



The Influence of Green Marketing Strategy on Purchase Decisions Mediated by Purchase Interest (Case Study of Electric Cars at Prestige MotorCars Indonesia)

Dwi Andryan*

Universitas Negeri Malang, Indonesia

andryanverren@gmail.com

Ery Try Djatmika W.W

Universitas Negeri Malang, Indonesia

ery.tri.fe@um.ac.id

Naswan Suharsono

Universitas Negeri Malang, Indonesia

naswan.suharsono.fe@um.ac.id

*Corresponding Author. Email: andryanverren@gmail.com

Abstract:

The rapid advancement of environmentally sustainable technologies is evident in the global transition towards electric energy, particularly in the transportation sector, as numerous nations endeavor to reduce dependence on fossil fuels. This study investigates the multifaceted relationships between green marketing, consumer purchasing decisions, and purchasing intention in the context of electric vehicles. Specifically, it examines the direct influence of green marketing on consumer purchasing decisions and purchasing intention. Subsequently, the impact of purchasing intention on purchasing decisions, and the mediating role of purchasing intention in the relationship between green marketing and purchasing decisions. The research employs quantitative approach, utilizing a sample of 180 upper-middle-class electric car consumers from Prestige MotorCars Indonesia. Data analysis was conducted using SPSS 25. The findings showed statistically significant positive effects across all examined relationships: green marketing directly influences purchasing decisions, green marketing positively affects purchasing intention, purchasing intention significantly impacts purchasing decisions, and purchasing intention mediates the relationship between green marketing and purchasing decisions among electric car customers at Prestige MotorCars Indonesia. These results contribute to the understanding of consumer behavior in the evolving electric vehicle market and highlight the importance of green marketing strategies in influencing consumer decision-making processes.

Keywords: Electrical Motor; Green Marketing; Purchase Decision; Purchase Intention; Prestige Motorcar Indonesia.

1. Introduction

The development of green and environmentally friendly technology is advancing at a rapid pace, as evidenced by numerous countries initiating a transition towards electric energy by reducing the use of fossil fuels and adopting electric power, particularly in the transportation sector. This shift is crucial because the transportation sector is a major contributor to global energy consumption and carbon emissions, accounting for nearly a fifth of the energy consumed and more than a quarter of energy-related carbon emissions. In many developing countries, vehicles still predominantly use gasoline, which significantly contributes to air pollution. Currently, vehicle usage in Indonesia, including both two-wheeled and four-wheeled vehicles, is on the rise. According to Sudjoko (2021), Indonesian government actively promoting the development of electric cars as part of its strategy to achieve clean and environmentally friendly energy. In particular, Jakarta is one of the largest contributors to pollution, with vehicle exhaust fumes being a primary cause (Dewi, 2022). Furthermore, Indonesian government's strategic plan aims to elevate the nation to developed country status, avoiding the middle-income trap. As part of this initiative, the government is providing subsidies for the purchase of electric cars to support the transition to sustainable energy. These subsidies are financial aids provided to producers, enabling them to offer electric cars at lower prices than the initial market value (Purwatiningsih, 2023).

The government's initiative to subsidize electric vehicles reflects a multifaceted strategy aimed at addressing environmental concerns, promoting energy efficiency, and reducing both individual and state-level operational costs. This approach aligns with the evolving landscape of marketing strategies, particularly in the digital realm. As Marlina (2020) notes, the ubiquity of internet technology in contemporary life has elevated digital marketing to a position of paramount importance, enabling marketers worldwide to swiftly engage with both existing and potential consumers. Consumer behavior is undergoing a notable shift, with individuals increasingly exercising selectivity in their purchasing decisions, even for everyday necessities. This behavioral evolution presents a competitive opportunity for companies to align their offerings with the changing needs and preferences of the populace. In this context, electric cars emerge as a particularly relevant solution, offering environmentally friendly mobility through the utilization of electrical energy derived from various sources, including advanced battery technologies and renewable energy systems. The decision to focus research on electric vehicles is underpinned by several compelling factors. Firstly, the global relevance of this topic is underscored by the pressing issues of climate change and environmental sustainability, which have ascended to the forefront of international concern. Electric vehicles are widely regarded as a key component in the strategy to mitigate greenhouse gas emissions from the transportation sector. Secondly, there is a discernible trend in consumer behavior towards increased environmental consciousness, manifesting in a growing demand for eco-friendly products. Electric cars are strategically positioned to capitalize on this trend, making the study of factors influencing their purchase decisions particularly insightful for understanding evolving consumer patterns. Lastly, the electric car market is experiencing significant growth, bolstered by governmental support and investment from major automotive manufacturers. A comprehensive understanding of the factors driving electric vehicle adoption is crucial for both manufacturers and policymakers in formulating effective strategies and policies to further stimulate market growth and environmental sustainability.

2. Literature Review

Green Marketing

Green marketing, as a concept, has been subject to various interpretations by scholars in the field of environmental sustainability and business. Lozada (2000) provides a comprehensive definition, characterizing green marketing as the strategic application of marketing tools to facilitate organizational and individual goal attainment while simultaneously prioritizing the maintenance, protection, and conservation of the physical environment. This perspective emphasizes the dual role of green marketing in satisfying business objectives and environmental stewardship. Ottman (2012) offers a complementary definition, focusing on the holistic nature of green marketing practices. According to this view, green marketing encompasses the consistent implementation of all activities involved in designing services and facilities that meet human needs and desires, with the critical caveat that these efforts must not negatively impact the natural environment. This definition underscores the importance of aligning consumer satisfaction with environmental preservation throughout the entire marketing process. Both definitions highlight the evolving nature of marketing in response to growing environmental concerns, emphasizing the integration of ecological considerations into traditional marketing strategies. This shift reflects a broader trend

towards sustainable business practices and the increasing consumer demand for environmentally responsible products and services.

Purchase Decision

Purchase decision process represents a critical juncture in consumer behavior, occurring immediately prior to post-purchase evaluation. At this stage, consumers have navigated through various preceding phases of decision-making and are confronted with multiple alternatives. The purchasing decision itself involves the consumer's ultimate action to acquire a specific product, based on the choices they have previously evaluated and narrowed down. Kotler and Armstrong (2016) provide a broader context for understanding purchasing decisions, situating them within the larger framework of consumer behavior. Their perspective emphasizes that consumer behavior encompasses not only the act of purchasing but also the broader processes of selection, utilization, and engagement with goods, services, ideas, or experiences. This comprehensive view extends to individuals, groups, and organizations, highlighting the diverse scales at which consumer behavior operates. Crucially, Kotler and Armstrong's definition underscores that consumer behavior, including purchasing decisions, is fundamentally driven by the pursuit of need and desire satisfaction. This conceptualization acknowledges the complex interplay between rational decision-making and emotional or psychological factors that influence consumer choices. By framing purchasing decisions within this broader behavioral context, it becomes clear that they are not isolated events but rather integral components of a continuous process of consumer interaction with markets and products.

Purchase Intention

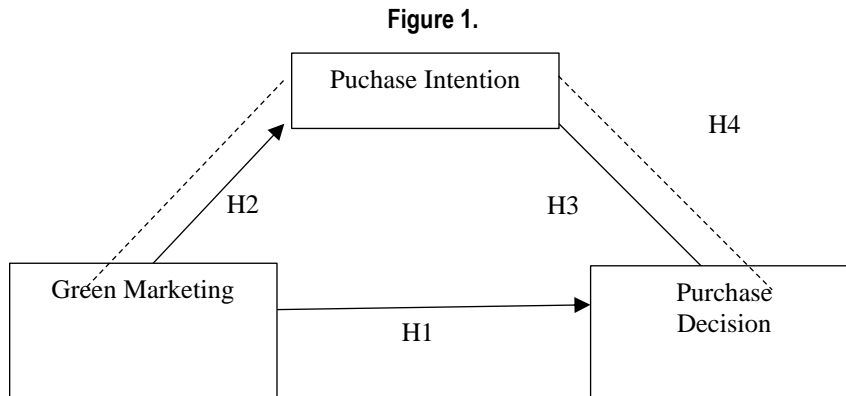
Kotler and Keller (2012) offer a nuanced perspective on consumer buying interest, framing it as a behavioral manifestation of consumer inclination towards a particular product. This conceptualization emphasizes that buying interest is not merely a spontaneous impulse, but rather a complex outcome shaped by the consumer's cumulative experiences in product selection, usage, and consumption. The definition underscores the iterative nature of consumer decision-making, where past interactions with products significantly influence future purchase intentions. A critical aspect of this framework is the implicit cost-benefit analysis that consumers undertake. The theory proposed that consumers are more likely to develop a strong buying interest when the perceived benefits of product consumption outweigh the sacrifices required to obtain it. This balance between benefit and sacrifice serves as a pivotal determinant in the formation of buying interest. Conversely, when the perceived benefits fall short of the required sacrifices, consumers are prone to reject the product and redirect their attention to evaluating alternative offerings within the same product category. This conceptualization of buying interest aligns with broader theories of consumer behavior that emphasize rational decision-making processes. However, it also acknowledges the subjective nature of value perception, as the assessment of benefits and sacrifices can vary significantly among individual consumers based on their unique preferences, experiences, and circumstances. Consequently, this understanding of buying interest provides valuable insights for marketers in developing strategies that effectively communicate product value and align with consumer expectations and experiences.

3. Method

The research methodology employed in this study is characterized by an associative approach utilizing quantitative methods. As defined by Sugiyono (2021), associative research aims to elucidate relationships between two or more variables, focusing on identifying roles, influences, and causal connections between independent and dependent variables. In this particular study, the associative method is employed to investigate the relationship between green marketing strategies and purchasing decisions, with purchasing intention serving as a mediating variable. The population for this study comprises upper-middle class electric car consumers at Prestige MotorCars Indonesia. Sugiyono (2021) defines a population as a generalization area consisting of objects or subjects with specific quantities and characteristics, as determined by researchers for study and subsequent conclusion drawing. The sampling technique utilized is accidental sampling, a method based on chance encounters with eligible participants. The sample consists of Prestige MotorCars Indonesia electric car consumers encountered during the study period, with monthly expenditures ranging from IDR 5,000,000 to IDR 30,000,000 per person.

Given the study's 12 indicators, a minimum sample size of 180 respondents was established. The primary analytical method employed is path analysis, which, according to Ghozali (2019), uses regression models to estimate causal relationships between variables based on established theoretical frameworks. This technique allows for the identification of both direct and indirect relationships between exogenous and endogenous variables.

The analysis will be conducted using SPSS 25 software, facilitating a comprehensive examination of the interplay between green marketing strategies, purchasing intention, and ultimate purchasing decisions in the context of electric car consumption.



The hypotheses proposed in this study are grounded in theoretical foundations, previous research findings, and the specific objectives of the current investigation. These hypotheses articulate the anticipated relationships among the key variables in the context of electric car consumption at Prestige MotorCars Indonesia. The first hypothesis posits a direct, positive, and significant influence of green marketing strategies on the purchasing decisions of electric car consumers, suggesting that environmentally-focused marketing efforts directly impact consumers' ultimate choices to purchase electric vehicles. The second hypothesis proposes a positive and significant effect of green marketing on purchasing intention among electric car consumers, implying that green marketing strategies effectively stimulate consumer interest in electric vehicles, potentially as a precursor to actual purchase decisions. The third hypothesis suggests a positive and significant relationship between purchasing intention and purchasing decisions, indicating that heightened consumer interest in electric cars translates into a greater likelihood of actual purchase, establishing a link between intention and action. Finally, the fourth hypothesis posits a positive and significant indirect effect of green marketing on purchasing decisions, mediated by purchasing intention. This complex relationship suggests that green marketing strategies not only directly influence purchase decisions but also operate through the mechanism of increased purchasing intention. These hypotheses collectively form a comprehensive framework for understanding the multifaceted relationships between green marketing, consumer interest, and purchasing decisions in the electric car market. By testing these hypotheses, the study aims to provide valuable insights into the effectiveness of green marketing strategies and the decision-making processes of environmentally conscious consumers in the automotive sector.

4. Results and Discussion

The results of the regression analysis, which are used to examine the influence of green marketing on purchasing decisions, are presented in the table below:

Tabel 1.1. Regression results of Green Marketing on Purchasing Decision

Koefisien Regresi	Konstanta	t hitung	Sig.	Adjusted R ²
0,686	16,357	9,250	0,000	0,821

Source: Data Obtained, 2024

Regression Analysis Green Marketing on Purchasing Decision

The regression analysis results yield an equation of $Y = 16.357 + 0.686X$, providing valuable insights into the relationship between green marketing and purchasing decisions for Electric Car customers at Prestige MotorCars Indonesia. The green marketing coefficient (X) of 0.686 indicates a positive correlation between green marketing efforts and purchasing decisions. Specifically, for every one-unit increase in green marketing activities,

there is a corresponding 0.686 unit increase in purchasing decisions. This relationship is further substantiated by the statistical significance of the results. The t-statistic of 9.250, coupled with a p-value of 0.000, which is well below the conventional significance threshold of 0.05, provides strong evidence against the null hypothesis of no effect. The positive regression coefficient (0.686) and the highly significant p-value ($p < 0.05$) collectively support the hypothesis that there is indeed a direct, positive, and statistically significant influence of green marketing on purchasing decisions for Electric Car customers at Prestige MotorCars Indonesia. These findings suggest that investments in green marketing strategies are likely to yield tangible benefits in terms of increased sales and customer engagement in the electric car market segment served by Prestige MotorCars Indonesia. The results underscore the importance of environmentally focused marketing approaches in influencing consumer behavior within the context of sustainable transportation choices.

Tabel 1.2. Regression Analysis Results on Green Marketing

Koefisien Regresi	Konstanta	t hitung	Sig.	Adjusted R ²
0,561	17,387	7,289	0,000	0,786

Source: Data Analyzed, 2024

Regression Analysis on Green Marketing

The regression analysis yields an equation of $M = 17.387 + 0.561X$, offering crucial insights into the relationship between green marketing and purchasing intention among customers of Electric Cars at Prestige MotorCars Indonesia. The green marketing coefficient (X) of 0.561 demonstrates a positive association between green marketing initiatives and purchasing intention. This coefficient indicates that for every one-unit increase in green marketing efforts, there is a corresponding 0.561 unit increase in purchasing intention. The statistical significance of this relationship is strongly supported by the t-statistic of 7.289 and the associated p-value of 0.000, which is substantially below the conventional 0.05 significance threshold. The positive regression coefficient (0.561) combined with the highly significant p-value ($p < 0.05$) provides robust evidence in favor of the hypothesis that there is a positive and significant influence of green marketing on purchasing intention among customers. These findings suggest that green marketing strategies are effective in stimulating consumer interest in electric vehicles, potentially serving as a critical precursor to actual purchase decisions. The results underscore the importance of environmentally-focused marketing approaches in shaping consumer attitudes and intentions within the sustainable transportation sector, particularly for Prestige MotorCars Indonesia's electric car offerings. This analysis highlights the potential for green marketing initiatives to play a pivotal role in fostering consumer engagement and interest in environmentally friendly automotive options.

Tabel 1.3. Regression Analysis Result Purchase Intention on Purchase Decision

Koefisien Regresi	Konstanta	t hitung	Sig.	Adjusted R ²
0,567	21,215	8,823	0,000	0,800

Source: Study, 2024

Regression Analysis Purchase Intention on Purchase Decision

The regression analysis produces an equation of $Y = 21.215 + 0.567 M$, providing significant insights into the relationship between purchasing intention and purchasing decisions for Electric Car customers at Prestige MotorCars Indonesia. The purchasing intention coefficient (M) of 0.567 indicates a positive correlation between consumer interest and actual purchase decisions. Specifically, for every one-unit increase in purchasing intention, there is a corresponding 0.567 unit increase in purchasing decisions. This relationship is statistically significant, as evidenced by the t-statistic of 8.823 and the associated p-value of 0.000, which is well below the conventional 0.05 significance threshold. The positive regression coefficient (0.567) and the highly significant p-value ($p < 0.05$) strongly support the hypothesis that there is a positive and significant influence of purchasing intention on purchasing decisions for Electric Car customers at Prestige MotorCars Indonesia. Furthermore, the analysis reveals that purchasing intention accounts for a substantial 80% of the variance in purchasing decisions, indicating its crucial role in the consumer decision-making process. The remaining 20% of variance is attributed to other factors not included in this study, suggesting that while purchasing intention is a dominant factor, there are

additional variables that contribute to the final purchase decision. These findings underscore the importance of fostering and maintaining consumer interest as a key strategy in driving sales of electric vehicles, particularly for Prestige MotorCars Indonesia.

5. Conclusion

Based on the research findings and subsequent analysis, several significant conclusions can be drawn regarding the relationships between green marketing, purchasing intention, and purchasing decisions among Electric Car customers at Prestige MotorCars Indonesia. Firstly, the study demonstrates a direct, positive, and significant influence of green marketing on purchasing decisions. This conclusion is supported by robust statistical evidence, with a t-statistic of 9.250 and a p-value of 0.000, alongside a positive regression coefficient of 0.686. Secondly, green marketing is found to have a positive and significant impact on purchasing intention, as evidenced by a t-statistic of 7.289, a p-value of 0.000, and a positive regression coefficient of 0.561. Thirdly, the research confirms a positive and significant influence of purchasing intention on purchasing decisions, supported by a t-statistic of 8.823, a p-value of 0.000, and a positive regression coefficient of 0.567. Lastly, the study reveals a positive and significant indirect effect of green marketing on purchasing decisions, mediated by purchasing intention. This mediation effect is substantiated by a mediation coefficient of 0.2087 with a significance value of 0.000. Collectively, these findings underscore the critical role of green marketing strategies in shaping both consumer interest and ultimate purchasing decisions in the electric car market. They highlight the interconnected nature of these variables and emphasize the importance of a holistic approach to marketing environmentally friendly vehicles. These insights provide valuable guidance for Prestige MotorCars Indonesia and similar companies in developing effective strategies to promote and sell electric cars in an increasingly environmentally conscious market.

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