West Science Business and Management
Vol. 2, No. 02, June 2024, pp. 681~688

Green Marketing and Green Innovation on Green Purchase Intention Through Green Brand Image in Consumer Skincare

Atika Nur Dhyas Putri[1], Dyah Sugandini[2], Heru Tri Sutiono[3]
[1,2,3]Department of Management, Faculty of Economics and Business, Universitas Pembangunan Nasional "Veteran" Yogyakarta

Article Info

Article history:

Received June, 2024
Revised June, 2024
Accepted June, 2024

Keywords:

Green Marketing
Green Innovation
Green Brand Image
Green Purchase Intention

ABSTRACT

This study aims to determine the influence of green marketing and green innovation on green purchase intention through green brand image. The study is quantitative and a non-probability sampling method with a purposive sampling technique is used to collect primary data through a questionnaire comprised of the demographic profile of the respondents. The population of the study is all the consumers of Avoskin in Special Region of Yogyakarta whose age 17 and over also have concern for the environment. Statistical tests are performed with the help of SmartPLS 3.0 on 113 respondents. The results indicate that partially green marketing and green innovation have a positive and insignificant effect on green purchase intention, but simultaneously green marketing and green innovation have a positive and significant effect through green brand image and green brand image has a positive and significant effect on green purchase intention. This research adds contributions to the social and environmental literature. It can assist managers in developing methods to increase consumers green purchase intention by building a green brand image.

Corresponding Author:

Name: Atika Nur Dhyas Putri
Institution Address: Department of Management, Faculty of Economics and Business, Universitas Pembangunan Nasional "Veteran" Yogyakarta
e-mail: atikanurdhyasputri@gmail.com

1. INTRODUCTION

The environment is a priceless heritage that must be protected and preserved for future generations. Indonesia as a country rich in natural resources and has high biodiversity, has a number of environmental problems that are often encountered. In this era, consumer knowledge about pollution control, strict governance and consumer demand for environmentally friendly products are increasing substantially [1].

In addition, consumers awareness and interest in the environment is becoming more widespread and important, so they want to buy products and services from companies that practice environmentally responsible management and development activities [2]. According to data from tirto.id, in Indonesia the trend towards sustainable lifestyles is growing, especially among gen Z and millennials. However, based on research that has been conducted, the millennial generation is a generation that has high environmental concerns [3]. So this research focuses on gen Z, which is the youngest age group born in 1995-2012.

Skincare is one of the products that is currently in great demand by both men and

women, as more and more people care about self-care and looking good so that it becomes a new lifestyle. Based on Compas Market Insight 2022 data, the cosmetics market share ranks first in the Fast-Moving Consumer Goods (FMCG) category in e-commerce, with sales dominating at 43%.

Supported by data from the Plastic Pollution Coalition which shows that the skincare and cosmetics industry has generated more than 120 billion non-recyclable product packaging. Without realizing it, the phenomenon of the rapid development of the beauty industry has caused serious environmental problems that must be addressed immediately. The following is a graph of the composition of waste types based on data from the National Waste Management Information System managed by the Ministry of Environment and Forestry:

Table 1. Composition of Waste Types

No	Category	Percents
1	Food waste	40,8%
2	Plastic	18%
3	Wood/branches/leaves	13%
4	Paper/cardboard	11,3%
5	Other	7,1%

Source : Research data, 2024

Therefore, it can be concluded that the increase in waste volume is proportional to the increase in human consumption. So this condition is an opportunity for companies to develop products that are effective and efficient and have a low risk of environmental pollution [4].

Avoskin is one of the local skincare brands from Special Region of Yogyakarta that is committed to implementing the concept of green beauty in each of its products. The following is sales data for best-selling skincare brands in e-commerce for 2022 :

Table 2. Best-selling Skincare in E-commerce

No	Brands	Sales Revenue
1	Somethinc	Rp 53.200.000.000
2	Scarlett	Rp 40.900.000.000
3	MS Glow	Rp 29.400.000.000
4	Avoskin	Rp 28.000.000.000
5	Whitelab	Rp 25.300.000.000
6	Azarine	Rp 22.800.000.000
7	Wardah	Rp 18.300.000.000
8	Erha	Rp 11.500.000.000
9	Emina	Rp 7.400.000.000
10	Bio Beauty Lab	Rp 5.700.000.000

Source : Research data, 2024

Based on the table above, Avoskin has implemented green marketing strategy to help the company maintain and increase sales of its products such as promotions using the hashtag #LoveAvoskinLoveEarth as a form of environmental awareness campaign. However, the marketing efforts are less than optimal, which is indicated by Avoskin's position in the fourth rank as the best-selling skincare brand in e-commerce, which indicates that people's purchase intention towards Avoskin products is still low.

Consumer purchase intention for the product will appear after consumers make an evaluation, where the brand image of a product can play a role in determining the value to be evaluate [5]. One of the green brand images can be seen from Avoskin commitment to the environment. Below are some of Avoskin performance towards the environment :

Figure 1. Avoskin Campaign

Source : Avoskin, 2024

Figure 2. Avoskin Collaboration

Source : Avoskin, 2024

Based on the picture above, it can be seen that Avoskin branding is based on its emphasis on environmental protection so that Avoskin reputation for the environment will be more well-known.

In line with this, although Avoskin says that they have implemented a green marketing strategy by innovate using eco-friendly packaging and environmentally friendly raw materials, in reality not all Avoskin products change to use glass packaging.

Research from [6] shows that green marketing has been widely researched in western countries, while there is still little research conducted on green purchasing behavior in developing countries, including Indonesia. Much further investigation is needed on this topic in developing countries [7].

2. LITERATURE REVIEW

2.1 Green Marketing

According to the American Marketing Association (AMA) green marketing is a marketing strategy used by companies that are considered ecologically safe [8]. Green marketing is not just about offering environmentally friendly products, but includes all business activities in the company from the production process, advertising, pricing and product sales [9]. According to [10] green marketing indicators are as follows:

1. Green Product
2. Green Promotion
3. Green Price
4. Green Place

2.2 Green Innovation

According to [11] the concept of environmental responsibility, green innovation is the formulation of new processes and products that offer clear benefits but in a way that respects the environment. It focuses not only on products, but also on the creation and significant development of new processes, marketing methods and corporate methods of business practice [12]. Green innovation indicators consist of two parts, namely [11] :

1. Green Product Innovation
2. Green Process Innovation

2.3 Green Brand Image

According to [13] green brand image is a consumer's perception of a brand that unites commitment with concern for the environment. The definition emphasizes the importance of environmental responsibility in shaping the way consumers perceive brands [14]. Green brand image indicators are [13] :

1. Best Benchmark
2. Professional
3. Successful
4. Well Established
5. Trustworthy

2.4 Green Purchase Intention

Green purchase intention is when a consumer expresses a desire to buy or use a good or service because they believe that the product is environmentally friendly [5]. Green purchase intention is strongly correlated with environmental concern and attitude towards the environment [6]. Green purchase intention indicators are [15] :

1. Green Transactional Intention
2. Green Preferential Intention
3. Green Exploratory intention
4. Green Referential Intention

2.5 Hypothesis

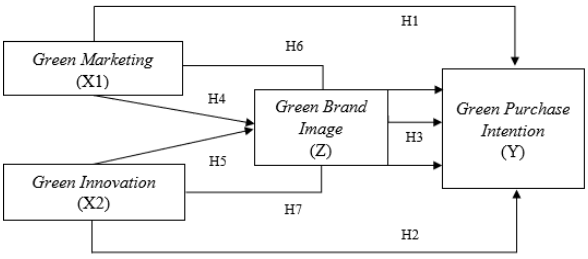

Figure 3. Conceptual Framework

The hypothesis in this research are :

H1 : Green marketing has significant and positive impact on green purchase intention.

H2 : Green innovation has significant and positive impact on green purchase intention.

H3 : Green brand image has significant and positive impact on green purchase intention.

H4 : Green marketing has significant and positive impact on green brand image.

H5 : Green innovation has significant and positive impact on green brand image.
H6 : Green brand image significantly mediates the relationship between green marketing and green purchase intentions.
H7 : Green brand image significantly mediates the relationship between green innovation and green purchase intentions.

3. METHODS

The research location is Daerah Istimewa Yogyakarta. The population in this research is young customers who have purchased Avoskin products or who have been particularly concerned or pleased by particular green brands or items. The non-probability, purposive sampling technique was used to acquire the required data. A quantitative research design is adopted in this study. The number of samples taken in the research was taken according to the opinion of [16], namely the number of indicators multiplied by 5 to 10. The number of indicators in this study was 15 x 5 =75 respondents. The types and sources of data used in this research are primary data. In this research the author used data collection methods through questionnaire and literature study. The data analysis tool used for hypothesis testing is using the SmartPLS 3.0 software application.

4. RESULTS AND DISCUSSION

4.1 Descriptive Analysis of Respondents

The research results provide findings that female respondents are more dominant than male, namely 90 respondents or equivalent to 79,6% of the total respondents. Respondents were dominated by the age range 23-27 years as many as 59 respondents (52.2%). Respondents who live in Sleman dominate as much as 72 respondents (63.7%). Furthermore, the level of education is dominated by respondents who have a bachelor's degree as many as 82 respondents (72.6%). Respondents' occupations were dominated by employees with 47 respondents (41.6%). This finding shows that the most dominant income of respondents is in the range of Rp 1,000,000-Rp 2,500,000 as many as 42 respondents (37.2%). The characteristics of the respondents are presented in Table 1.

Table 1. Respondents Characteristics

Characteristics	Classification	Total	Percentage
Gender	Male	23	20,4%
	Female	90	79,6%
Age	17-22	40	35,4%
	23-27	59	52,2%
	28-35	10	8,9%
	36-44	4	3,5%
Location	Yogyakarta City	22	19,5%
	Sleman	72	63,7%
	Bantul	12	10,6%
	Kulon Progo	3	2,7%
	Gunung Kidul	4	3,5%
Education Level	Senior High School	20	17,7%
	Diploma	8	7,0%
	Bachelor	82	72,6%
	Master	2	1,8%
	Doctor	1	0,9%
Occupation	College students	28	24,8%
	Employee	47	41,6%
	Entrepreneur	10	8,8%

	Others	28	24,8%
Income	< Rp 1.000.000	21	18,6%
	Rp 1.000.000 – Rp 2.500. 000	42	37,2%
	Rp 2.600.000 – Rp 5.000.000	40	35,4%
	> Rp 5.000.000	10	8,8%
Total			**100%**

Source: Processed primary data, 2024

4.2 Measurement Model Analysis

This research uses PLS analysis techniques with SmartPLS 3.0 software for data analysis. After assessing the characteristics of the respondents, it was determined that all variables demonstrated reliability and validity which is shown in Table 2. The outer loading of each item surpassed the 0.7 threshold. Furthermore, the Average Variance Extracted (AVE), Cronbach Alpha and Composite Reliability values surpassed the threshold of 0.50, 0.60 and 0.70 respectively [17]. To assess discriminant validity, the Fornell-Larcker Criterion was used, which is shown in Table 3.

Tabel 2. Reliability and Validity

Variable	Items	Outer Loadings	Cronbach Alpha	Composite Reliability	AVE
Green Marketing	GM1	0.799	0.909	0.928	0.649
	GM2	0.795			
	GM3	0.718			
	GM4	0.790			
	GM5	0.842			
	GM6	0.821			
	GM7	0.865			
Green Innovation	GI1	0.790	0.887	0.914	0.639
	GI2	0.796			
	GI3	0.784			
	GI4	0.819			
	GI5	0.833			
	GI6	0.772			
Green Brand Image	GBI1	0.876	0.922	0.941	0.761
	GBI2	0.872			
	GBI3	0.867			
	GBI4	0.862			
	GBI5	0.884			
Green Purchase Intention	GPI1	0.812	0.913	0.932	0.696
	GPI2	0.820			
	GPI3	0.815			
	GPI4	0.880			
	GPI5	0.810			
	GPI6	0.864			

Source: Processed primary data, 2024

Table 3. Discriminant Validity

	1	2	3	4

Green Brand Image	0.872			
Green Innovation	0.828	0.799		
Green Marketing	0.743	0.775	0.805	
Green Purchase Intention	0.710	0.631	0.631	0.834

Source: Processed primary data, 2024

4.3 Structural Model Analysis

The next step is to run the structural model. The structural model is assessed using the coefficient of determination (R^2) and predictive relevance (Q^2). The R^2 value is used to distinguish and evaluate the research model, if the R^2 value is 0.67 then the model is considered strong, 0.33 is considered moderate and 0.19 is considered weak. Table 4 shows the coefficient of determination (R^2) value for variables related to company performance of 0.711 and 0.528, which means that the research model is able to predict the value of the dependent variable by 71.1% and 5.28% so that it can be accepted.

Tabel 4. R-Square (R^2)

Variable	R^2
Green Brand Image	0.711
Green Purchase Intention	0.528

Source: Processed primary data, 2024

4.4 Hypothesis Testing

Based on the results obtained through the bootstrapping process presented in Table 6, it can be seen that GM shows a positive but insignificant effect on GPI ($\beta = 0.221$, $p < 0.087$), GI shows a positive but insignificant effect on GPI ($\beta = 0.028$, $p < 0.837$), GBI has a direct and positive influence on GPI ($\beta = 0.523$, $p < 0.000$), GM has a direct and positive influence on GBI ($\beta = 0.255$, $p < 0.009$) and GI also has a positive and significant contribution to GBI ($\beta = 0.630$, $p < 0.000$). On the other hand, it should be noted that GM shows a positive and significant influence on GPI through GBI ($\beta = 0.133$, $p < 0.026$) and GI shows a positive and significant influence on GPI through GBI ($\beta = 0.329$, $p < 0.000$). Consequently, this study provides evidence to support H3, H4, H5, H6 and H7, whereas H1 and H2 show a positive but insignificant relationship, indicating that an increase in GM and GI does not lead to an increase in GPI and vice versa.

Table 5. Bootstrapping Results

	Path	Original Sample (O)	T Values	P Values	Decision
H1	GM → GPI	0.221	1.717	0.087	Rejected
H2	GI → GPI	0.028	0.206	0.837	Rejected
H3	GBI → GPI	0.523	4.820	0.000	Accepted
H4	GM → GBI	0.255	2.632	0.009	Accepted
H5	GI → GBI	0.630	7.004	0.000	Accepted
H6	GM → GBI → GPI	0.133	2.227	0.026	Accepted
H7	GI → GBI → GPI	0.329	3.866	0.000	Accepted

Source: Processed primary data, 2024

DISCUSSION

The results of this study offer a valuable perspective on the elements that impact green purchase intentions.

From the results of hypothesis testing, it can be seen that hypothesis H1 is rejected which indicates that GM has a positive but insignificant effect on GPI. The results of this study show the opposite direction to the hypothesis, which is significant. In addition, this result contradicts previous research which states that GM can increase GPI [18], [19].

From the results of hypothesis testing, it can be seen that hypothesis H2 is rejected which indicates that GI has a positive but insignificant effect on GPI. The results of this

study show the opposite direction to the hypothesis, which is significant. In addition, this result contradicts previous research which states that GI can increase GPI [20], [21].

The results of hypothesis testing show that hypothesis H3 is supported, which indicates that GBI has a positive and significant impact on GPI. This finding is also supported by previous research which shows that GBI can have a positive impact on GPI [22].

The results of hypothesis testing show that hypothesis H4 is supported, which indicates that GM has a positive and significant impact on GBI. This finding is also supported by previous research which shows that GM can have a positive impact on GBI [23].

The results of hypothesis testing show that hypothesis H5 is supported, which indicates that GI has a positive and significant impact on GBI. This finding is also supported by previous research which shows that GI can have a positive impact on GBI [24].

The results of hypothesis testing show that hypothesis H6 is supported, which indicates that GM has a positive and significant impact on GPI through GBI. This finding is also supported by previous research which shows that GM can have a positive impact on GPI through GBI [25].

The results of hypothesis testing show that hypothesis H7 is supported, which indicates that GI has a positive and significant impact on GPI through GBI. This finding is also supported by previous research which shows that GI can have a positive impact on GPI through GBI [26].

5. CONCLUSION

This study shows several findings, namely GM and GI have a positive and insignificant impact on GPI, which means that consumer purchase intention is not followed by an increase in GM and GI that has been done by the company. GBI has a positive and significant effect on GPI, this means that GBI can increase GPI by continuing to maintain the company in terms of environmental performance. GM and GI have a positive and significant impact on GBI, this means that GM and GI can increase GBI by continuing to maintain the company's green marketing and innovation strategy for products. GM and GI have a positive and significant impact on GPI through GBI, this means that GM and GI can increase GPI by maintaining brand image in order to increase consumer purchase intention. From the research results, it is known that all variables are already in the high category, but companies are expected to maintain and improve green marketing strategies and green innovations in products and production processes to encourage higher consumer purchase intentions for green products.

REFERENCES

[1] L. Wu and Z. Liu, "The Influence of Green Marketing on Brand Trust: The Mediation Role of Brand Image and the Moderation Effect of Greenwash," *Discret. Dyn. Nat. Soc.*, pp. 1–10, 2022, doi: 10.1155/2022/6392172.

[2] J. J. Rivera, E. Bigne, and R. Curras-Perez, "Efectos de la responsabilidad social corporativa sobre la satisfacción del consumidor con la marca," *Spanish J. Mark. - ESIC*, vol. 20, no. 2, pp. 104–114, 2016, doi: 10.1016/j.sjme.2016.06.002.

[3] Y. T. H. Nguyen and H. V. Nguyen, "An alternative view of the millennial green product purchase: the roles of online product review and self-image congruence," *Asia Pacific J. Mark. Logist.*, vol. 33, no. 1, pp. 231–249, 2021, doi: 10.1108/APJML-10-2019-0612.

[4] A. K. Bhardwaj, A. Garg, S. Ram, Y. Gajpal, and C. Zheng, "Research trends in green product for environment: A bibliometric perspective," *Int. J. Environ. Res. Public Health*, vol. 17, no. 22, pp. 1–21, 2020, doi: 10.3390/ijerph17228469.

[5] D. Rakhmawati, A. Puspaningrum, and D. Hadiwidjojo, "HUBUNGAN GREEN PERCIEVED VALUE, GREEN BRAND IMAGE, DAN GREEN TRUST TERHADAP GREEN PURCHASE INTENTION," vol. 15, 2019, [Online]. Available: http://ejournal.uin-malang.ac.id/index.php/ekonomi.

[6] R. Yadav and G. S. Pathak, "Young consumers' intention towards buying green products in a developing nation: Extending the theory of planned behavior," *J. Clean. Prod.*, vol. 135, pp. 732–739, Nov. 2016, doi: 10.1016/J.JCLEPRO.2016.06.120.

[7] S. Bashir, M. G. Khwaja, Y. Rashid, J. A. Turi, and T. Waheed, "Green Brand Benefits and Brand Outcomes: The Mediating Role of Green Brand Image," *SAGE Open*, vol. 10, no. 3, pp. 1–11, 2020, doi: 10.1177/2158244020953156.

[8] A. S. V. Kewakuma, R. Rofiaty, and K. Ratnawati, "The Effect of Green Marketing Strategy on Customer Loyalty

Mediated by Brand Image," *JBTI J. Bisnis Teor. dan Implementasi*, vol. 12, no. 1, pp. 1–11, 2021, doi: 10.18196/jbti.v12i1.10691.

[9] R. Jabeen, K. U. Khan, F. Zain, and F. Atlas, "Buy green only: Interplay between green marketing, corporate social responsibility and green purchase intention; the mediating role of green brand image," *Bus. Strateg. Dev.*, vol. 6, no. 3, pp. 503–518, 2023, doi: 10.1002/bsd2.258.

[10] B. R. Kartawinata, D. Maharani, M. Pradana, and H. M. Amani, "The role of customer attitude in mediating the effect of green marketing mix on green product purchase intention in love beauty and planet products in indonesia," *Proc. Int. Conf. Ind. Eng. Oper. Manag.*, no. August, pp. 3023–3033, 2020.

[11] M. I. Kavaliauskiene, Ş. Çiğdem, A. Vasilis Vasiliauskas, and B. Yıldız, "Green innovation in environmental complexity: The implication of open innovation," *J. Open Innov. Technol. Mark. Complex.*, vol. 7, no. 2, 2021, doi: 10.3390/joitmc7020107.

[12] S. Koirala, "Issue Paper SMEs : Key Drivers of Green and Inclusive Growth," *Oecd*, p. 40, 2018.

[13] Y. S. Chen, "The drivers of green brand equity: Green brand image, green satisfaction, and green trust," *J. Bus. Ethics*, vol. 93, no. 2, pp. 307–319, 2010, doi: 10.1007/s10551-009-0223-9.

[14] N. K. H. Tran, "Enhancing green brand equity through environmental reputation: The important of green brand image, green brand trust, and green brand loyalty," *Bus. Strateg. Dev.*, vol. 6, no. 4, pp. 1006–1017, 2023, doi: 10.1002/bsd2.294.

[15] N. L. Madjidan and R. Sulistyowati, "Pengaruh Green Marketing dan Green Product terhadap Green Purchase Intention pada Alang Alang Zero Waste Shop," *J. Ecogen*, vol. 5, no. 2, p. 297, 2022, doi: 10.24036/jmpe.v5i2.13068.

[16] J. F. Hair, W. C. Black, B. J. Babin, and R. E. Anderson, *Multivariate Data Analysis: A Global Perspective*, 7th ed. Pearson Education, 2010.

[17] J. F. Hair, J. J. Risher, M. Sarstedt, and C. M. Ringle, "When to use and how to report the results of PLS-SEM," *Eur. Bus. Rev.*, vol. 31, no. 1, pp. 2–24, 2019, doi: 10.1108/EBR-11-2018-0203.

[18] I. Gede, A. Sanjaya, and N. K. Seminari, "The Role of Consumers' Attitude Mediating Green Marketing on Purchase Intention (Study Case at Indonesian Beauty Brand 'Bali Tangi')," *Am. J. Humanit. Soc. Sci. Res.*, vol. 5, no. 4, pp. 72–77, 2021, [Online]. Available: www.ajhssr.com.

[19] D. Sugandini, M. Muafi, C. Susilowati, Y. Siswanti, and W. Syafri, "Green supply chain management and green marketing strategy on green purchase intention: SMEs cases," *J. Ind. Eng. Manag.*, vol. 13, no. 1, pp. 79–92, 2020, doi: 10.3926/jiem.2795.

[20] S. A. Immawati and A. Anggi, "The Effects of e-WOM and Green Product Innovation on Consumer Purchase Decisions through Social Media Marketing on Beauty Products in Sociolla," *Telaah Bisnis*, vol. 23, no. 2, pp. 168–179, 2023, doi: 10.35917/tb.v23i2.338.

[21] W. Tanuwijaya, S. Tandrayuwana, and A. Aprilia, "Pengaruh Inovasi Produk Terhadap Minat Beli Minuman Kopi Melalui Motivasi Sebagai Variabel Moderasi Generasi Z Di Kota Surabaya," *J. Manaj. Perhotelan*, vol. 8, no. 1, pp. 50–58, 2022, doi: 10.9744/jmp.8.1.50-58.

[22] Dea Khoirunnisa and A. Albari, "The effect of brand image and product knowledge on purchase intentions with e-WOM as a mediator variable," *Int. J. Res. Bus. Soc. Sci. (2147- 4478)*, vol. 12, no. 1, pp. 80–89, 2023, doi: 10.20525/ijrbs.v12i1.2256.

[23] A. Wibowo and J. T. Santoso, "Bottled Water Purchase Decisions: A Study of Brand Image as a Green Marketing Medium in Purchase Decisions," *Int. J. Supply Oper. Manag.*, vol. 11, no. 1, pp. 83–99, 2024, doi: 10.22034/IJSOM.2023.110194.2961.

[24] Q. L. Arham and V. Dwita, "The Influence of Green Brand Benefit and Green Brand Innovativeness on Brand Loyalty with Green Brand Image as Mediating on (P&G) Brand Products in Padang City," *Adv. Econ. Bus. Manag. Res.*, vol. 192, no. Piceeba, pp. 440–446, 2021, [Online]. Available: https://www.atlantis-press.com/article/125963994.pdf.

[25] M. U. Majeed, S. Aslam, S. A. Murtaza, S. Attila, and E. Molnár, "Green Marketing Approaches and Their Impact on Green Purchase Intentions: Mediating Role of Green Brand Image and Consumer Beliefs towards the Environment," *Sustain. 2022, Vol. 14, Page 11703*, vol. 14, no. 18, p. 11703, Sep. 2022, doi: 10.3390/SU141811703.

[26] D. Rahmi Rahayu, H. Pratikto, and E. Siswanto, "The Influence of Price and Product Innovation on the Purchase Intention of Wuling Electric Cars With Brand Image As an Intervening Variable: a Study on Prospective Electric Car Consumers in East Java," *Int. J. Business, Law, Educ.*, vol. 4, no. 2, pp. 517–525, 2023, doi: 10.56442/ijble.v4i2.207.