

ANTECEDENTS OF GENERATION Z'S PURCHASE INTENTION OF ECO-FRIENDLY PRODUCT

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ABSTRACT

This study is aimed to identify the influence of Attitude, Subjective Norm, Perceived Behavioral Control, Environmental Concern, and Fun towards Purchase Intention of eco-friendly product in Generation Z in Jakarta. Quantitative analysis with 400 respondents of Jakarta's university student who never bought eco-friendly product and were analysed using SPSS 25.0 in regression model. The study found that Attitude, Subjective Norm, and Perceived Behavioral Control are positively significant to predict Purchase Intention, while Environmental Concern shows a positive significant influence in simple regression, but not in multiple model. While, Fun are found to be the significant and the strongest factor among the other independent variables (0,403, $p=0,000$). This model able to explain Purchase Intention by 68,8%

Keywords: Attitude, Subjective Norm, Perceived Behavioural Control, Environmental Concern, Fun, Purchase Intention, Eco-Friendly Product.

INTRODUCTION

Plastic waste gets a lot of attention across the world as is it estimated will take 10-1000 years to decompose (Science Learning Hub, 2008; Delaney, 2013; LeBlanc, 2015). Moreover, there is a video by Christine Figgenger, a marine biologist, of her team trying to remove 12 cm single use plastic straw out of a sea turtle's nostril that went viral in 2015 and has reached 45 million views on YouTube alone for both full and short version. TIME even wrote that this video is the starter of a larger no straw movement that we have recently (Rosenbaum, 2018). Indonesia which is ranked second for plastic waste generator that produces more than 10.000 tons of plastic waste per day (Jambeck, et al., 2015) only uses 93.244.847 single use straws per day (Divers Clean Action, 2017). With assumption of the weight of one straw is 0,5 grams, straw waste is 46.62 tons per day or only accounted for 0,5% of the total plastic waste per day. Even though the percentage is low, the no straw movement became a trend as plastic straw is perceived as the getaway or steppingstone into reducing single-use plastic usage. Especially plastic straw is not necessary unless for disabled or a small child, it will be easy to avoid and reduce without many confrontations and efforts from common people (Borenstein, 2018). Its replacer, eco-friendly product such as stainless steel straw has become a trend and can be easily found in the marketplaces. It has an increasing trend over the last 7 months of 2019. The problem is only 55% customers willing to purchase a stainless steel straw whereas the keeps increasing. As the basic rules of economy, when supply is higher than demand, price of a product will be going down and reducing the profitability of the seller. Hence, this research wanted to find the reason behind

customer's Purchase Intention, so this Purchase Intention can be raised. In hope this Purchase Intention will turn into actual purchase behavior. Purchase intention defined as the situation when people is willing to and wanting to buy a product or services after evaluating the alternative and it is affected by numerous factors that can be different in different situation and condition (Kotler & Armstrong, 2018; Morinez et al. (2007) in Mirabi et al., 2015). It is often use in business strategy for its efficiency and ability to predict changes in trend and when there is a Purchase Intention, there will be a higher chance of actual purchase behavior rather that when there is no Purchase Intention (Morwitz, 2014).

The aims of this research are to identify how attitude (ATT), subjective norm (SN), perceived behavioural control (PBC), environmental concern (EC) and fun (FUN) lead to PI for eco-friendly product and also to the identify how important these factors are.

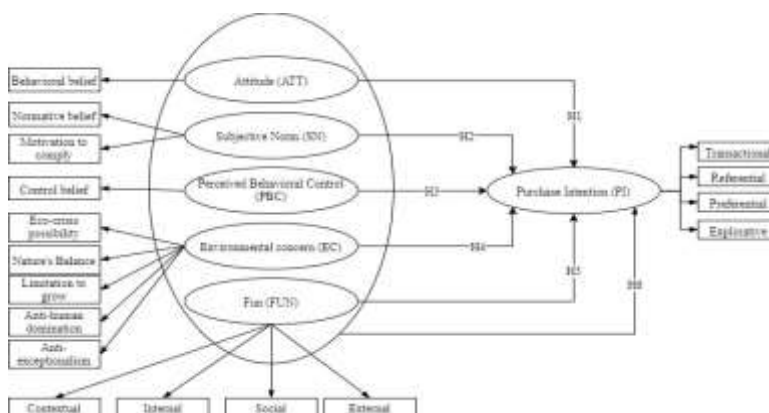
LITERATURE REVIEW

Attitude is a perceived personal judgement by an individual in determining how favorable a behavior is (Ajzen, 1991). The more favorable a person think the behavior and or the result of the behavior is, the more likely the person will have the intention and do the actual behavior (Yadav & Pathak, 2016). ATT has a significant positive impact towards green product purchase intention of young educated generation in India (Yadav & Pathak, 2016; Paul et al., 2015), Taiwan (Mufidah et al., 2018), and Indonesia (Mufidah et al., 2018; Arli et al., 2018). While ATT talks about personal judgement, Subjective Norm describes the perceived social pressure and or judgment from other people, especially the significant people around the individual regarding the behaviour, the less pressure given by the society, the least likely a person is creating the intention do to the behavior (Ajzen, 1991). SNs often has the low significance in predicting Purchase Intention, yet still significant and shows positive influence towards Purchase Intention in educated young generation (Arli, et al, 2018; Askadilla & Krisjanti, 2017; Mufidah, et al., 2018; Yadav & Pathak, 2016). The same positive significance towards green purchase intention also occurs in PBC (Mufidah et al., 2018; Arli et al., 2018; Yadav & Pathak, 2016; Paul, Modi, & Patel, 2015), it is the existing ability, resources, and opportunity to perform a behavior (Ajzen, 2019) The actual behavior will have a higher chance when an individual has more access to the opportunity and resources. This variable also derivates from TPB along with ATT and SN by Ajzen (1991).

The next independent variable, EC has been studied alongside TPB variables in green purchase intention of several distinct products, it defined as the degree to which people are aware of problems regarding the environment and support efforts to solve them (Dunlap & Jones, 2002). Studies in developing countries found the significance of this factor towards green purchase intention and often has the highest significant among other variables (Mufidah et al., 2018; Arli et al., 2018; Yadav & Pathak, 2016; Paul et al., 2015; Kanchanapibul et al., 2013). The higher the one's concern about the environment, the most likely they are to buy a green product (Yadav & Pathak, 2016). This research also analysed the impact of fun as an additional variable to the current construct made by other researchers. Fun is first stated by Volkswagen in order to get people change their behavior to do the better, it was called The Fun Theory. This theory suggests that if the 'better behavior' is made fun, more people is willing to do it hence making it easier for society to change as it is said by Volkswagen (2009) in Chappel (2015). The Fun Theory was applied in Chappel (2015) study to understand the influence of fun to the changing in learning method of students and student's engagement and participation was found to be increasing. Sport participation in youth also increased when the respondent perceived the

activity as fun (Visek et al., 2015). Other psychology researcher found that change in behavior is determined by motivation, ability, and trigger; if one of these factors is missing, a behaviour change will not be happening (Fogg, 2009). As people had low motivation in behaving in a certain way, hence the Fun functioned as trigger to increase the probability to do the desired behavior (Chappel, 2015).

The trend of eco-friendly product such as stainless steel straw is rather new in Indonesia and additional variable are expected to be able to increase the understanding about green purchase intention of Generation Z in Jakarta, especially university student. The reasoning behind this is according to Nielsen global survey (2015) stated that the generation Z willingness to purchase green product or product from green company is skyrocketing from 55% in 2014 to 72% in 2015 and Kanchanapibul et al. (2013) found that the young generation aged 18-25 years old has positive Attitude towards green product and appear to be more active in environmental issue. Generation Z in this survey is people aged 18 to 25 in 2019, which is the age of current university student in Indonesia. The research consists of 6 hypotheses. Hypothesis 1 to 5 tried to understand the relationship between each independent variable independently towards Purchase Intention while H6 tried to understand the relationship between these independent variables simultaneously towards purchase intention. The research framework can be seen in Figure 1 below.



**FIGURE 1
RESEARCH FRAMEWORK**

RESEARCH METHODOLOGY

This study is a causal quantitative study with individual as unit analysis and conducted in non-contrived and cross-sectional setting. Primary data obtained via questionnaire which spread online through social media and offline done by the author at a university in West Jakarta. The target sample size is 400 calculated with Slovin formula with the population of university student in Jakarta of 496.587 (DIKTI, 2019). The main interest of this study is 18 to 25 years old university student who enrolled in one of the universities in Jakarta and never bought a eco-friendly product before. The questionnaire consists of 23 statements with 5-point Likert Scale. Validity test, reliability test as well as classical assumption for regression analysis which are normality test, heteroscedasticity test, and multicollinearity test would be conducted to increase the accuracy of the precision of the result. The analysis would be done using SPSS 25.0 in regression analysis both simple regression and multiple regression.

RESULT

The total respondents that were filling the questionnaire completely and meet the research criteria are 400 respondent (Table 1).

Measure	Value	Frequency
Gender	Female	209 (52.25%)
	Male	191(47.75%)
Educational level	D1	2 (0.5%)
	D2	0
	D3	9 (2.25%)
	S1	379 (94.75%)
	S2	10 (2.5%)
	S3	0
Income	Less than Rp 5 mio	362 (90.5%)
	5 mio to Rp 10 mio	30 (7.5%)
	More than 10 mio	8 (2%)
Field of study	Engineering	121 (30.25%)
	Economy	91 (22.75%)
	Computer related	51 (12.75%)
	Management	26 (6.5%)
	Communication	20 (5%)
	Psychology	19 (4.75%)
	Education	14 (3.5%)
	Others	58 (14.5%)
Campus Location	West Jakarta	328 (82%)
	Central Jakarta	18 (4.5%)
	South Jakarta	29 (7.25%)
	East Jakarta	22 (5.5%)
	North Jakarta	3 (0.75%)

The result of validity and reliability for each construct in every variable is valid and reliable. Based on the simple regression analysis, it was found that ATT, SN, PBC, EC is indeed significantly affecting the PI of eco-friendly product Table 2.

Variable	t-value	Sig	Conclusion	Hypothesis
ATT → PI	18,235	,000	Significant	Ha1 Accepted
SN → PI	17,752	,000	Significant	Ha2 Accepted
PBC → PI	6,359	,000	Significant	Ha3 Accepted
EC → PI	4,647	,000	Significant	Ha4 Accepted
PI → PI	25,249	,000	Significant	Ha5 Accepted

Meanwhile, the result of hypothesis testing shows that ATT affects the PI of 45.5%; SN affects the PI of 44.2%; PBC affects the PI of 9%; EC affects the PI of 5.1%; and FUN affects the PI of 61,6% (fig. 3). In other words, the FUN variable has the greatest influence on PI, followed by ATT, SN, PBC and finally EC, partially.

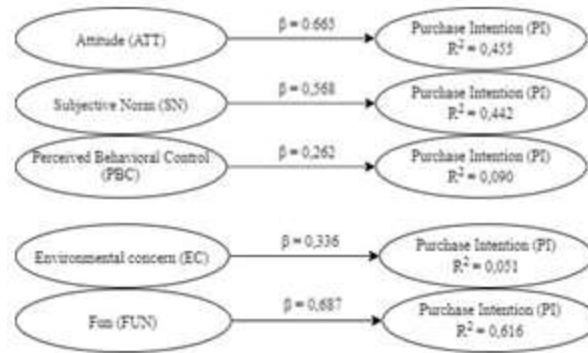


FIGURE 2
RESULT OF H1, H2, H3, H4, H5

Then a simultaneous test is performed. The result shows that ATT, SN, PBC, EC, and Fun is simultaneously significant in influencing PI. This is proven by the ability to predict PI by 68,8% with sig=0,000 and Fvalue 173,601 > Fcritical 2,237 Figure 3.

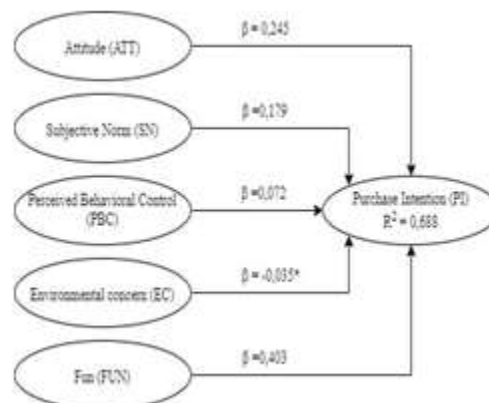


FIGURE 3
RESULT OF H6

The EC has an insignificant negative influence while the other independent variables have a positive significant influence towards PI. It means that the higher the ATT, SN, PBC, and FUN, the higher the PI, while the higher the EC will make the PI lower even though the influence is not high.

DISCUSSION AND CONCLUSION

This is shown that although TPB are said to be outdated (Sniehotta et al., 2014), it is still significant in the Generation Z university student in Jakarta. Further, this is also supporting other researches that have studied PI of green product in developing countries, especially in Indonesia youngster such as in Arli et al. (2018) who found a significant impact from ATT, SN, and PBC in PI of green household product in student and non-student in Yogyakarta et al. (2017) who found the significant to the purchase intention in green cosmetics. There might be a difference between young generation and older generation's impact of SN to purchase intention with more

significant impact in the young generation. Hence, it is concluded that positive attitude, pressure from people around them and ability to obtain eco-friendly product must be obtained by the Jakarta's Generation Z in order to them to have intention to purchase eco-friendly product.

To enhance the purchase intention, potential customer needs to think that using eco-friendly product is fun as it has the highest impact. From the mean score we found that the internal factor of fun is not as high as the other dimension, this can be enhanced by making eco-friendly product perceived as cool or focuses more on the other dimension suggesting that using it is fun and will create a good inner feeling. It can be done by designing a product that is cool like some seller has done in the marketplace by selling it as a package with interesting and customizable pouch and focuses on hygienic benefit rather than environmental benefit. Another example is what Starbucks has been done with its tumbler. It has the unique and fun design which makes customer willing to buy it even though they often charge a premium price over it. Hence, Fun can be a background for product development or communication method. For EC as the least significant variable, resources should not be focused in this aspect. Rather than saying eco-friendly product is good environment, companies shall say more about how fun and good using a eco-friendly product is, and the bonus is consumer can save the environment. This is a variable that should only complement another variable as the product is a green product.

According to the research result along with data analysis and discussion, the findings of this research are ATT, SN, PBC, EC, FUN has a positive significant impact on PI of eco-friendly product for Generation Z in Jakarta, partially and simultaneously except EC.

SUGGESTIONS

The analysis of the relationship of Purchase Intention to actual purchase behaviour may be necessary to strengthen the model from this study. If so, the information can be more beneficial for the industry, as the industry wants an actual purchase, not only the intention to buy. The authors would also like to give a recommendation to broaden the scope of the study as different demographic may give a different result since each will have a different perspective and preference.

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