

GREEN PERCEIVED VALUE, GREEN SATISFACTION, GREEN TRUST TOWARDS UNILEVER CONSUMER GREEN LOYALTY



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Keywords:

First keyword: Green Perceived Value
Second keyword: Customer Satisfaction
Third keyword: Customer Loyalty

JEL Classification: J28, P36, Q56

Abstract

Research background: The current consumption model tends to be irresponsible. Consumers do not have sufficient knowledge regarding environmental impacts, including waste management.

Purpose of the article: The objective of this research is to identify the effects of green perceived value, customer green satisfaction, and green trust on customer green loyalty. As a replication, this research uses a quantitative approach.

Methods: The population is consumers of Unilever products in Malang City. According to Hair et al. (2010), the number of samples multiplies the research item by 5. Using purposive sampling, 145 people were selected as the respondents. The data were tested for validity and reliability and analyzed using multiple regression in SPSS 26.

Findings & value added: This study finds that green perceived value, customer green satisfaction, and green trust partially have significant and positive effects on customer green loyalty. Furthermore, this research proves that, although Unilever committed to greenwashing in the past, it does not reduce customer green loyalty. This is probably because green perceived value, customer green satisfaction, and green trust have been established for a long time through the company's green campaigns. Therefore, the company could minimize the negative effect of greenwashing and maintain customer green loyalty.

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1. INTRODUCTION

The issue of sustainability has become one of the most pressing challenges facing the world today (Rafique et al., 2022). One concrete effort to overcome this challenge is implementing the Sustainable Development Goals (SDGs). The current consumption model tends to be irresponsible, where consumers do not have sufficient knowledge regarding the environmental impacts produced, including managing waste from their consumption. One of the FMCG companies actively speaking out regarding implementing sustainability and environmentally-based businesses is Unilever. However, in 2022, Unilever was strongly suspected of practicing greenwashing. Data released by katadata.id stated that at least 19 Unilever products did not meet sustainability standards. Consumers who feel disappointed and lose trust in the company will indirectly reduce their loyalty (Darmawan, 2019). Strong green perceived value can make consumers tolerate the limitations of the environmentally friendly products or services they consume and continue to develop their loyalty to environmentally friendly products (Chen, 2016). The positive relationship between green perceived value and customer green loyalty is also

confirmed by several previous studies conducted by Pahlevi & Suhartanto (2020), Chen (2016), and Esmaili (2019). Companies must be able to accommodate consumers' values or perceptions of environmental friendliness to create a sense of satisfaction. The sense of satisfaction with environmentally friendly products is called customer green satisfaction (Pahlevi & Suhartanto, 2020). The positive relationship between customer green satisfaction and loyalty is also in line with the research results conducted by Pahlevi and Suhartanto (2020). Green trust allows consumers to choose environmentally friendly products or services, even if the price is higher (Pahlevi & Suhartanto, 2020). In other words, strong green trust will influence customer green loyalty. Based on the explanation of the research background above, the object of this research will focus on PT Unilever Indonesia, where this study will analyze the influence of green perceived value, customer green satisfaction, green trust, and customer green loyalty on Gen-Z consumers of Unilever shampoo products in Malang City. Referring to research conducted by (Ewe and Tjiptono, 2023), Gen-Z is an age range that tends to be more understanding and aware of environmentally friendly products and the concept of sustainability.

2. LITERATURE REVIEW and HYPOTHESIS

2.1. Literature Review

According to research by Pahlevi and Suhartanto (2020), Customer Green Loyalty is a customer's commitment to repurchase and recommend environmentally friendly plastic products. This refers to the extent to which the intention to repurchase is influenced by a convincing attitude and commitment to a sustainable environment (Pahlevi & Suhartanto, 2020). Pahlevi and Suhartanto (2020) explain that this loyalty is measured through the level of consumer repurchase intention that considers the company's attitude and commitment to a sustainable environment. Chen (2016) defines Green Perceived Value as the extent to which a person believes that environmentally friendly products can add value to their lives in terms of sustainability. Based on (Chen, 2016), Green Perceived Value includes factors such as efficiency, value, and productivity. It is measured by considering that environmentally friendly products are much better than conventional products in general. According to research conducted by (Han et al., 2018), Customer Green Satisfaction refers to the satisfaction or satisfaction customers feel when using or consuming environmentally friendly products or services. (Han et al., 2018) explained that customer green satisfaction is an assessment made by customers regarding the extent to which environmentally responsible products or services meet their expectations and provide a pleasant level of satisfaction related to consumption. Martínez (2015) defines Green Trust as the Willingness to rely on a trusted exchange partner because of its environmental performance. This is an essential aspect of the hospitality industry because customers trust effective company signals to evaluate quality (Martínez, 2015). Martínez (2015) emphasized that the more positive the overall image related to a company's environmental concerns, the higher the customer's trust in the company because of the feelings that arise due to the company's level of concern for its environmental commitment.

2.2. Hypothesis

H1: Green Perceived Value has a significant positive effect on Customer Green Loyalty

H2: Customer Green Satisfaction has a significant positive effect on Customer Green Loyalty

H3: Green Trust has a significant positive effect on Customer Green Loyalty

3. METHODS

This study uses a quantitative research method with an explanatory research type to test a hypothesis. The researcher uses a replicative research nature. In this case, the nature of the research replicates previous research. The location of this study was carried out in Malang City. Furthermore, there is a research time, described with a description of when the research was conducted. The time for this study was carried out in the range of July to October 2023. The population of this study were users of Unilever products in Malang City. In determining the sample size, this study used the approach) Hair et al. (2006) because the population size is uncertain. In this study, the number of items was 29, so it was multiplied by 5 to become 145 respondents. This study used a nonprobability sampling technique with specific considerations, including respondents aged 17-26 years old and users of one of Unilever's shampoo products in the last three months. In this study, researchers obtained primary data through the use of a questionnaire with a Likert scale in the study.

4. RESULTS

4.1. Validity Test

Validity can be fulfilled if the calculated r -value $>$ r -table value at a significance level < 0.05 can be checked through the significance value in the table. The results of the item validation show that all items have an R count greater than the R table value of 0.1631, indicating that each item is valid. For X_1 variables, the R count ranges from 0.609 to 0.745, all exceeding the threshold. The X_2 variables have R counts between 0.682 and 0.847, similarly confirming validity. For X_3 , the R count varies between 0.087 and 0.860, with all but one item ($X_{3.8}$) showing validity. Lastly, the Y variables also demonstrate validity, with R counts ranging from 0.735 to 0.825, well above the R table value. The results showed that all items have r -count values $>$ r -table values. Thus, it can be concluded that all items are valid and can be used in further analysis.

4.2. Reliability Test

If a variable's alpha value exceeds 0.6, it can be considered good or reliable. Conversely, if it is less than 0.6, it is considered unreliable. The reliability test results indicate that all variables have reliability coefficients exceeding acceptable thresholds, confirming that each variable is reliable. Specifically, X_1 has a reliability coefficient of 0.773, X_2 is 0.788, X_3 is 0.789, and Y is 0.795, all of which demonstrate strong internal consistency and reliability. It can be concluded that all variables being studied have Cronbach Alpha values exceeding the threshold of 0.6, so all variables can be considered reliable.

4.3. Classical Assumption Test

Classical assumption tests in research include several stages, such as testing normality, testing heteroscedasticity, and testing multicollinearity. Normality testing aims to determine whether the residuals of a model are normally distributed, which is a key assumption for many statistical tests. Heteroscedasticity testing is conducted to check whether the variance of errors is constant across all levels of the independent variables, as heteroscedasticity can lead to inefficient estimates. Multicollinearity testing assesses the correlation between independent variables, where

high multicollinearity may distort the results and make it difficult to isolate the effect of each predictor

4.4. Data Normality Testing

The data is considered normal distribution if the significance value is greater than 0.05. If the significance value is less than 0.05, then the data is considered not to have a normal distribution.

Table 1. Results of Kolmogorov-Smirnov Normality Test

		Standardized Residual
N		145
Normal Parameters ^{a,b}	Mean	0.0000000
	Std. Deviation	0.98952851
Most Extreme Differences	Absolute	0.103
	Positive	0.069
	Negative	-0.103
Test Statistic		0.103
Asymp. Sig. (2-tailed)		.001c
Monte Carlo Sig. (2-tailed)	Sig.	.084d
	Lower Bound	0.077
	Upper Bound	0.091

The test results explain that the sig. The value of the Monte Carlo approach is $0.084 > 0.05$. Thus, the data used in this study is normally distributed.

4.5. Multicollinearity Testing

The research data do not show multicollinearity when the VIF (Variance Inflation Factor) value is less than ten, or the tolerance value is greater than 0.10.

Table 2. Multicollinearity Test Results

Model	Collinearity Statistics	
	Tolerance	VIF
1 (Constant)		
Total_X1	0.363	2.754
Total_X2	0.251	3.979
Total_X3	0.388	2.580

4.6. Multiple Regression Analysis

Hypothesis testing in this study uses regression analysis to assess the influence of independent variables on dependent variables. This process is carried out after ensuring that the regression model has met the required requirements through the classical assumption test. It consists of two parts: the evaluation of direct and indirect influence. The following are the results of the hypothesis testing carried out in this study.

Table 3. Regression Testing Results

Coefficients ^a					
		Unstandardized Coefficients		Standardized Coefficients	
Model		B	Std. Error	Beta	t
1	(Constant)	-0.733	1.653		-0.444
	Total_X1	0.161	0.075	0.184	2.140
	Total_X2	0.325	0.100	0.335	3.246
	Total_X3	0.302	0.074	0.342	4.108
a. Dependent Variable: TOTAL_Y					

Referring to the test results, the regression equation used in this study is as follows: Customer green loyalty (Y) = -0,733 + 0,161 (X1) + 0,325 (X2) + 0,302 (X3) + e.

4.7. Simultaneous Testing (F Test)

Simultaneous testing evaluates the impact of multiple factors that increase customer green loyalty. The following are the results of simultaneous testing on customer green loyalty.

Table 5. Results of Simultaneous Testing (F Test)

ANOVA ^a					
Model		Sum of Squares	df	Mean Square	F
1	Regression	1466.853	3	488.951	77.408
	Residual	890.637	141	6.317	
	Total	2357.490	144		
a. Dependent Variable: TOTAL_Y					
b. Predictors: (Constant), Total_X3, Total_X1, Total_X2					

The F-value is 77.408, with a significance level 0.000, indicating that the model is statistically significant. The sum of squares for the regression is 1466.853 with 3 degrees of freedom, while the residual sum is 890.637 with 141 degrees of freedom. The total sum of squares is 2357.490 across 144 data points. The level of significance is 0.000 < 0.05. Thus, it can be concluded that green perceived value, customer green satisfaction, and green trust influence customer green loyalty simultaneously.

5. DISCUSSION

The results of the study explain that the increase in green perceived value by Unilever consumers also has a direct impact on increasing consumer loyalty to using environmentally friendly products from the Unilever brand. This happens when consumer expectations have been met due to the company's strategy. Then, a belief will be formed in the minds of consumers that the company has kept its commitment to encourage consumers to repurchase and recommend the product or service to others (Pahlevi & Suhartanto, 2020). Green perceived value is generated from evaluating value or benefits to create customer perceptions of environmentally friendly products or services. Indirectly, implementing the company's strategy can create strong green values in

consumers to maintain consumer loyalty. In this context, although greenwashing practices may be detrimental to the brand image in the long term, the influence of green perceived value can still influence customer green loyalty due to the strong influence of environmental values, positive expectations, efforts to reduce cognitive conflict, and deep psychological factors. However, companies must strive to build honest and consistent trust in the long term to maintain longer-lasting customer loyalty.

The relationship between customer green satisfaction and customer green loyalty shown through this study shows that customer satisfaction with green products that have been fulfilled will impact increasing consumer loyalty. Customer Green Satisfaction refers to customer satisfaction with environmentally friendly products or services. The customer satisfaction that is formed will link to customer loyalty by maintaining affiliation with the company through repeat product purchases, recommending to friends and family members, and being willing to pay more for environmentally friendly products (Suki, 2017). Furthermore, customer satisfaction is formed from a satisfying initial experience, where consumers feel that the product can meet their needs and provide the desired benefits in the context of sustainability (Hur et al., 2013). Customer green satisfaction indirectly acts as a catalyst for customer green loyalty. The results of this study are also in line with several previous studies that show a direct influence between customer green satisfaction and customer green loyalty (Chrisjatmiko, 2018).

The results of this study explain that customer trust (Green Trust) in the claims and green actions of a product strongly influences customer green loyalty. This is possible because customers feel confident in the company's claims and commitment to realizing and fulfilling these claims. (Martínez, 2015) explains that the basis of trust is formed from every experience that creates a sustainable relationship between the product and the customer. When customers believe a brand is committed to green business practices and sustainability, they feel safe and comfortable choosing products or services from that brand. Customers who already trust a product may be more likely to seek information that supports their beliefs and ignore or doubt conflicting information. In the context of green trust, customers may look for signs that the product's green practices are still in place or that the company concerned has taken direct resolution actions. The results of this study are also in line with previous research, which explains a positive relationship between green trust and customer green loyalty (Issock-Issock et al., 2020).

The results of this study indirectly explain how consumers respond to environmentally friendly products based on the product perception that has been formed, customer satisfaction, and customer trust that has been formed long before the issue of greenwashing practices emerged. These three factors can minimize the impact of greenwashing and still positively impact consumer loyalty (customer green loyalty). The results of this study provide empirical evidence on how to build marketing relationships on environmentally friendly products and overcome the lack of research on environmentally friendly marketing in countries that have just implemented the concept of "green marketing." Customer Green Satisfaction is the most influential antecedent to Customer Green Loyalty, which Green Trust follows. These results also confirm previous research on the relationship between Customer Green Satisfaction, Green Trust, and Customer Green Loyalty. Therefore, to build and maintain customer loyalty (Customer Green Loyalty) in the long term, companies are required to maintain commitment, value, and product quality in real terms so that customer satisfaction and trust are maintained to reduce disappointment that may arise in the future. In realizing consumer loyalty, especially for green products, companies need to pay attention to the company's procedures in conveying green values so that the company's strategies and planning can be accepted and remembered well by consumers.

6. CONCLUSION AND LIMITATION

The study results indicate that the increase in the perception of green value (Green Perceived Value) by consumers of Unilever products positively impacts consumer loyalty (Customer Loyalty) to environmentally friendly products from Unilever. Although greenwashing practices may occur, green values (Green Perceived Value) can still influence consumer behavior because they reflect the perception of environmentally friendly products already embedded in consumers, so customer loyalty to the product can still be maintained. The results of this study indicate that consumer satisfaction (Customer Green Satisfaction) towards green products still influences consumer loyalty (Customer Green Loyalty) to environmentally friendly products from Unilever, even though Unilever has done greenwashing. This is because consumers see Unilever's efforts to maintain customer satisfaction with environmentally friendly products. The results of this study indicate that consumer trust (Green Trust) towards the green practices of a product has a strong positive and significant influence on consumer loyalty (Customer Green Loyalty). This is because trust is the basis of the relationship between consumers and a product. Consumers with high trust tend to see greenwashing as an exception and look for evidence supporting consumer beliefs.

This research is expected to be a reference and basis for consideration for PT. Unilever provides data, studies, and additional information on the implications of the influence between Green Perceived Value, Customer Green Satisfaction, Green Trust, and Customer Green Loyalty. This research is expected to provide a deeper picture of how the impact of greenwashing practices on consumer behavior to help companies design more effective strategies to overcome the impact of greenwashing. Further research is expected to expand the scope to compare the influence of Green Perceived Value, Customer Green Satisfaction, and Green Trust on Customer Green Loyalty in different brands and industries.

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