

## Purchase Intention Based on Environmental Knowledge

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**Abstract.** Customer behaviour in doing the purchasing of environmental friendly products is influenced by customer knowledge to environment. It becomes a study background of the correlation of environmental knowledge and green purchase intention. Experimental study is conducted by survey to 100 customers of Supermarket who have knowledge for environmental friendly products. Research testing through hypothesis test is based on quantitative questionnaire. Research finding is known that customer green purchase intention for environmental friendly product can be started by environmental knowledge. The highest knowledge that is most famous by customer for environmental friendly products relates to information of no animal testing on product, organic vegetables, unleaded petrol, and minimum information of materials on product. Environmental knowledge is important to be improved to customer; it encourages the growth of environmental friendly products and healthy lifestyle.

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## 1. Introduction

Customer purchasing behavior becomes attention to all of marketers nowadays [1], especially for environmental friendly products [2]. Remember there is changing of customer consumption pattern in some decades to face environmental damaging issue with consumption pattern on environmental friendly products, it is commonly called green consumerism [3]. This behavior grows well in developing countries; it is supported not only the higher of purchasing power but also because of environmental knowledge that is better [4]. So customer's education for goods or services needed becomes the important part of company to be noticed today. It seems from information in advertising which is educative to product offered [5]. This case is in order to encourage customer's knowledge and it can stimulate green purchase intention [6].

As having known that the development of environmental products like organic products has been better in developing countries [7]. However, it needs to be reviewed in developing country like Indonesia remember it is known one of issues that there is still low of organic product offering as one of environmental friendly products at Supermarket [8]. It explains indirectly to customer acceptance of environmental friendly products which has not developed well. Environmental friendly product like

organic products is developed by industry in Indonesia through the more complicated process than conventional products [6], it becomes one of reasons why organic products are more expensive. However, organic product is given a special label which is eco-label as differentiator of common product with the healthier information to be consumed and it becomes premium product [9]. Besides that, organic products sold at Supermarket seems to be provided by information of additional advertisement about nutritional content of product which is outperformed than conventional product [10].

Reviewing from the phenomenon of customer purchase behavior for environmental friendly products, so research study focuses on factor analysis of environmental knowledge and its correlation to green purchase intention for environmental friendly products. This study is important in the relation of supporting customer behavior which is pro to environment and it improves the development of environmental friendly products in Indonesia. Remember that Indonesia is a country with the development of environmental friendly products is still in the introduction stage.

### *1.1. Environmental Knowledge*

Environmental knowledge is a general knowledge about fact, concept, and the correlation between natural environment with ecosystem surrounding [11]. Furthermore, it is explained that environmental knowledge relates to customer's knowledge level of environment [9]. Those environmental knowledge relate to understanding and attention about natural environment, and it encourages individual responsibility who is more powerful to protect to environment. Environmental knowledge can be improved by customer's understanding for green awareness [9], it means that customer's knowledge will improve if they are aware of their needs. In general, environmental knowledge relates to customer's knowledge for the impact of greenhouse, the impact of pesticide and pollution use, the impact of forest logging and the impact of environmental habitat [9]. But relating to customer behavior in product research, environmental knowledge can be assessed practically from several sides such as no animal testing in product making, product with natural ingredient, product impacts to sustainable forest; it is known as organic product, it has impact to ozone friendly aerosols, biodegradability, unleaded petrol, and minimum packaging materials [12].

### *1.2. Green Purchase Intention*

Green consumerism has closely relation with green purchase intention [7], in which green purchase intention has customer behavior related to customer intention for environmental friendly products assessed [13]. Those intentions develop well for the encouragement of environmental knowledge. Green purchase intention is simply stated as customer's prediction for environmental friendly products [14]. Intention is a basic of customer behavior about the existence motivation does an action [14]. If it is supported by the sufficient information, so those intentions develop well and it leads to positive value from information that obtained as customer purchase behavior [15]. Basic of customer's motivation for environmental friendly products can be reviewed from information of environmental friendly products like eco-label or other attributes support [9]. The development of environmental friendly product like organic products in Indonesia is still in introduction stage [16], so there is limited information of organic products. It does not encourage surely to customer behavior in green purchase intention. Relating to green purchase intention, it can be assessed from some indicators which is having consideration to buy, priority to buy, feeling to buy and recommendation to buy [13].

## **2. Methods and Hypothesis**

The study focused on the correlation of variable environmental knowledge and green purchase intention. Data and information were obtained through questionnaire which spread to 100 respondents; the selected respondent had known the knowledge of organic products at Supermarket in West Java. This experimental study was conducted factor analysis test and hypothesis test to know the significance level of correlation among variable.

### 3. Results and Discussions

#### 3.1. Profile Respondent

This study is conducted in 2018 with total of 100 customers who knows about environmental friendly products like organic product at Supermarket. Questionnaire is distributed directly to customer at Supermarket in Bandung City as the capital city of West Java. From questionnaire data processed, it has known that many of them are female (51%) then it is followed by male (49%). The average of respondent's age is dominated by young age which is about 20-30 years old with the percentage is 78% with the average of status is married (65%). From the number of family member, the average is 2-5 people with the percentage of 53% and the last educated is senior high school graduated with the percentage of 52%. It is reviewed from monthly income with the average is 2-6 million and the percentage of 59%. The next study is conducted data processing based on questionnaire using SPSS to coefficient value test and hypothesis test (Table 1, Table 2)

#### 3.2. Coefficients Test

**Table 1. Coefficient Value**

Variable	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	24.764	2.172	.291	11.403	.000
Environmental Knowledge	.221	.074		3.007	.000

a. Dependent Variable: Green Purchase Intention

Based on Table 1, the equation obtained through regression coefficient test explained that environmental knowledge has positive regression coefficient which is about 0.221, it means that the increasing on the variable of knowledge of environment will be accompanied by the increasing on green purchase intention. From T test result, knowledge about environment influenced significantly towards purchase intention of environmental friendly products. It depends on test result  $3.007 > 1.660$  ( $t_{hitung} > t_{tabel}$ ), and the significance value ( $P\ value$ )  $< 0,05 \rightarrow 0,00 < 0,05$ .

**Table 2. Coefficient Determination Value**

Model	R	R Square	Adjusted R Square
1	.691 <sup>a</sup>	.684	.675

a. Predictors: (Constant), Environmental Knowledge

b. Dependent Variable, Green Purchase Intention

Coefficient of Determination ( $R^2$ ) aims to measure how far the model ability in explaining the variation of dependent variable. Based on Table 2, determination test result  $R^2$  explains that  $R^2 = 0,684$ , it means that environmental knowledge influences purchase intention of environmental friendly products that is about 68,4%.

#### 3.3. The Influence of Environmental Knowledge on Green Purchase Intention

Reviewing from research result has been known that there is correlation between environmental knowledge and green purchase intention (Table 1). It explains that the higher of environmental knowledge of customer, so the better in supporting to green purchase intention of customer. The number

of influence of environmental knowledge is about 68% in the improvement of green purchase intention (Table 2). Environmental knowledge of customer is customer's point of view for science of environmental friendly products [3], this opinion is built from several indicators which is No animal testing in product making, product with natural ingredient, product impacted to sustainable forest; it is known as organic product, it has impact to ozone friendly aerosols, biodegradability, unleaded petrol, and minimum packaging materials [13]. All of measurement indicators are actually have the most dominant size that forms environmental knowledge of customer which is biodegradability, unleaded petrol, and minimum packaging materials. It means that it needs to be understood by marketer in creating environmental friendly products needed to see from ability side of product related to biodegradability, unleaded petrol, and minimum packaging materials. For marketers, by understanding the level of importance based on the measurement in environmental knowledge, a marketing has opportunity to improve customer's understanding for environmental knowledge that impacts to customer purchasing behaviour. This study explains that customer purchasing behaviour for environmental friendly product which is green purchase intention can be improved by a good understanding for environmental friendly products in environmental knowledge. It is in line with previous studies [6], that customer purchasing behavior is determined by the factor of environmental knowledge. So environmental knowledge can be a basic for marketer towards environmental friendly products in controlling green customer behavior.

#### 4. Conclusions

Environmental friendly products become study focus in this research with the study area on customer behaviour for environmental knowledge and green purchase intention. Customer who becomes study focus is customer who has knowledge of environmental friendly products like organic product at Supermarket. It has been known that customer behaviour which is green purchase intention can be controlled by customer's understanding for information of no animal testing on product, organic vegetables, unleaded petrol, and information of minimum packaging materials on environmental knowledge. So it can be concluded that environmental knowledge is a basic of customer's behaviour for product attributes like eco-label; in fact it differs the characteristic of environmental friendly products. It is obviously research limitation and it is suggested further in the research study of environmental friendly products with customer behaviour.

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