

THE ROLE OF BRAND IMAGE IN MEDIATING THE INFLUENCE OF GREEN PRODUCTS ON PURCHASING DECISIONS (A STUDY ON CONSUMERS OF PT. WORK BY PAK OLES SOCCER)

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ABSTRACT

Environmental damage caused by non-recyclable materials is an opportunity for business people to create environmentally friendly products. This study aims to explain the influence of green products on purchasing decisions, the influence of green products on brand image, the influence of brand image on purchase decisions, and the role of brand image in mediating the impact of green products on the purchase decision of PT. Karya Pak Oles Tokcer. The method of determining the sample in this study is non-probability sampling using the purposive sampling technique so that the sample involved in the study is 100 people. The analysis techniques used are path analysis and mediation role testing. The results show that green products have a positive and significant effect on purchasing decisions; Green products have a positive and significant impact on the brand image; the brand image has a positive and significant effect on product purchase decisions; the Brand image can mediate part of the influence of green products on purchasing decisions. The practical implications of this research can make a valuable contribution to the management of PT. Mr. Oles Tokcer in improving consumer purchasing decisions for PT. Karya Pak Oles Tokcer.

Keywords: Purchase Decisions; Green Products; Brand Image.

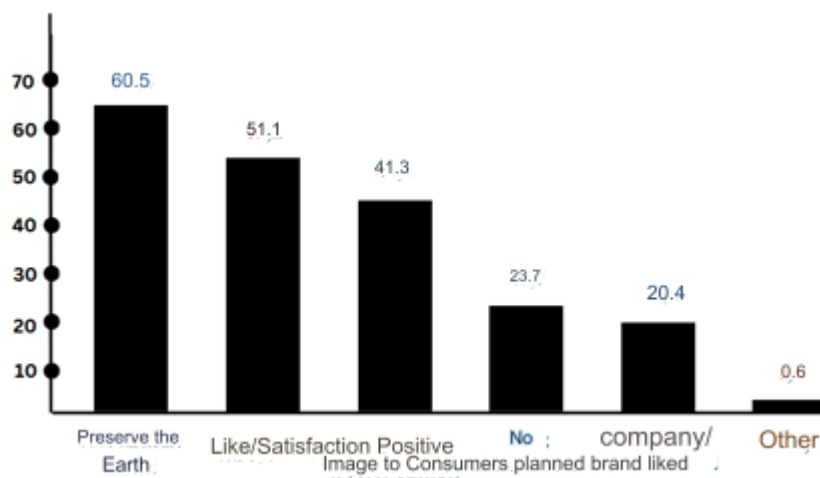
Introduction

The environment is around and causes the behavior of living beings (Dewi, 2021). Awareness of protecting the environment must be increased because a clean environment leads to positive behaviors. The problem of environmental damage in recent years has become an increasingly severe global problem (Shi, 2021). One of the problems that occurs and is a form of ecological damage is global warming (Widiarsa, 2018). Global warming is a phenomenon related to the environment that makes people aware of the dangers that this phenomenon will cause. (Soomro, 2020) stated that global warming has a terrible impact on the environment.

For business people, global warming is a business opportunity to create products with an environmentally friendly concept; this also makes business actors and marketers realize the importance of applying ecologically friendly principles in product marketing activities. Many products and business actors apply green marketing to market their products. Green marketing is an extension of social marketing that aims to create awareness among community members about environmental issues (Khan, 2021)—stated that green marketing is an activity carried out by companies that strive to develop products, prices, promotions, and places that do not damage the environment (Romli, 2022). Applying green marketing by business actors and marketers in marketing products increases the product's value and affects purchase decisions.

One of the purchasing decisions is influenced by green products. Green products are a type of product that is harmless to humans and the environment; these green products can save resources, do not produce excessive waste, and do not involve animal cruelty (Nashrulloh, 2019). Green products that are made from environmentally friendly materials and are made from green materials can last a long time, or they can be used in a recyclable way and do not contain toxins. This green product was created to reduce negative environmental impacts, including environmental pollution or environmental damage.

Green products are starting to be in demand by the community today. This is shown by a survey conducted by the Katadata Insight Center (KIC) in 2021 with the following data.



Source: Katadata Insight Center (KIC) in 2021

Figure 1. Five reasons consumers shop for eco-friendly products

The results of a survey conducted by the Katadata Insight Center (KIC) p"Katadata Consumer on Sustainability" in 2021 showed that as many as 60.5 percent of consumers buy environmentally friendly products because they want to preserve the earth. This indicates that most consumers in Indonesia are aware of the importance of environmental sustainability. As many as 51.1 percent of respondents admitted to choosing environmentally friendly products because they liked and were satisfied with using environmentally friendly

products (green products). Green products are also known as eco-friendly products that contain safe, non-toxic, recyclable components and use eco-friendly packaging to reduce negative impacts on the environment from the production process to the time of consumption (Hossain, 2018; Kusuma, 2017). Research (Singhal, 2018) states that green products can improve a company's brand image.

The brand image represents all existing consumer perceptions of a brand formed from information and past experiences with the brand. (Deisy, 2018) stated that brand image is how a brand affects the perception and view of the public or consumers towards the company or its products. It defines brand image as the various perceptions of consumers when analyzing a brand and finding a product that is memorable and remembered in the minds of consumers (Shelly, 2022). Forming a brand image is very important for a company because, in addition to being one of the differentiators from other products from competitors, brand image will also determine consumer choices for a product marketed by a company (Wijaya, 2022).

One of the companies in Bali is PT. Karya Pak Oles Tokcer is a company that implements green products in his company. Gede Ngurah Wididana founded Karya Pak Oles Tokcer, focusing on herbal health medicine products. Karya Oles Tokcer was established in the traditional medicine industry in 1997. Pak Oles Tokcer's work combines effective microorganism technology from Japan with medicinal plants to produce health products that benefit the wider community. Marketing from PT Karya Pak Oles Tokcer is no longer limited to Bali but has reached outside the city and even abroad. PT Karya Pak Oles Tokcer is well received by the public, as can be seen, which shows that the followers owned by PT Pak Oles Tokcer's work currently have 8,868 accounts. It also shows that the Bokashi Indonesia social media account, part of PT Pak Oles Tokcer's work, actively creates content to improve the brand image, which will later influence purchase decisions.

The market share of PT Pak Oles Tokcer's work can be seen through observations made through data recorded by Google Trends on average over the last three years, which are as follows.

Table 1. Market Share of Products Karya PT. Pak Smear Tokcer

Area	Average Google Trends (Year 2021-2023)		
	Products from PT. Pak Oles Tokcer (Bokashi) (%)	Kutus Kutus Oil Products Bali (%)	Bali Alus Products (%)
Southeast Sulawesi	24	76	0
Jakarta	7	89	4
East Nusa Tenggara	68	32	0
Central Java	11	79	10
Particular Region of Yogyakarta (DIY)	8	86	6

West Java	9	87	4
East Java	16	74	10
Bali	9	20	71
West Nusa Tenggara	37	63	0
Central Sulawesi	19	81	0

Source: Google Trends, 2023

Data recorded by Google Trends for the last three years shows that consumers of PT Pak Oles Tokcer's work, especially for Bokashi, Kutus Oil, and Bali Alus products, are spread across several regions in Indonesia. For the East Nusa Tenggara sub-region, bokashi controls the market by 68 percent, Kutus Kutus Oil by 32 percent, while Bali Alus products are zero percent. However, for the Bali sub-district, Bokashi products occupy the third position with a percentage of 9 percent, the second position is Kutus Kutus Oil with a rate of 19 percent, and the first position is Bali Alus products with a percentage of 72 percent. This data shows that the purchase level of Bokashi products in Bali is still relatively low compared to other sub-regions, such as East Nusa Tenggara. Therefore, knowing the cause of the low percentage of Bokashi products in Bali is necessary.

To determine whether green products and brand image caused the decision to buy PT Pak Oles Tokcer's work, the author conducted a pre-survey of 20 PT consumers. Mr. Oles Tokcer's work was taken from students who use PT to determine the market segment of young people regarding sustainability products. The following is a table of pre-survey results.

Table 2. Results of the pre-consumer survey by PT. Pak Smear Tokcer

Statement	Yes	Not	Entire	Percentage (%)	
				Yes	Not
1. Do PT Pak Oles Tokcer products make products with quality brands?	8	12	20	40	
2. Do you buy PT's work? Mr. Oles Tokcer, is it because it uses organic raw materials?	6	14	20	30	70
3. Do you decide to buy PT? The work of Mr. Oles Tokcer because he believes that his products can meet your needs.	7		20	35	65

Source: Research Primary Data, 2023

Based on the results of a pre-survey conducted on 20 consumer respondents of PT. In the work of Mr. Oles Tokcer in Denpasar City, it can be seen that 8 out of 20 respondents stated that they bought PT. The work of Mr. Oles Tokcer because it is a product with a quality brand. It is known that 6 out of 20 respondents stated that they bought PT Pak Oles Tokcer's work because it uses organic raw materials. Only 7 out of 20 respondents decided to buy PT. Mr. Oles Tokcer's work because he believes that PT Pak Oles Tokcer's products can meet the

needs of respondents. The pre-survey results in Table 1 show that most consumers see that PT. The work of Pak Oles Tokcer is not Green Products; in other words, they need to understand that PT. The work of Mr. Oles Tokcer is Green Products and has a strong image against Green Products. The percentage of respondents who answered "no" dominated more than respondents who answered "yes." If it is not handled immediately, this problem will affect the purchase decision at PT Karya Pak Oles Tokcer.

The results of a previous study (Novita, 2019), which examined the influence of Green Products, Green Prices, Green Advertising, and Green Places on Purchase Decisions, stated that green products significantly influence purchase decisions. The study explored the impact of Green Marketing and Corporate Social Responsibility (CSR) on brand image and purchase decisions. The research highlights how green marketing elements such as eco-friendly products, pricing, promotions, green places, and corporate CSR practices can significantly influence consumers' perception of brand image and, ultimately, their purchasing decisions. This study introduces the concept that the effective implementation of CSR can strengthen the positive impact of green marketing on brand image, which has yet to be widely researched. It makes a new contribution to the marketing literature by showing that integrating green marketing strategies and CSR practices can significantly impact consumer purchasing decisions more than using either strategy separately.

A study with different results was shown (Tridiwianti, 2021), which stated that green products did not significantly affect purchase decisions. In addition, awareness of the importance of a healthy lifestyle with environmentally friendly products for consumers is not comprehensive, so green products do not significantly affect a product's purchase decision. Based on the research gap from previous research, it is necessary to conduct research involving brand image as a mediating variable. In addition to green products that can encourage consumers to make purchase decisions, brand image factors also have an essential role in influencing consumer purchase decisions (Narayana, 2020). With a good company brand image, consumers will be optimistic about the product, so consumers do not hesitate to choose or buy the products the company offers (Darmajaya, 2018; Widiarsa, 2018).

Research Method

This study uses a quantitative approach with an associative research design to analyze the relationship between the variables studied: green products, brand image, and purchase decisions. The population in this study is consumers who use PT—the work of Pak Oles Tokcer in Denpasar, with an unknown or unlimited population. The sample was determined using a non-probability sampling technique using the purposive sampling method, which resulted in 100 respondents as the research sample. The sample selection criteria include consumers who have purchased PT. Karya Pak Oles Tokcer and domiciled in Denpasar City.

Data was collected using a questionnaire distributed online through Google Forms to respondents who met the criteria. This questionnaire measures respondents' perceptions of green products, brand image, and purchase decisions. Each question in the questionnaire uses a five-point Likert scale, from 1 (strongly disagree) to 5 (strongly agree), to gauge the respondents' level of agreement with a given statement. The data analysis techniques used

include descriptive statistical analysis and inferential statistical analysis. Descriptive statistical analysis is used to describe data characteristics. In contrast, inferential statistical analysis, such as path analysis, is used to test the direct and indirect influence between the free variable (green product) and the bound variable (purchase decision) through mediated variables (brand image). Classical assumption tests, including normality, multicollinearity, and heteroscedasticity tests, were also performed to ensure the regression models' validity.

In addition, the mediation role test was carried out to determine whether the brand image can mediate the influence of green products on purchase decisions. This test was carried out using the Sobel Test method to determine the significance of the mediation effect. All data analysis is carried out with the help of statistical software, such as SPSS (Statistical Package for the Social Sciences). The research instrument used is a questionnaire based on related literature and previous research. This questionnaire consists of three main parts: (1) questions related to the demographic characteristics of respondents, (2) questions related to the perception of green products and brand image, and (3) questions regarding purchasing decisions. The validity and reliability of the questionnaire are tested before use to ensure that the instrument used is valid and reliable.

Results and Discussion

The influence of green products on purchasing decisions

Based on the results of the analysis, the green product variable positively and significantly affects PT Karya Pak Oles Tokcer's purchase decision. This means that PT will be able to implement green products better. The work of Mr. Oles Tokcer showed that the higher the decision to buy the product, the more the hypothesis was accepted. If PT. Pak Oles Tokcer's work optimally develops green products so that consumers will feel interested in PT Pak Oles Tokcer's work and make a purchase decision. The results of an empirical review of previous research conducted by Nia and Eristia (2021) show that green products positively and significantly affect young consumers' purchasing decisions. Similar results were also found in research conducted by (Desriani, 2018; Paath, 2020), which states that green products have a positive and significant effect on purchasing decisions.

Meanwhile, research (Larasati, 2021) also states that green products positively and significantly influence purchasing decisions. This result is also strengthened by research conducted by (Mukaromah, 2019) (Wolok, 2020) (Adhimusandi, 2020), who also stated that green products have a positive and significant effect on purchasing decisions. The results of a different study (Aqsony, 2020) stated that green products did not substantially affect purchasing decisions at Arei Adventure Store Surabaya 3. This finding is also supported by research conducted by (Ariyanti, 2020) (Yulianti, 2020), who also stated that green products do not significantly affect purchasing decisions.

The influence of green products on brand image

Based on the results of the analysis, the green product variable positively and significantly affects PT's brand image. This means that PT will be better able to develop green products. The work of Mr. Oles Tokcer shows that the better the brand image is formed, the

more the second hypothesis is accepted. If PT. Karya Pak Oles Tokcer has a good strategy for developing green products so that consumers will feel a strong product brand image. The results of an empirical study of previous research (Hisam, 2020) on the influence of green products on the brand image show that green products have a positive and significant impact on the brand image of Ades Packaged Drinking Water at Panjerejo Tulungagung Shop. Similar research results are also shown by research conducted (Nofiasari, 2019), Which also states that green products have a positive and significant effect on the brand image.

The influence of brand image on purchasing decisions

Based on the results of the analysis, the brand image variable positively and significantly affects PT's purchase decision. This means that the better the brand image owned by PT Pak Oles Tokcer's work, the more the decision to purchase Pak Oles Tokcer's work will increase, so the third hypothesis is accepted. If PT. Pak Oles Tokcer's work has precise branding, so the decision to buy PT Pak Oles Tokcer's work will increase. The results of an empirical study from a previous study conducted by (Hasmiati, 2020) show that brand image has a positive and significant influence on consumer purchase decisions at Akkhwat Makassar Tailor House. Similar results were also found in research conducted by (Hidayat, 2020), who also stated that brand image positively and significantly influences purchase decisions. The study's results are also strengthened by research conducted by (Hidayat, 2020), who also stated that brand image positively and significantly influences purchase decisions.

The Role of Brand Image in Mediating the Influence of Green Products on Purchase Decisions

The testing of the mediation role that has been carried out shows that the green product variable has a positive and significant influence on the purchasing decisions of PT consumers. The work of Mr. Oles Tokcer with the mediation of brand image. This means that the brand image can strengthen the influence of green products on purchasing decisions, so the fourth hypothesis is accepted. The theory of Hair et al. (2017:247) states that if the influence of independent variables on mediating variables is significant, the influence of mediating variables on dependent variables is essential, the direct influence of independent variables on dependent variables is substantial, and the influence shows a positive relationship, then in this study, it can be said that brand image can mediate the influence of green products on purchase decisions in a complementary and partial mediation 0.524. The results of this study show that if PT implements and develops green products, the better Mr. Oles Tokcer's work is, the better it will be in improving the positive brand image of PT. Mr. Oles Tokcer's work instead influences consumer purchase decisions at PT. Karya Pak Oles Tokcer. The results of an empirical review of previous research conducted by (Nandaika, 2021) show that brand image can mediate the influence of green products on purchase decisions. Research with similar results was also found by (Rayon, 2021), who also stated that brand image can mediate the influence of green products on purchase decisions.

Conclusion

Based on the study's results, green products positively and significantly influence PT consumers' purchasing decisions. Karya Pak Oles Tokcer. This shows that the better the implementation and development of green products carried out by PT, the better. The work of Mr. Oles Tokcer shows that the higher the decision consumers make to purchase products, the more likely they will buy them. Thus, the first hypothesis was accepted. In addition, this study also found that green products have a positive and significant influence on PT's brand image. Karya Pak Oles Tokcer. The stronger the implementation of the green product strategy, the more positive the brand image is in the eyes of consumers. This supports the second hypothesis that brand image can be formed and improved through environmentally friendly products.

Furthermore, brand image has been proven to positively and significantly influence purchase decisions. This indicates that PT's brand image is more positive. The work of Mr. Oles Tokcer, the higher the consumer's purchase decision for the company's products. Therefore, the third hypothesis, that brand image influences purchasing decisions, is also accepted. This study also shows that brand image can partially mediate the influence of green products on purchase decisions. In other words, although green products directly influence purchasing decisions, this influence can be amplified by forming a positive brand image. This means that the effective implementation and development of green products, if supported by the right brand image improvement strategy, can increase consumer purchasing decisions toward PT more effectively. Karya Pak Oles Tokcer.

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