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ABSTRACT

Environmental consciousness arises when there is an understanding of the need for a balance between life and nature. This study investigates whether such consciousness affects purchasing behavior of environmental-friendly claimed products. The research problem is whether environmental consciousness affects the purchase intention of such a product directly or through its interaction with the price. The authors recruited 100 consumers as respondents who met the requirements. The data analysis using structural equation modeling reveals that environmental consciousness does not affect purchase intention, but the price does. It also does not interact with the price. The replication of this study in different product categories is interesting.

Keywords:

Environmentally-friendly product, environmental consciousness, purchase intention

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Research Article

Why environmental consciousness does not affect intention to buy?

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INTRODUCTION

The weather has become more extreme along with global warming. The air temperature is getting hotter, the rainfall is getting higher, and the seasons are irregular. As a result, humanity experiences catastrophic floods, the greenhouse effect, depletion of the ozone layer, and pollution of water, air, and soil.

To respond to that worse development, many companies try to produce more environmentally friendly products. They use friendly materials and process them in a way that does not harm the environment. Consumers also care more environmental sustainability (Butler, 2018, Nov. 21; Wang et al., 2020). This concern is called environmental consciousness (Barbarossa, & Pastore, 2015; Butler, 2018. Nov. 21)

They are understand that product choices are not only from their use but also their impact on nature. The products are not only required to fulfill needs but also a sense of security that the products are free from harmful substances and do not worsen environmental conditions. This new development is part of social and environmental responsibility (Becker & Smith, 2014).

Environmentally friendly products are also priced higher because of higher costs for more difficult production process, minimizing waste disposal, improving natural resources, and searching for natural-friendly materials (Krosofsky, 2021, Aug. 21). At the end, this increase boosts such products prices to level that are more expensive than ordinary products in the same class.

Barbarosa and Pastore (2015) found that nvironmentally conscious consumers do not purchase green products. The interesting question is, first, is the result the same in Indonesia? Another question, does the environmental consciousness interact with consumer price sensitivity? In other words, are environmentally conscious consumers willing to pay higher prices for environmentally friendly products? Wang et al. (2020) found that the influence of environmental consciousness on purchase intention of eco-friendly product are higher among less-sensitive price than high-sensitive price. The authors wish to investigate whether the same result also occurs in Indonesia.

The study's contribution can be seen in this way. The efficacy of environmental consciousness, which is means academically, is verified through its direct effect on purchase intention and interaction effect with the price. For the practical world, this study's results can be used as input in formulating environment-related brand positioning and setting a price.

METHODS

Sample

The study focuses on L'Occitane skincare, a self-claimed environmental friendly product. We recruited 100 respondents. This number has fulfilled minimal size of sample required by structural equation modeling (Borsma et al. 1982 in Hau and Marsh, 2004).

The respondents are selected through judgment based on the following considerations: they know that brand and are actual of potential buyer of it, are interested in buying it, or were visiting or making purchases at L'occitane stores when the research was conducted.

Measurements

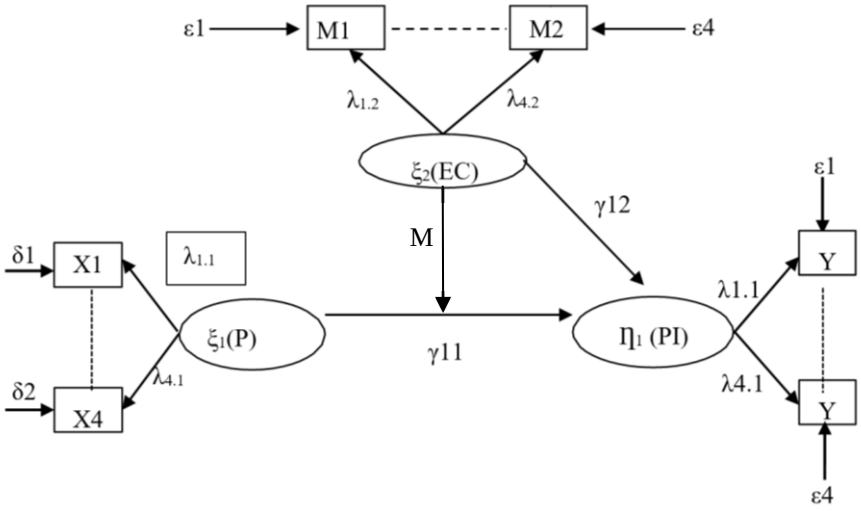
The measurements are adapted from Wang et al. 2015. Responds are recorded using five level Likert scale. For example, the item of environmental consciousness states: "*I know the cause of global warming*". The respond is ranged from very disagree (1) to very agree (5). All items can be seen in Table 1. The questionaries were made in the form of Google form distributed using social media.

Data Analysis

This study uses structural equation modeling as data analysis technic using LISREL 7.8. The SEM model is depicted in Figure 1. There are three relations in this model, they are: (1) direct influence of environmental consciousness (EC) on purchase intention (PI) labelled as $\gamma 12$, (2) direct influence of price on purchase intention (PI) labelled as $\gamma 12$, and (3) moderation of PI on the second relationship labelled as M.

Figure 1

Complete Model of SEM



RESULT

Mean and Validity Analysis

Means indicated that there is no item that can be categorized as high because their score are below 4.0. The most convincing interpretation is environmental consciousness, perceieved price, and purchase intention are somewhat high.

Table 1

Mean and Validity Indicators

Items	Mean	S. Dev	FL	AVE	CR
Environmental Consciousness					
1. I would consider buying a product that does not harm the environment	3.37	1.08	0.64	0.53	0.71
2. I will buy L'occitane skin care products because they are environmentally friendly.	3.13	1.12	0.8		
3. I will be satisfied if I use L'occitane skin care products compared to other similar products.	3.86	0.84	0.81		
4. I'm interested in buying L'occitane skin care products when they are available	2.88	1.11	0.67		
Price Perception					
1. I feel price is very important in buying a product	2.98	1.24	.97	0.76	0.91
2. I compare the prices of similar products from other brands when buying a product	3.38	1.07	0.82		
3. I prefer environmentally friendly products even though I have to pay more	3.23	1.09	0.74		
4. The price of L'occitane skin care products is in accordance with the quality of the product	2.99	1.19	.94		
Purchase Intention					
1. I would consider buying a product that does not harm the environment	3.37	1.08	0.72	0.49	0.65
2. I will buy L'occitane skin care products because they are environmentally friendly.	3.13	1.12	0.66		
3. I will be satisfied if I use L'occitane skin care products compared to other similar products.	3.86	0.84	0.54		
4. I'm interested in buying L'occitane skin care products when they are available	2.88	1.11	0.84		

All items have the factor loadings that exceed 0.5 and content validity is satisfied. Convergent validity are also fulfilled by the three construct (AVE≥0.50, CR≥0.70) with a note that the AVE of purchase intention of 0.49 that is slightly below the standar specified by Hair et al. (2016).

Model fit

The model is good fit base on Incrimental Fit Index, Comparative Fit Index, Consistent Aike Information, and Criterion Relative Fit Index. Two indicators shown model bad fit.

Table 2

Summary of Model Fit Results

Indicators	Expectation	Output	Decision
RMSEA	≤ 0.08	0.09	Fair fit
Chi Square	Sig. > 0.05	Sig. 0.05	Bad fit
Incrimental Fit Index	> 0.90	0.96	Good fit
Comparative Fit Index	> 0.90	0.96	Good fit
Consistent Aike Information Criterion	<CAIC *Saturated* and *Independence*	278.46, lower than 510.07 and 1625.41	Good fit
Relative Fit Index	0-1	0.91	Good fit

Structural Model

There only a path specified in the SEM model that is confirmed, i.e., path between price perception and purchase intention. Two paths departed from environmental consciousness are not confirm. Therefore, environment consciousness do not affect purchase intention directly or through its interaction with price perception.

Table 3

Summary of Structural Model

Path	Nilai Koefisien	t-*value*	Signifikansi
Environmental consciousness →purchase intention (γ12)	γ_{21}=0.12	1.44<1.96	Non-significant
Price perception → purchase intention (γ11)	γ_{11}=0.99	7.33>1.96	Significant
Interaction → purchase intention (M)	M=0.08	1.58<1.96	Non-significant

Discussion

This study found that price perception influence purchase intention. This finding is not surprising because it has become a common belief as modelled by Schiffman and Wisenblit (2015) and (Solomon, 2018) in their widely accepted book.

The influence of environment consciuousness on purchase intention that is found as non-significant strengthen the finding of Barbarossa and Pastore (2015). The authors are also agree with them that said that this phenomenon may be caused by consumers consumers do not know or do not believe that L'occitane skincare is an environmentally oriented product. In addition, in purchasing L'occitane skincare, consumers are more

concerned with protecting themselves from natural hazards than environmental sustainability due to the production and use of that product.

CONCLUSION

In relation to L'occatine skincare, environment consciousness do not purchase intention directly or through its interaction with price perception. Perceived price influence purchase intention positively.

L'occatine producer need to inform consumers through mass and store communication about that product environmental friendly associations.

This research has not uncover the respondents' awareness and trust about the environmental friendliness of L'occitane. The authors postulate that those variables moderate the influence of environmental consciousness on purchase intention of environmental friendly product. Further research are suggested to consider this issue.

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