

GREEN MARKETING CAMPAIGN AND LOYALTY CUSTOMER : A STUDY FROM STARBUCKS MAKASSAR CUSTOMERS

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Abstract

The purpose of this study to see the effect of the campaigning for green marketing. This research aims to determine the effect of green marketing, service quality on customer loyalty through customer satisfaction as an intervening variable. The method used is a quantitative method with descriptive and causality research types, as well as the SEM-PLS analysis method. The final sample was 224 Starbucks Coffee customers in Makassar City. Based on the results of the study it was concluded that green marketing and service quality have a positive and significant effect on customer loyalty either directly or through customer satisfaction as an intervening variable.

Keywords: *customer satisfaction, green marketing, loyalty customer, service quality*

1. INTRODUCTION

Companies started to launching that their products were eco-friendly, low-polluting, and resource-saving, promoting environmentally friendly consumption behaviour, and exploring green market opportunities to create a green corporate culture. Green marketing manages to confirm the sustainability of promotion operations instantly became mainstream (Chang et al., 2019). Understanding the features motivating consumers' buying intentions and decisions is necessary to increase the fit between green products and consumer wants and develop market competitiveness (Wei et al., 2018). Due to the growing severity of climate changes in recent years, authorities have strongly applied green policies aimed at keeping the ecosystem. Therefore, these rules have indirectly required firms to start more social reliability and start ethical marketing ethics in their operations.

The marketing of green campaign with the support of corresponding green policies has involved starting attention and keep from the public, leading to the popularisation of 'green marketing'. Green marketing increases green consumption behaviour by inspiring consumers to buy eco-friendly products, thereby declining the generation of pollution. Inspiring consumers to give to the future of the planet by buying green products with less effect on the universal environment has developed an important research topic. Thus, many firms have prioritised the use of eco-friendly marketing and recommending green products to arise consumers' brand acknowledgement and trust, which then encourages green product consumption intentions (Lin et al., 2017).

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Starbucks has significantly campaign green advertising and environmental safety, and demands to motivations its impact on the environment such as sources of their materials, outlet project and operational approaches. Starbucks describe that it participates more power in environmental safeguard than other coffee firms. Starbucks buyers have a rational mindfulness of the company's green movements. Previous literatures on promoting green marketing to increase brand image and motivates buyers purchase intentions for eco-friendly products have managed to use statistical analysis methods (Jaiswal and Kant, 2018; Sreen et al., 2018).

2. RESEARCH METHOD

The population in this study is Starbucks Customers Makassar, so that the population in this study is an infinite population whose number cannot be clearly determined. The sample in this study was determined using a non-probability sampling technique. This technique makes the study easier to take samples when the population is not recorded. The type of non-probability sampling used is purposive sampling. Purposive sampling is a sampling technique with certain considerations. In this study the considerations in selecting the sample are as follows:

- A. Young adult consumers 18-40 years old
- B. Consumers who know/know Starbucks products
- C. Consumers who have purchased Starbucks products

Investigation of the number of samples in this study using the Daniel and Terrel formula. and the formula is as follows:

$$n = \frac{z^2 p(1 - p)}{d^2}$$

Before determining the number of samples, the researcher first collected data on 30 people who used the product at random. These results resulted in as many as 25 people having the intention to purchase Starbucks products because of the attractiveness of green marketing products and the good service offered. While as many as 5 people did not want to make a purchase for several reasons such as not being familiar with green marketing products.

No	Explanation	Total Proportion Estimation
1	Consumers who plan to buy Starbucks	25, 25/30 x 100% = 83%
2	Consumers who don't want to buy Starbucks	5, 5/30 x 100% = 17%
	Total	25+5 = 100%

Through the above formula, it can be calculated the number of samples that can be used as follows:

$$n = \frac{z^2 p(1-p)}{d^2}$$

$$n = \frac{(1,96)^2 (0,83)(1-0,83)}{0,05^2}$$

$$n = \frac{(0,542049)}{0,0025}$$

$$n = 217$$

Based on the calculation above, it is known that the number of respondents is 217. To avoid inaccurate questionnaire filling, the sample is increased to 224 people.

This study uses quantitative research and also correlational and designed to collect cross-sectional data. The variables of this research are Green Marketing (X1), Service Quality (X2), Customer Loyalty (Y), Customer Satisfaction (M). The measurement of each of these variables uses an ordinal scale to determine the rank of the construct being measured (Sugiyono, 2018). The instrument scale is a Likert scale that is used to measure certain social phenomena such as attitudes, opinions and social perceptions of a person or group of people (Indrawan, 2017).

The data analysis method used to test the hypothesis in the intermediate dimension and the observed latent variables is Structural Equation Modeling Partial Least Square (SEM-PLS). Furthermore, the measurement model (outer model) is used to assess the accuracy and reliability of the model. Confirmatory Factor Analysis (CFA) is used to determine whether an indicator variable is truly a latent variable under study (Haryono, 2017). Data processing uses SmartPLS 3.0 software.

In general, SEM analysis goes through two stages (Indrawan, 2017). The first process is an assessment of variables through a measurement model. The measurement model in PLS-SEM is evaluated using R^2 to measure the level of variance in changes in exogenous variables to endogenous variables (Haryono, 2017). The higher the value of R^2 , the better the degree of prediction of the research model. The second stage is to evaluate the structural model or inner model (structural measurement).

This measurement uses estimate for path coefficients, namely the magnitude of the significance of the influence between variables with the factor or quantity value of the correlation or the influence of hidden constructions. This process is carried out through a bootstrapping procedure or resampling method (Haryono, 2017). To validate the model as a whole, the Goodness of Fit Index (GoF) test is used which is a single measure to validate the combined results of the measurement model and the model. structural (Haryono, 2017). The GoF value is obtained from the average communalities index multiplied by the R^2 model value, where the values range from 0 to 1 with an interpretation of the values: 0.1 (small GoF); 0.25 (moderate GoF); and .0.36 (large GoF).

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No	Gender	f	%
1	Male	64	29%
2	Female	160	71%
	Total	224	100%

Based on the table, it can be concluded that the majority of all respondents in this study were female, namely 71% or 160 people, of the male respondents, 29% or 64 people. This shows that the majority of Starbucks consumers are women.

b. Age**Table 2**

No	Age	f	%
1	18-23 years old	113	50%
2	24-29 years old	105	47%
3	30-40 years old	6	3%
	Total	224	100%

Based on the table, it can be concluded that the majority of respondents had a vulnerable age of 18-23 years with a percentage of 50% or 113 people. Then in second place are respondents with a vulnerable age of 24-29 years with a percentage of 47% or 105 people. In third place are respondents who are aged 30-40 years with a percentage of 3% or 6 people.

c. Occupation**Table 3**

No	Occupation	f	%
1	Student	118	53%
2	Entrepreneur	10	4%
3	Private employees	38	17%
4	Etc	58	26%
	Total	224	100%

Based on the table, it can be concluded that the majority of respondents in this study had jobs as students with a percentage of 53% or 118 people, followed by respondents who had other jobs with a percentage of 26% or 58 people.

3.1 The Effect of Green Marketing on Customer Satisfaction

We found that Green Marketing has a positive and significant effect on Customer Satisfaction were also obtained by Irkhamni & Suharyono (2017). Thus, the better the application of green marketing in Starbucks' business activities according to the customer's perception, the higher the customer's satisfaction with the company concerned. Lee et al. (2020) show green marketing affect purchase intentions of customers, such as sustainable labels and traceability, purchase intentions can encourage by providing more transparent, diverse environmental cues based on information technology, and by increasing consumers' knowledge of product certifications. This shows that the green marketing strategy has good prospects to continue to be developed in the future because the results of the green marketing strategy can grow satisfaction for consumers and its customers.

Table 4 Indicator reliability

Variabel	Indikator	Loading Factor	P Values	Keterangan
Green Marketing	GM1	0.815	0.000	Realiable
	GM2	0.738	0.000	Realiable
	GM3	0.791	0.000	Realiable
	GM4	0.799	0.000	Realiable
SQ	SQ1	0.805	0.000	Realiable
	SQ2	0.745	0.000	Realiable
	SQ3	0.748	0.000	Realiable
	SQ4	0.776	0.000	Realiable
	SQ5	0.818	0.000	Realiable
CS	CS1	0.740	0.000	Realiable
	CS2	0.770	0.000	Realiable
	CS3	0.812	0.000	Realiable
	CS4	0.794	0.000	Realiable
	CS5	0.722	0.000	Realiable
	CL1	0.887	0.000	Realiable
	CL2	0.869	0.000	Realiable
	CL3	0.902	0.000	Realiable

Table 5 Internal Consistency Reliability

Variabel	Composite Reliability
Green Marketing	0.916
Service Quality	0.878
Custmer Satisfaction	0.866
Customer Loyalty	0.885

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Variabel	AVE	Keterangan
Green Marketing	0.785	Valid
Service Quality	0.591	Valid
Custmer Satisfaction	0.618	Valid
Customer Loyalty	0.607	Valid

Table 7 Discriminant Validity

Variabel	CL	CS	GM	SQ
CL	0.886			
CS	0.352	0.769		
GM	0.181	0.917	0.786	
SQ	0.018	0.735	0.852	0.779

Table 8 Composit Relability

Variabel	Composite reliability	Cronbach's alpha
GM	0.916	0.864
SQ	0.878	0.827
CS	0.866	0.796
CL	0.885	0.838

Table 9 adjusted R-squares

Variabel	Adjusted R-Square
CL	0.266
CS	0.846

Table 10 Q² Predictive Relevance

Variabel	Predictive Relevance
GM	0.330
SQ	0.385

Table 11 goodness of fit (gof)

AVE	Average to R-square	GOF index	Information
0.65	0.56	0.60	High

Table 12 Hypothesis

Hipotesis	Path Coefficients	Indirect Coefficient	Pvalues	
GM > CS	-1.321		0.000	Accepted
SQ > CS	2.280		0.002	Accepted
GM > CL	0.457		0.004	Accepted
SQ > CL	-1.641		0.005	Accepted
CS > CL	1.343		0.000	Accepted
GM > CS > CL		-1.774	0.000	Accepted
SQ > CS > CL		3.062	0.004	Accepted

3.2 The Effect of Service Quality on Customer Satisfaction

We show that Service Quality has a positive and significant effect on Customer Satisfaction. The results prove that service quality has a positive influence on customer satisfaction. This research show that various kinds of services provided by Starbucks coffee based on the dimensions of tangible, reliability, responsiveness, assurance, empathy have proven effective in increasing customer satisfaction. When customers visit Starbucks Coffee, they already have their own expectations about the service they will receive from Starbucks Coffee based on personal experience. Previous experiences that consumers have had at Starbucks Coffee will become the basis for consumer expectations in determining service standards that they think are good when they are at Starbucks Coffee.

3.3 The Effect of Green Marketing on Customer Loyalty

Our study found that Green marketing is proven to have a positive and significant influence on Customer Loyalty. The better the green marketing strategy applied by the company, the higher the company's customer loyalty will be. The results of previous study show that customers with environmental spirits tend to have a more positive manner towards environmental guards and positively affect environmental defense behavior (Chang et al., 2019; Chou et al., 2020). Furthermore, environmental touch positively affected green consumption feelings, and impact to ecological awareness on green consumption behavior and made the customers to connect to environmental issues. This strategy became a trend because reach optimal marketing results (Chou et al., 2020). Previous literatures describe the green products are environmentally friendly, ham the natural resources, low pollution and more eco-friendly (Sreen et al., 2018). Giving a participation about corporate social

responsibilities are found to have a significantly positive effect on increasing the firm icon and increase their operational performance and profits (Zameer et al., 2020).

3.4 The Effect of Service Quality on Customer Loyalty

Service Quality has a positive and significant on increasing Customer Loyalty. This finding show that service quality plays an important role in creating customer loyalty. In satisfying customers, the products from the company have to be safe and comfortable to use and the services provided by the company must be of high quality. Service quality is defined as how far the comparison is between reality and customer expectations for the services they receive. The higher the quality of service provided by the company based on the perception of its customers, the higher the degree of satisfaction felt by these customers towards the company concerned (Fida et al, 2020).

3.5 The Effect of Customer Satisfaction on Customer Loyalty

The next result, Customer Satisfaction has a positive effect on Customer Loyalty. This finding states that the more satisfied the consumer is after using an item or service, the higher the loyalty that is created in the customer for the product or service. Previous study, Rizqiningsih & Widodo (2021) show that consumer satisfaction is a condition where the needs, desires and expectations of consumers are met which results in repeat purchases and continues on faithfulness.

3.6 The Effect of Customer Satisfaction strengthens the influence of Green Marketing on Customer Loyalty

In addition, we found that Customer Satisfaction is able to provide an intervention effect that strengthens the influence Green Marketing strategies in an effort to increase Customer Loyalty to the company. The firm will be successful in applying a green marketing strategy in an effort to rise customer loyalty. It will be create a sense of satisfaction in its customers after consuming the goods and/or services provided by the company concerned.

3.7 The Effect of Customer Satisfaction strengthens the influence of Service Quality on Customer Loyalty

Finally, we show that that Customer Satisfaction is able to deliver an intervention effect that strengthens the influence Service Quality strategies. This strategy aims to encourage Customer Loyalty to the company. The customer of the Starbuck will be feel satisfaction because the implementation about service quality after enjoying their coffee and the customer will be repeat order again.

4. CONCLUSION

The conclusion of this study show that green marketing has a positive and significant direct effect on both customer satisfaction and customer loyalty; service quality has a positive and significant direct effect on both customer satisfaction and customer loyalty; Also, customer satisfaction has a positive and significant direct effect on customer loyalty.

When we treated customer satisfaction as an intervening variable, we found that strengthen the positive influence of green marketing or service quality on customer loyalty. These results conclude that in order for the green marketing strategy or service quality implemented by the company to be more able to create a high attitude of loyalty from its customers if the company concerned has been able to provide a sense of satisfaction in its customers.

In addition, in the 5.0 era, with the development of the era and environmental awareness by the community, we suggest that company should to start campaigning for green marketing. Green marketing is marketing products in an environmentally friendly way, including modifying products, changing production processes, changing packaging and even making changes to promotion methods. Green marketing is a holistic administrative process responsible for identifying, anticipating and satisfying consumer and societal demands, in a profitable and sustainable way. Green marketing refers to business practices that consider consumer concerns related to the preservation and conservation of the natural environment. It also deals with socio-economic benefits as well as environmental responsibility through green business.

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