JURISMA: Jurnal Riset Bisnis dan Manajemen
Volume XIII Nomor 2 (Oktober 2023)
E-ISSN: 2338-292X (Online) P-ISSN: 2086-0455 (Print)
E-mail: Jurisma@email.unikom.ac.id

Eco-Brand and Customer-Based Brand Equity: Shaping Consumer Purchase Choices

Aisyah Solehati[1]*, Panji Pramuditha[2], Saura Jeane Aquar Rahma[3]

*aisyahsolehati@plb.co.id[1]**

Politeknik LP3I[1*,2], Jl. Pahlawan No.59, Kec. Cibeunying Kaler, Kota Bandung, Jawa Barat, Indonesia
Universitas Komputer Indonesia[3], Jl. Dipati Ukur No.112-116, Kota Bandung, Jawa Barat, Indonesia

Received Date : 13.07.2023
Revised Date : 07.08.2023
Accepted Date : 30.09.2023

ABSTRACT

This research aims to determine the influence of eco-branding and brand equity on purchasing decisions for eco-friendly products. This research uses quantitative sampling using the Slovin technique of 100 respondents. The method in this research uses descriptive and verification analysis which is processed using the SPSS V23 program. Judging from the descriptive analysis, it can be seen that eco-branding and brand equity in purchasing decisions are in a good category. Then, through verification analysis, it is stated that there is a partial positive influence of eco-branding and brand equity. With the development of the Eco-brand introduced, the company creates Green Trust in consumers to facilitate product purchasing decisions. Not only consumers but employees are also expected to be involved by representing the company to have a reciprocal impact on society and continue to be responsible for the environment.

Keywords : Eco-Branding; Brand Equity; Purchasing Decisions; Eco-Friendly; Green Trust

ABSTRAK

Penelitian ini bertujuan untuk mengetahui pengaruh eco-branding dan brand equity terhadap keputusan pembelian produk eco-friendly. Penelitian ini menggunakan kuantitatif dengan pengambilan sampel menggunakan teknik Slovin sebanyak 100 responden. Metode dalam penelitian ini menggunakan analisis deskriptif dan verifikatif yang diolah menggunakan program SPSS V23. Dilihat dari analisis deskriptif dapat dilihat eco-branding dan brand equity terhadap keputusan pembelian termasuk dalam kategori baik. Kemudian, melalui analisis verifikatif menyatakan bahwa terdapat pengaruh positif eco-branding dan brand equity secara parsial. Dengan perkembangan Eco-brand yang diperkenalkan perusahaan menciptakan Green Trust pada konsumen untuk memudahkan keputusan pembelian pada produk. Tidak hanya untuk konsumen saja namun karyawan juga diharapkan bisa terlibat dengan mewakili perusahaan memberi dampak timbal balik kepada masyarakat dan terus bertanggung jawab terhadap lingkungan.

Kata Kunci : Pencitraan Ramah Lingkungan; Ekuitas Merek; Keputusan Pembelian; Ramah lingkungan; Kepercayaan Hijau

INTRODUCTION

Green marketing is all activities (production processing, consumption, final disposal) or implementation to meet consumer needs without endangering the environment (Mahendra et al., 2021). Green marketing can also be called ecological marketing, environmental marketing, and sustainable marketing. Green marketing was known in the 1980s until now there are increasingly renewed trends regarding green marketing to reduce environmental impacts and encourage consumers to be sensitive to environmental concerns. According to Chin et al. (2018), green marketing aims at eliminating waste, reinventing product concepts, and also environmental profitability for companies green marketing is an organizational effort in designing, promoting, setting prices, and distributing products that comply with environmentally friendly practices.

The first step to implementing environmental awareness is to encourage consumers to buy and use products with environmentally friendly brands. Through green marketing tools such as Eco-Brand, Green Advertising, and fostering a sense of trust and confidence in environmentally friendly products, namely through Green Trust (Made et al., 2018). Consumers are increasingly aware of the importance of organic products and care about protecting the environment, so more consumers are switching to environmentally friendly products compared to conventional chemical products. The materials in question are not only product raw materials, but also other materials such as product packaging, labels, and packaging cartons. This material comes from natural environmentally friendly materials, so it will not damage the environment. The main purpose of repeated use or consumption is because the product does not harm consumers and the environment. By having environmentally friendly products, you can reduce the negative impacts that will occur on the surrounding environment (Utami, 2020). It is important for consumers to sort out whether the products they use are safe for themselves or whether they are detrimental to the environment. As Pranoto (2017) argues, green products do not harm the environment, including environmental improvement activities, renovation, reproduction, and recycling of materials.

Eco-brand green marketing tools are names, symbols, attributes, and identities on environmentally friendly products that have communication labels to convey information about the company's commitment to the environment and as a differentiator to help consumers differentiate conventional products from environmentally friendly products. According to Rahbar & Wahid (2011), Eco-brand can be defined as a name, symbol or product design that is not harmful to the environment. Utilizing environmentally friendly brand features can help consumers differentiate them in some way from other non-green products.

Stabilizing the brand equity owned by the company previously does not guarantee that it will continue to run smoothly, especially for business people in the food sector, the increase in raw materials will cause basic prices to increase, the people, especially in the Indonesian region, in reality, do not like this. Customer-based brand equity is the consumer's perception of all the advantages of a product or service based on the knowledge they have. According to Setiawan & Rachmawati (2017), Customer-based brand equity is the differential influence that brand knowledge has on consumer responses to the brand's marketing. The customer-based approach views brand equity from the perspective of both individual and organizational consumers. The tenet of the customer-based brand equity model is that brand strength lies in what customers see, read, hear, learn, think, and feel about the brand over time.

Purchasing decisions are the final stage of consumer purchasing behavior where consumers will actually buy the product without considering it again. According to Kotler & Keller (2012) state that "Consumer purchasing decisions are consumer purchasing behavior referring to the purchasing behavior of final consumers, individuals and households, who buy goods and services for personal consumption." Based on references to journal references, that researchers use as guidelines in research conducted by Kotler & Keller (2012), the indicators that underlie consumers in making consumer purchasing decisions include Problem recognition, information search, evaluation of alternatives, purchase decision, and post-purchase behavior.

In this indicator, the purchase decision section, what is the basis for consumers to consider in purchasing decisions, this research is in line with research conducted by Hanifah et al. (2019) which states that consumer buyers' decisions on environmentally friendly products are based on the organic ingredients contained in the product so that it produces good benefits for consumers, without realizing that If consumers decide to buy environmentally friendly products, it means that consumers are contributing to environmental awareness.

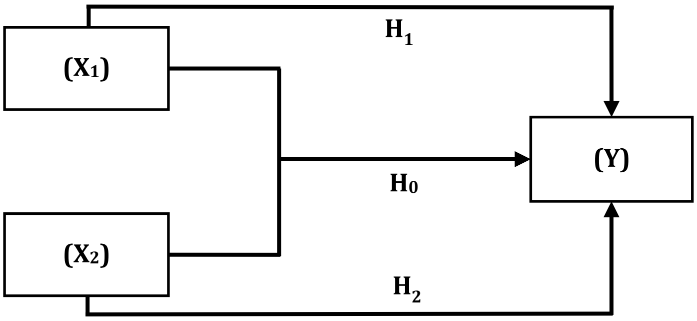
This research is in line with research conducted by Handayani & Setyorini (2020) that some consumers do not realize the importance of environmentally friendly brands for the good of the environment, only realize the benefits, and state that consumer purchasing decisions are due to the benefits of the product, not because of the logo or brand. Based on the initial questionnaire of 30 respondents who use eco-friendly products, it shows that consumers are interested in deciding to make purchases from environmentally friendly brands because of the benefits of these products, some consumers do not realize that they are also contributing to environmental awareness. Seeing this phenomenon, a problem arises where many consumers do not yet know the importance of protecting the environment for long-term survival. This means that companies must emphasize education about caring for the environment, starting from reducing plastic waste, with environmentally friendly products, it will reduce the environmental impact. This research is also in line with that conducted by Setiawan & Rachmawati (2017), it can be seen that simultaneously customer-based brand equity has a significant influence on customer satisfaction. Meanwhile, the brand awareness sub-variable does not have a significant influence on customer satisfaction. The novelty of this research is to analyze whether there is a partial relationship between eco-brand and customer-based brand equity (CBBE) on consumer purchasing decisions for eco-friendly products because no research has yet discussed both variables simultaneously.

RESEARCH METHOD

This research was conducted to obtain data related to the object of this research. The author put forward two variables that will be studied. The type of research used in this research is a descriptive method and a verification method, using a survey method with an analysis unit for consumers of eco-friendly products in one of the brands, namely Innisfree. The data source comes from primary data obtained through distributing questionnaires to obtain data about the influence of Eco-brand and based brand equity on consumers. After that, the data was processed using *SPSS* with multiple regression analysis, the analysis method was preceded by a classic assumption test, using formula (1) where Y is the dependent variable (buyer's decision), $\beta_1 X_1$ is the coefficient of the independent variable (eco-brand) $\beta_2 X_2$ (based brand equity).

$$\boldsymbol{Y = a + \beta_1 X_1 + \beta_2 X_2 + e} \qquad \textbf{(1)}$$

The variables to be studied are; The independent variables in this research are eco-brand and customer-based brand equity, and the dependent variable in this research is purchasing decisions, the research model of which is presented in Figure 1.



Source: Data processed by the author, 2022

Figure 1. Research Design

Based on the research model contained in Figure 1, a hypothesis is needed to determine whether there is an influence of the independent variable and the dependent variable. The hypothesis obtained from this research is [H_0] eco-brand and customer-based brand equity are thought to influence purchasing decisions for Innisfree consumers simultaneously; [H_1] eco-brand is thought to partially influence purchasing decisions for Innisfree consumers, and [H_2] customer-based brand equity is thought to partially influence purchasing decisions for Innisfree consumers.

Eco-brand indicators include; Consumer Awareness. Consumers realize the importance of a brand on a product, and consumers can differentiate environmentally friendly products from conventional products. Eco-brand as a symbol Consumers recognize a brand from the brand symbol printed on the product, and consumers can differentiate a product from other products from the brand symbol printed on it. Lastly as an attraction (Rahbar & Wahid, 2011). Meanwhile, based brand equity indicators include; Brand Salience, brand performance, brand imagery, brand judgment, brand feelings, and brand resonance. Variable indicators of purchasing decisions include; information search, alternative assessment, purchasing decisions, and behavior after purchasing (Kotler & Keller, 2012).

RESULTS AND DISCUSSION

This research aims to evaluate the influence of certain factors, namely Eco-brand and Based brand equity, on consumer purchasing decisions for Innisfree products. In this context, we have carried out several statistical tests to evaluate the relationship between these variables and make clearer conclusions about their impact on purchasing decisions.

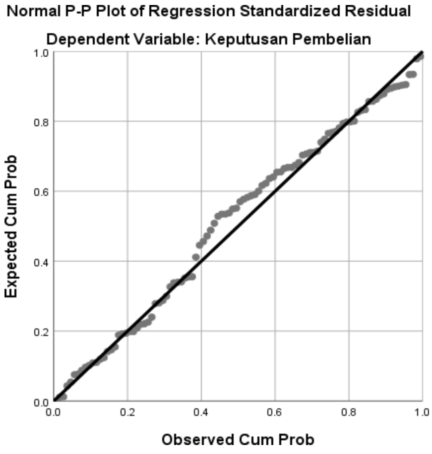
Table 1. is a normality test to determine whether the dependent, independent, or both variables are normally distributed, close to normal, or not. A good regression model should have a normal or close-to-normal distribution. Detecting whether data is normally distributed or not can be determined by depicting the distribution of data through a graph. If the data spreads around the diagonal line and follows the direction of the diagonal line, the regression model meets the normality assumption (Umar, 2014). Decision-making can be done based on probability (Asymptotic Significance), namely: If the probability is > 0.05 then the distribution of the population is normal. If the probability <0.05 then the population is not normally distributed.

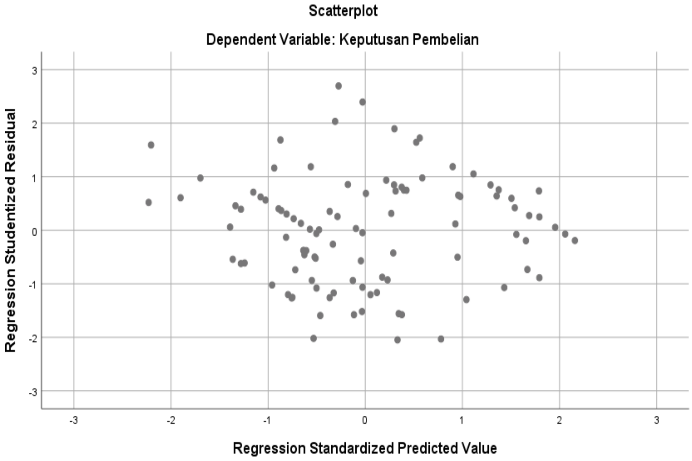
Table 1. Normality Test

		Unstandardized Residual
N		**100**
Normal Parameters a, b	Mean	**,0000000**
	Std. Deviation	**2,76304048**
Most Extreme Differences	Absolute	**,058**
	Positive	**,058**
	Negative	**-,048**
Test Statistic		**,058**
Asymp. Sig. (2-tailed)		**,200c,d**

Source: Data processed by the author, 2022

Based on Table 1, the Sig result is 0.200, this result is >0.05, so it can be concluded that the data in this study is normally distributed. This means that the data used in the regression analysis meets the normality assumption, so the regression model can be considered adequate. Presented in Figure 1 and Figure 2, which is a normal probability plot graph and multicollinearity test.





Source: Data processed by the author, 2022

Figure 1. Normal Probability Plot Graph

Figure 2. Multicollinearity Test

From Figure 1, it can be concluded that the data in this study is normally distributed, this can be seen in Figure 1. that the normal requirements can be met because it can be said that the data is spread around the diagonal line.

Based on Figure 2, it can be seen that eco-brand and brand equity show a tolerance value > 0.10 and a VIF value < 10. Therefore, it can be concluded that the independent variables used in the regression model of this research are free from multicollinearity or can be trusted and objective. This analysis shows that the independent variables, namely Eco-brand and Based brand equity, are free from multicollinearity problems. This means that these two variables are reliable and objective in the regression model. Presented in Table 2. which is the regression standardized predicted value.

Table 2. Regression Standardized Predicted Value

Coefficients[a]						
		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	T	Sig.
1	(Constant)	-4,736	1,914		-2,475	,015
	Eco-brand	,292	,104	,248	2,806	,006
	Based brand equity	,180	,036	,373	5,020	,000

a. Dependen Variable: Buying decision

Source: Data processed by the author, 2022

Based on Table 2, it can be seen that in the dependent variable of purchasing decisions, there is no heteroscedasticity, this can be seen where the distribution is spread above or below the Y-axis and does not form a particular pattern. According to Ghozali (2011), the heteroscedasticity test can be seen with a graphic plot (scatterplot) where the distribution of the points generated is formed randomly, does not form a particular pattern, and the direction of the distribution is above or below the number 0 on the Y axis. Presented in Table 3. which is multiple linear regression.

Table 3. Multiple Linear Regression

Coefficients[a]			
		Collinearity Statistics	
Model		**Tolerance**	**VIF**
1	(Constant)		
	Eco-brand	,552	1,810
	Based brand equity	,412	2,426

Source: Data processed by the author, 2022

From Table 3, the constant value is -4.736; β1 is 0.292 and β2 is 0.180. The results of multiple linear regression analysis show that there is a significant influence of the Eco-brand and Based brand equity variables on consumer purchasing decisions. Thus, the multiple linear regression equation that will be formed is shown in Formula 2.

$$\boldsymbol{Y = -4,736 + 0,292X_1 + 0,180X_2} \qquad \textbf{(2)}$$

The constant of -4.736 indicates that if the Eco-brand and Based brand equity variables are zero (no application or influence), then purchasing decisions will experience a significant decrease. The Eco-brand regression coefficient of 0.292 indicates that increasing Eco-brand will increase consumer purchasing decisions by 0.292 times. The Based brand equity regression coefficient of 0.180 indicates that increasing Based brand equity will increase purchasing decisions by 0.180 times.

In this case, if the company is able to have every Eco-Brand factor, Based on brand equity that the company has, it will be able to increase purchasing decisions for consumers. However, if this does not happen then consumer purchasing decisions will stagnate without any change in its implementation. Therefore, it is important to apply these two variables, namely Eco-brand and Based brand equity. Presented in Table 4., is the correlation of eco-brand with purchasing decisions.

Table 4. Correlation of Eco-brand with Purchasing Decisions

Correlations

		Brand equity	**Buying decision**
Brand equity	Pearson Correlation	1	.805**
	Sig. (2-tailed)		.000
	N	100	100
Buying decision	Pearson Correlation	.805**	1
	Sig. (2-tailed)	.000	
	N	100	100

**. Correlation is significant at the 0.01 level (2-tailed).
Source: Data processed by the author, 2022

Table 4. shows a correlation result of 0.633 based on criteria (0.60 - 0.799), the correlation between Eco-brand and purchasing decisions has a strong correlation level. The correlation value has a positive sign, indicating that the relationship between the two is in the same direction. This means that the more Eco-brands can be implemented in this company, the stronger the relationship it will have on purchasing decisions. Presented in Table 5, which is a correlation of brand equity with purchasing decisions.

Table 5. Correlation of Based Brand Equity with Purchasing Decisions

Correlations

Eco-brand			**Buying decision**
Eco-brand	Pearson Correlation	1	,633**
	Sig. (2-tailed)		,000
	N	100	100
Buying decision	Pearson Correlation	,633**	1
	Sig. (2-tailed)	,000	
	N	100	100

**. Correlation is significant at the 0.01 level (2-tailed).
Source: Data processed by the author, 2022

Table 5. shows a correlation result of 0.805 based on criteria (0.70 - 0.90), the correlation between Customer-based brand equity and purchasing decisions has a strong correlation level. The correlation value has a positive sign, indicating that the relationship between the two is in the same direction. This means that the more brand equity can be implemented in this company, the stronger the relationship it will have on purchasing decisions.

The correlation results show that there is a strong relationship between Eco-brand and purchasing decisions, as well as a strong relationship between Based brand equity and purchasing decisions. This means that the better the implementation of Eco-brand and Based brand equity in the company, the stronger the positive relationship with consumer purchasing decisions.

These results are in line with previous research findings by Pratiwi & Marlien (2022) which show that brand equity has a significant influence on consumer purchasing decisions. Thus, the Innisfree company can improve consumer purchasing decisions by paying more attention to and increasing Eco-brand and Based brand equity factors in its marketing strategy. This research contributes by revealing the importance of these factors in the context of Innisfree products and confirming the positive relationship between Eco-brand, Based brand equity, and consumer purchasing decisions. This can be a guide for companies in designing more effective marketing strategies to increase sales of their products.

CONCLUSION

Based on the results of an in-depth analysis of the data that has been collected, it can be concluded that the majority of respondents responded positively to the Eco-brand component in Innisfree Consumer products. This positive response indicates that consumers feel connected to the environmental values promoted by this brand. This not only creates an emotional connection between the brand and the consumer but also has the potential to influence their purchasing decisions in a beneficial way. Consumers are more likely to choose Innisfree products thanks to the brand's efforts in creating a positive impact on the environment.

Furthermore, from the results of the analysis of the factors that influence the brand equity of Innisfree products, the Eco-brand also appears to have a significant contribution. By creating a positive image as a brand that cares about the environment, Innisfree has succeeded in strengthening consumer perceptions about product quality and brand integrity. This is reflected in the brand equity value which is perceived as "fairly good". However, it is not only Eco-brands that have influence, overall brand equity also makes a significant contribution to purchasing decisions. A strong brand image and consumer loyalty to the brand are also the main factors that shape consumer choices when shopping for care products from Innisfree.

Overall, a brand strategy focused on sustainability and a positive image regarding environmental issues has had a positive impact on Innisfree Consumers. Consumers' positive response to the Eco-brand has an impact on increasing brand equity, which in turn influences their purchasing decisions. The Innisfree brand is not only known as a provider of quality products but also as a pioneer in efforts to preserve the environment. In doing so, this narrative highlights how brands' sustainability efforts can act as a catalyst in forming positive relationships with consumers and advancing overall business performance.

RECOMMENDATIONS

Innisfree will benefit by increasing the appeal of its products through the use of attractive packaging featuring natural elements. Additionally, holding campaigns and events that focus on environmental care will be very beneficial. These steps not only underscore their commitment to sustainability but also engage consumers in a more holistic way. By strengthening the connection between consumers and their environmental values, Innisfree can influence purchasing decisions based on broader ecological awareness than just the benefits of organic products.

For future researchers, it is recommended to carefully investigate the interaction between Eco-brand and brand equity in relation to purchasing decisions. A more comprehensive approach can be achieved by simultaneously analyzing the impact of both independent variables on the dependent variable. This method will provide a deeper understanding of complex dynamics and provide insight into how Eco-brands and brand equity together shape consumer choices. Additionally, researchers could consider incorporating other relevant variables into their studies, such as consumer perceptions of social responsibility, product quality, and the influence of online presence or social media engagement. Such multidimensional analysis will provide a richer perspective on the factors influencing consumer behavior in the context of eco-friendly brands and their marketing strategies.

REFERENCES

Chin, C. H., Chin, C. L., & Wong, W. P. M. (2018). The Implementation of Green Marketing Tools in Rural Tourism: The Readiness of Tourists? *Journal of Hospitality Marketing and Management*, *27*(3), 261–280. https://doi.org/10.1080/19368623.2017.1359723

Ghozali, I. (2011). *Aplikasi analisis multivariate dengan program IBM SPSS 19* (5th ed.). Badan Penerbit Universitas Diponegoro. https://opac.polinema.ac.id/item/6056

Handayani, F., & Setyorini, R. (2020). Pengaruh Green Marketing Tools Terhadap Consumer Buying Decision Process (Studi Pada Konsumen Produk Love Beauty And Planet Di Kota Bandung). *EProceedings of Management*, *7*(2), 6447–6454.

Hanifah, H. N., Hidayati, N., & Mutiarni, R. (2019). Pengaruh Produk Ramah Lingkungan/Green Product Dan Harga Terhadap Keputusan Pembelian Produk Tupperware. *JMD: Jurnal Riset Manajemen Dan Bisnis Dewantara*, *2*(1). https://doi.org/https://doi.org/10.26533/jmd.v2i1.345

Kartika, I. M., Sumada, I. M., Sasmita, N., Suwandana, I. M. A., & Komara, L. L. (2020). Analysis of Green Marketing Tools on Tourist Satisfaction of Staying in Bali Village. *International Journal of Psychosocial Rehabilitation*, *24*(08), 2020. https://doi.org/10.37200/IJPR/V24I8/PR280522

Kotler, P., & Keller, K. L. (2012). *Manajemen Pemasaran: Vol. Jilid I* (B. Sabran, A. Maulana, & W. Hardani, Eds.; 12th ed.). Erlangga.

Made, N., Dewi, A. P., & Rahyuda, K. (2018). Pengaruh Alat Pemasaran Hijau Terhadap Perilaku Pembelian Konsumen. *Jurnal Manajemen Universitas Udayana*, *7*(4), 2164–2195. https://doi.org/10.24843/EJMUNUD.2018.v7.i04.p16

Mahendra, D. F., Kriestian, A., & Nugraha, N. A. (2021). Green Marketing dan CSR Terhadap Keputusan Pembelian dengan Pengetahuan Konsumen Sebagai Variabel Moderasi. *Jurnal Penelitian Dan Pengembangan Sains Dan Humaniora*, *5*(1), 28–38. https://doi.org/https://doi.org/10.23887/jppsh.v5i1.33141

Narimawati, U. (2007). *Riset Manajemen Sumber Daya Manusia: Aplikasi Contoh & Perhitungannya*. Agung Media.

Narimawati, U. (2010). *Metodologi Penelitian: Dasar Penyusun Penelitian Ekonomi*. Genesis.

Narimawati, U., Anggadini, S. D., & Ismawati, L. (2010). *Penulisan Karya Ilmiah: Panduan Awal Menyusun Skripsi Dan Tugas Akhir Aplikasi Pada Fakultas Ekonomi UNIKOM* (Cet. 1). Genesis.

Pranoto, A. (2017). Analisis Faktor Yang Mempengaruhi Minat Beli Konsumen Terhadap Preferensi Pembelian Antara Produk Kosmetik Ramah Lingkungan Dan Konvensional. *Arthavidya Jurnal Ilmiah Ekonomi* , *19*(2). https://doi.org/https://doi.org/10.37303/a.v19i2.88

Pratiwi, N. I., & Marlien, R. A. (2022). Pengaruh Citra Merek, Kualitas Produk dan Persepsi Harga terhadap Co Branding Berdampak pada Niat Beli Pelanggan (Studi pada Konsumen Cornetto Silverqueen di Kabupaten Grobogan). *YUME : Journal of Management*, *5*(1), 51–66. https://doi.org/10.37531/yume.vxix.433

Rahbar, E., & Wahid, N. A. (2011). Investigation of green marketing tools' effect on consumers' purchase behavior. *Business Strategy Series*, *12*(2), 73–83. https://doi.org/10.1108/17515631111114877

Septiani, S., & Indraswari, R. (2018). Faktor-Faktor yang Memengaruhi Perilaku Konsumen Produk Kosmetik Halal di Kota Bogor Factors Affecting Consumer Behaviour on Halal Cosmetic Product in Bogor. *Jurnal Manajemen Dan Organisasi (JMO)*, *9*(1), 59–73. https://doi.org/https://doi.org/10.29244/jmo.v1i1.25370

Setiawan, N., & Rachmawati, I. S. (2017). Pengaruh Customer-Based Brand Equity Terhadap Customer Satisfaction Pada Operator Seluler Di Indonesia. *E-Proceeding of Management*, *4*(1).

Umar, H. (2014). *Metode penelitian untuk skripsi dan tesis bisnis* (2nd ed.). PT RajaGrafindo Persada. https://elibrary.bsi.ac.id/readbook/203140/metode-penelitian-untuk-skripsi-dan-tesis-bisnis

Utami, K. S. (2020). Green Consumers Behavior: Perilaku Konsumen dalam Pembelian Produk Ramah Lingkungan. *Jurnal Maksipreneur: Manajemen, Koperasi, Dan Entrepreneurship*, *9*(2), 209. https://doi.org/10.30588/jmp.v9i2.499