destruction. The raw material for making this packaging uses starch with added fiber to strengthen the structure. Both can be found from any food crop that contains these elements. The manufacturing process uses thermopressing technology, by mixing the starch fiber mixture and other additives into certain compositions and then printing at a temperature of 170-180 centigrade for 2-3 minutes.

Seaweed packaging nutritious and verified halal, but the problem is the price (Rp.9000/cup) of product still not affordable even though seaweed is cheap to produce as it is cultivated offshore, grows quickly and doesn’t require fresh water or chemicals to grow successfully. This product needs to be innovated again to make it more sturdy. Indonesia is the second biggest coastline country, it means the Indonesian sea is very possible to produce seaweed in large quantities. We need to innovate to make this product can sustain and sturdier. This type of package is edible.

If you don't want to dispose of food packaging waste, eat the packaging as well. With the use of edible packaging, consumers can consume the packaging at the same time which is certainly safe and environmentally friendly. Packaging using this method is grouped into two functions, some of which are useful for coatings (edible coating) and some are in the form of sheets (edible film).

With the discovery of alternative packaging that is environmentally friendly, it is expected to be useful to reduce global warming. But without the awareness of the businessmen, of course, this would be useless. So, from now on start increasing our awareness of global warming and switching to using a safe packaging method for our earth. We aim this research to know the influence of green packaging to purchase intention to bring the new trend of using green packaging.

Nowadays, Environmentally Friendly goods become a trend because there are so many wastes everywhere, so we must know the consumer needs in customer oriented era. This research is going to calculate of Green Packaging to customer Purchase Intention, the conclusion will tell us about the possibility of Green Packaging company to supply package for consumable product companies (especially food and beverages) to decrease wastes of their packaging to support small medium enterprises
Customer Advocacy refers to the process of faithfully representing the customer's interests and providing them with honest information. We use customer advocacy because everyone has used green packaging either consciously or not because of its circulation in the community, indirectly they represent when talking about green packaging. There is no research on green packaging that uses customer advocacy, we use this variable because everyone must have used green packaging. Customer advocacy in this case, does not concern the brand but rather about green packaging [6]. Customer advocacy as an advanced form of market-orientation that responds to the new drivers of consumer choice, involvement and knowledge. Customer advocacy aims to build deeper customer relationships by earning new levels of trust and commitment and by developing mutual transparency, dialogue, and partnership with customers.

Green packaging is part of the Company effort to attract more consumer through the pack of environmentally friendly [7].

Green packaging previously developed with the birth of bio-degradable plastics and now it has been born packaging that is more environmentally friendly than bio-degradable plastics which can be consumed which are made from seaweed. We must know what people want in Green Packaging (design, reliability, health, etc.) to intent to buy a Green Product which green packaging what customers want. We also know the returnable glass bottling, Bio-degradable Plastic but we must provide a new solution for packaging problem to stop people using plastic bags or something which is not Reduce, Reuse and Recycle packages. The packaging is used as a medium to convey product attributes and brand image [8].

Packaging functions as information to increase consumer motivation in buying products and even packaging is able to provide impressions and information about products that have high quality [9].

Green marketing is a company’s management strategy in marketing its products while still paying attention to environmental sustainability. Green advertising is used as a medium to promote environmentally friendly products. Green advertising covers the characteristics and features of the product, the product manufacturing process, and policies [10].

Research question:
1. People understanding about green packaging?
2. The influence of Customer Advocacy to Purchase Intention in green packaging?
3. Green packaging is a potential business?
4. Is green packaging easy to implement in Indonesia?

2. Method
This research using Slovin’s method with a margin of error (e): 5% and Population (N)=150 simple regression X: Customer Advocacy, Y: Purchase Intention and then we have 5 questions in each variable. In questioners, we use a Likert scale (1-5) and random sampling in two location (ITL Trisakti and Taman Menteng). So we use Slovin’s theory with random sampling and using significance error e:5%. After that, we will calculate the data with SPSS. n= Sample; N: Population; e: Margin of Error

\[ n = \frac{N}{1 + (N(0.05)^2)} \]
\[ n = \frac{150}{1 + (150(0.05)^2)} \]
\[ n = 150/1.375 = 109.09 \]
\[ n = 109 \]

The data will be calculated by SPSS verse 24 using a simple regression method to know the impact of Customer Advocacy on customer Purchase Intention. Using Pearson’s method in validation test, Cronbach Alpha’s method in reliability test and Enter’s method in simple regression analysis.

Table 1. Variable Indicator

| Variable                        | Indicator                                      | References |
|--------------------------------|-----------------------------------------------|------------|
| 1. Consumer Advocacy           | • Reusable Green Packaging                    | [3]        |
|                                | • Packaging is able to recycle                |            |
|                                | • Healthy packaging                          |            |
3. Result and Discussion

3.1 Result

The results of the study show that customer advocacy distributes normal to purchase intention. It means that the community begins to direct themselves to use green packaging rather than ordinary packaging. Business opportunities in green packaging are very large due to the growth of logistics, small-medium enterprises, business food, and beverage.

The results of this study can be used as the basis for further research on the type of green packaging as what customers want and need.

The reasons for customers intent to buy green packaging will become the easiest way to care about the environment. Growth of green packaging will bring us to the new era of the environmentally friendly product start from raw material until distribute to end customers. Purchase intention is driven by customer advocacy because customer advocacy influencing purchase intention 50.69% (strong). The Green Packaging business is very promising as long as the company can provide Customer Advocacy.

People understanding of green packaging began since from growth of go-green concept, the balanced response between customer advocacy and purchase intention mean x = 18.68 and y = 18.64 it means the independent variable and dependent variable distributed normally.

Predictions from the Supply Chain Indonesia (SCI) news page by Setijadi chairman SCI predicts the logistics sector will grow by 11.56% from Rp 797.3 trillion in 2018 to Rp 889.4 trillion in 2019. In 2018, the logistics sector (which in the field of business groupings of the Central Statistics Agency / BPS as Transportation and Warehousing) contributed 5.37% of the Gross Domestic Product (GDP) which was valued at Rp. 14,837.36 trillion. The growth rate of the logistics sector in 2019 which is predicted to reach 11.56% is higher than in 2018. Based on the analysis of Supply Chain Indonesia (SCI) on the Gross Domestic Product (GDP) data from the Central Bureau of Statistics (BPS), the logistics sector (Transportation and Warehousing business) in 2018 grew by 8.44% from 2017 which amounted to 735.2 trillion. However, the contribution to GDP has decreased from 5.41% in 2017 to 5.37% in 2018. SCI predicts the contribution of the logistics sector to GDP in 2019 will increase to 5.55%. The value of this contribution is higher than the contribution to the 2016-2018 period. That means there is an increase in the number of larger goods flows, every time there is a transfer of goods, there will be a request for packaging except for bulk goods. This is good for innovating as a logistician in Green Packaging to support the growth of other sectors.

3.2 Discussion

Validation test using Pearson’s method all variable is valid because R determines > R table. All data are valid because over than 0.1882 and reliable because x: 0.64 > 0.6, y: 0.694 > 0.6. From the normality test, X and Y are distributed normally.
\[ Y = a + bX \]

**Coefficients**

| Model | Unstandardized Coefficients | Standardized Coefficients | t | Sig. |
|-------|-----------------------------|---------------------------|---|------|
| I \ (Constant) | 5.190 | 1.300 | 3.991 | .000 |
| X | .720 | .069 | .712 | 10.501 | .000 |

a. Dependent Variable: y

\[ Y = 5.190 + 0.720x \]

From the data, we know that the relationship between customer advocacy and purchase intention is positive, where it is shown in the correlation coefficient or value bX in the linear regression equation which shows the numbers positive 0.720x, which means that if the customer advocacy has a unit increase the number of increases is 0.720x.

Coefficient Correlation, from the data the results of calculations using version 24 SPSS correlation \( r = 0.712 \) then according to the interval table falls into the category 0.60-0.799 which means the influence of customer advocacy on purchase intention is strong. And then from determiners coefficients, we know that the Customer advocacy impacted 50.69% and other factors are 49.31% (Brand equity, advertising and etc.).From T Test Based on table the version 24 SPSS calculation results of t count is 10.501, the t table is \( Df = n-k-1 = 109-1 = 107 \) with a significance of 5% / 2 = 0.025 when viewed from the distribution t table, then t table is 1.98238. T-count> T-table, then Ho is rejected and HA is accepted, meaning that there is a significant influence between each independent variable and the dependent variable.

4. Conclusion

1. People already understand they must change their habits and using environmentally friendly goods
2. The trend of business in green packaging is changing into real environmentally friendly to suppress wastes
3. Green packaging business growth follows the growth of logistics
4. Green packaging impacted 50.69% to Purchase Intention and other factors 49.31%.
5. There are many kinds of green packaging that can provide customer needs. Edible package, Bio farm, Seaweed package (can apply for beverages), etc.

4.1 Recommendation for Future Research

1. For future research we recommend to use Purchase Intentions as X and Purchase Decision as Y
2. Research market share of every green packaging (edible package, bio-degradable,etc)
3. How Returnable Glass Bottling can get more market share (maybe a new concept)
4. How to decrease green packaging prices?

5. References

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