

Consumer Behavior Analysis of Electronic Products Purchase Based on Green Product in Klaten City Indonesia

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Abstract

This study aims to analyze the effect of promotion and product quality on purchasing decisions based on Zam-Zam electronic green product in Klaten City. The sample is 120 respondents of product buyer consumers. The sampling technique is done by purposive sampling. The variables used in the study include promotional activities and product quality improvement as an independent variable and green product purchasing decisions as the dependent variable. Test of the statistics model uses SPSS 21 software. Model tests include the validity and reliability of questionnaire items, normality test, correlation coefficient test, multiple linear regression test, partial test (t test), simultaneous test (F test) and determination coefficient test (R2 test).

The results of the study prove that advertising and the quality of green electronic products have a positive and significant effect on the decision to purchase electronic products at Zam-Zam in Klaten City.

Keywords: promotion, product quality, purchasing decision, green electronic product

1. Introduction

Electronic waste (e-waste) is currently a global issue which has a negative impact on the environment and health (Kumar et al, 2017). The negative impact has begun to spur the electronic industry in Indonesia to create environmentally friendly products and management of waste arrangement to be recycled. Globalization will direct more a country's economic system to the mechanism of the world market which ultimately positions marketers to always develop and snatch market segment. In carrying out activities, a marketer must know in advance what are the consumers' needs and desires, so the products offered will be in accordance with consumer demand (Finch, 2006).

Companies that cannot compete will eventually be defeated by competitors. To achieve these objectives, the company requires a variety of efforts so that the planned objectives are achieved. Promotion is an important factor in realizing the sales goals of a company. With promotions the company can communicate products to consumers. The advantages of the product can be known by consumers and can make consumers interested in trying and then will have an interest in making repeat purchases or recommending other parties (Cheow et. al, 2017).

Interest in green products has grown in recent years, as indicated by increased consumer demand (Chen, 2008), increased supply by companies (Chung and Wee, 2008), consumer and environmental protection offered by non governmental entities, universities developing specific green marketing courses, and increased number of research publications (Hartman and Ibanez, 2006; Nyborg, Howarth and Brekke, 2006)

The main problem with green products relates to definition. The definition is unclear, the concept boundaries are poorly defined, and the literature still lacks a commonly accepted definition. According to Ottman (1998), a well-known author in the field of green marketing, green products are typically durable, non toxic, made of recycled materials, or minimally plastic packaged. There are no completely green products, for they all use up energy and resources and create by-products and emissions during their manufacture, transport to warehouse and stores, usage and eventual disposal. So green is relative, describing products with less impact on the environment than their alternatives.

Competition in the electronic business is currently getting stricter. This is marked by the emergence of many electronic shops that offer green products and the increasingly developing technology resulting a wider variety of products presented (Woo et. al, 2019). The above phenomenon also indirectly affects the Zam-Zam electronic store in Klaten city, a small town in the Central Java Province of the Republic of Indonesia. Formulation of the problem proposed in the research is “Do the promotion and product quality affect the motivation of purchasing green products at Zam Zam electronic store?”

The objective of this study is generally to understand the factors that influence consumers’ decision making towards green electronic products and is specifically aimed to determined the level of consumers decision in purchasing green electronic products

The theoretical framework describes the hypothesized relationship among the variables in path diagram. The framework consists of two independent variables which are advertising and product quality. Model framework tested:

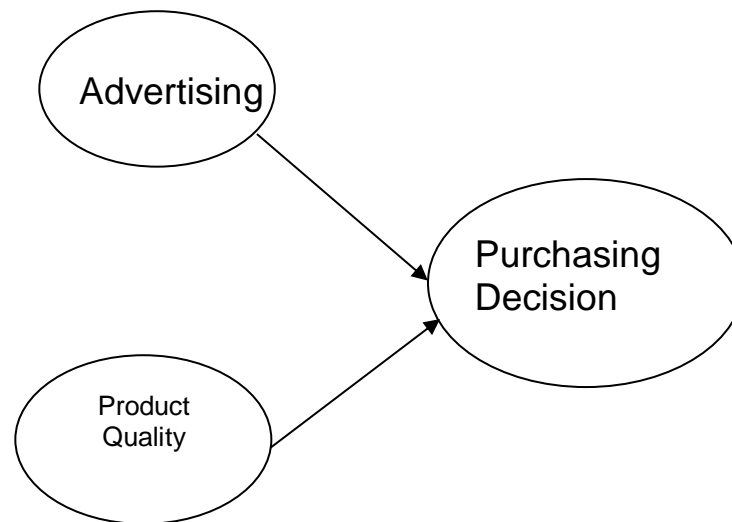


Figure 1. Theoretical framework

2. Method

This type of research is a quantitative research of correlational test. Correlation Test measures the relationship between one variable with another (Sekaran, Bogie, 2016). This study is intended to test the influence of two independent variables, namely promotion and the quality of green electronic products with the dependent variable, the purchasing decision. The sample studied was 120 respondents of consumers of green products Zam Zam Electronic store in Klaten City. The sampling technique was done by purposive sampling

The model test that was carried out included quantitative test (Henry G, 2016), the validity and reliability test of the questionnaire items, normality test, correlational coefficient test, multiple linear regression test, partial test (t test), simultaneous test (F test) and coefficient of determination test (R^2 test).

3. Results

Validity Test

The results of the validity test where the 7 item coefficient correlation instrument on advertising items are 0.65, 0.796, 0.663, 0.818, 0.894, 0.731 and 0.686 which have a value above the correlation value of the limit of 0.24. Tests on correlation coefficient instrument of the 7 qualities of green electronic products are 0.760, 0.652, 0.441, 0.435, 0.491, 0.760 and 0.436 above the correlation value of the limit of 0.281. Correlation instrument tests on the 6 items of the decision to purchase green electronic products amount to 0.613, 0.746, 0.686, 0.732, 0.643 and 0.725 above the correlation value of the limit of 0.254. Based on the item test results, the three groups of questions above are valid and the results of the questionnaire items are worthy of further processing.

Reliability Test

Based on primary data obtained through the Cronbach Alpha (α) numbers on the independent and dependent variables, with the amount of 0.871, 0.651 and 0.773 which are above the required value of 0.60, it can be stated that all statements in the questionnaire are reliable in measuring variables in the research model.

Normality Test

Based on the counted number of respondents' data, a significance value of 0.200 is known and is greater than 0.05. So it can be concluded that the data is normally distributed.

Correlation Coefficient Test

Based on analyzing the primary data, it is known that the significance value of 0.00 and the calculated value r or Pearson Correlation 0.569 show that advertising has a fair correlation to the decision to buy green electronic products. The value of r count or Pearson correlation 0.569 is positive, meaning that if there is an increase in advertising activities it will raise the purchasing decision of green electronic products.

From primary data processing, it can also be seen that the significance value of 0.00 and the calculated value of Pearson Correlation 0.677 indicate that the quality of green electronic products has a strong correlation with product purchase decisions. The value of r count or Pearson Correlation 0.677 is positive, meaning that if there is an increase in activities to improve the quality of green electronic products, it will increase the decision to buy green electronic products.

Multiple linear Regression

Based on the results of the multiple linear regression test, it is obtained the constant value of -0.661 which means that without advertising and increasing the quality of green electronic products, the purchasing decision will decrease by 0.661 units of the purchase decisions.

The coefficient of advertising equal to 0.278 means that if there is an increase in advertising activity by 1 unit, there will be an increase in purchasing decisions by 0.278 units assuming that other variables are considered constant. In other words, Advertising has a positive effect on purchasing decisions of 0.278 units.

The product quality coefficient value of 0.575 means that if there is an activity to improve the quality of green electronic products by 1 unit, then the decision to purchase green electronic products will also increase by 0.575 units assuming that the other variables are constant. In other words, improving product quality has a positive effect on increasing purchasing decisions by 0.575 units.

Partial Test (t test)

Based on the t test results, it is obtained the variables of advertising and product quality having at count of 4.138 and 5.963 with a significance level of 0,000. This means that the research

hypothesis is accepted and the variables of advertising and the quality of green electronic products have a significant influence on consumer purchasing decisions.

Simultaneous Test (F Test)

Based on the test results, it is obtained the calculated F value of 39,911 with a significance value of 0,000. Increasing the advertising activities and improving the quality of green electronic products together will have a significant effect on increasing purchasing decisions of green electronic products in Zam Zam Electronic shop in Klaten city.

Coefficient of Determination (R^2)

R Square test result is obtained by the number 0.583. This means that 58.3% of the purchase decision variable can be explained by the Advertising and Product Quality of Electronic Green Product variables, while the remaining 41.7% can still be examined by other variables that have not been observed in this study.

4. Discussion

Consumers in Indonesia are now increasingly aware of the dangers of product waste that threatens environmental sustainability. Electronic product materials store a lot of chemical waste that is harmful to living things and ecosystems. So that consumers will increasingly care about the handling of recycling of electronic products and electronic products that use materials and environmentally friendly component. Therefore, it can be concluded that product quality is the key that affects consumers in deciding to choose green electronic products that are environmentally safe for household and the environment. This finding is in line with research (Danish et. al 2019) which examines consumers in Pakistan. The research findings explain that the increasing of the producers' responsibility related to product quality, consumers' emotional values in choosing a product that is affected by advertising will have a significant effect on increasing consumer choices in green electronic products.

5. Conclusion

Advertising has a significant effect on the decision to buy Zam Zam electronics green products in Klaten City. This can happen because of the frequent advertising activities that fit the target consumers, so consumers will increasingly have curiosity related to green electronic products offered. Furthermore, consumers will try to find out, so they decide to buy the product.

Product Quality has a significant effect on the decision to buy Zam Zam electronics green products in Klaten City. Basically consumers want superior product quality. The better the quality of the products offered, the more consumers are interested in making a purchase.

This research still has limitations such as the simplicity of the model presented and the limited number of respondents taken. For the future research agenda, the complexity of the model and the testing that can be done are developed, the number of respondents is expanded and the object of observation is observed in various electronic retail stores. The current model of consumer purchasing behavior of green electronic products through on-line or off-line channels can be juxtaposed as a future research agenda.

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