Vol. 20 No. 4 (2024) pp. 866-878
INOVASI: Jurnal Ekonomi, Keuangan dan Manajemen
P-ISSN 0216-7786
E-ISSN 2528-1097

The Effect of *Green Marketing Mix* 7P on Coffee Product Purchase Decisions at MSMEs *Coffee Shop* Makassar

Fitriany[1]✉, Giri Dwinanda[2], I Made Widhi Nugraha[3], Mochammad Mallingkaan Makkulau[4], Mutiarini Mubyl[5]

[1]Nobel Institute of Technology and Business Indonesia, Makassar, Indonesia.
[2]Nobel Institute of Technology and Business Indonesia, Makassar, Indonesia.
[3]Nobel Institute of Technology and Business Indonesia, Makassar, Indonesia.
[4]Nobel Institute of Technology and Business Indonesia, Makassar, Indonesia.
[5]Nobel Institute of Technology and Business Indonesia, Makassar, Indonesia.
✉Corresponding author: fitriany.nobel@gmail.com

Abstract
This study examines the influence of *Green Marketing Mix* 7P on Coffee Product Purchase Decisions in MSME *Coffee Shops* in Makassar. Through SEM analysis with SmartPLS 4.0 analysis tool and involving 270 respondents, this study found that *Green Place* (environmentally friendly interior design) and *Green Process* (sustainable production process) have a significant influence on purchasing decisions. Meanwhile, *Green Product*, *Green Price*, *Green Promotion*, *Green People*, and *Green Physical Evidence* did not have a significant influence. This research provides important implications for MSME *Coffee Shop* actors in Makassar to focus on environmentally friendly interior design and implement sustainable production processes.

Abstrak
Penelitian ini meneliti pengaruh Green Marketing Mix 7P terhadap Keputusan Pembelian produk kopi di UMKM Coffee Shop di Makassar. Menggunakan analisis SEM dengan perangkat lunak SmartPLS 4.0 dan melibatkan 270 responden, studi ini menemukan bahwa Green Place (desain interior ramah lingkungan) dan Green Process (proses produksi berkelanjutan) memiliki pengaruh yang signifikan terhadap keputusan pembelian. Sementara itu, Green Product, Green Price, Green Promotion, Green People, dan Green Physical Evidence tidak memiliki pengaruh yang signifikan. Penelitian ini memiliki implikasi penting bagi pelaku Kedai Kopi UMKM di Makassar untuk fokus pada desain interior yang ramah lingkungan dan menerapkan proses produksi yang berkelanjutan.

Article history
Received 2024-10-05
Accepted 2024-10-26
Published 2024-11-30

Keywords
Green Marketing Mix
Keputusan Pembelian;
MSMEs;
Coffee Shop

Kata kunci
Green Marketing Campuran;
Purchase Decision;
UMKM;
Coffee Shop

1. Introduction

The trend of *Coffee Shop* business in Indonesia has increased almost threefold, previously from 1,083 outlets per 2016 to 2,950 outlets per 2019 and is expected to continue to increase (1). According to the ICO, in 2020/2021 Indonesia is among the fifth largest countries in the world consuming coffee. Euromonitor data noted that the sales volume of ready-to-drink coffee in Indonesia increased by 3.2%, which is as much as 225 million liters per 2022. Makassar is not only a city that is also aiming for the development of (Intania et al., 2021) (Sihotang et al., 2024) (Ryana & Haryanto, 2023) the Coffee Shop market in Indonesia, but also as a city that easily gets coffee raw materials, because it is located in the same province as the world-class coffee-producing areas, namely Toraja and Kalosi. (Ristyaninger, 2019) (Month, 2021)

Makassar is also a city with a coffee tradition, famous for having a culture of liking to gather and exchange ideas at Coffee Shop (Widyastuti et al., 2019) . The reason is, a myth has been revealed that those who do not taste coffee made by the Bugis people of Makassar, can be harmed. So that not only coffee shops are loved by many adults, but the existence of (Ayu & Finesso, 2018) Coffee Shops, is becoming a trend for young people in Makassar to gather. In 2022, there were 628 coffee shops and coffee shops in Makassar and increased to 807 (Thufail et al., 2022) coffee shops in 2023, which helped Makassar's regional revenue with tax realization of IDR 55.63 billion. (Lobubu, 2024)

Unfortunately, behind the rise of Coffee Shops in the community, there is a threat to environmental conservation due to the use of plastic packaging in the form of beverage containers in Coffee Shops (Ferreira & Ferreira, 2020) . said that the World Economic Forum 2020 has estimated the swelling of the amount of plastic waste in 2030, from 260 million to 460 million tons. Teguh Handoko, Founder of the Earthkeeper Indonesia said that one of the industries that uses a lot of plastic packaging is Princess (2021) Coffee Shop, while plastic packaging waste has the potential to interfere with environmental conservation. (Groh et al., 2019)

In response to this, several Coffee Shop industries in Indonesia have begun to focus on creating environmentally friendly products (Green Products). According to (Prabawanti et al., 2020) (Osman et al., 2016) Green Products, they are products made of recycled materials, returnable/reusable packaging, and refillable packaging.

In Makassar itself, the Mayor has urged the public to consume coffee marketed by MSMEs as a form of support to regrow the economy after the Covid-19 Pandemic. However, it should be realized that the more (Fatir, 2021) Coffee Shops are opened, the greater the chance of potential environmental damage due to plastic waste. He added that the idea of sustainable marketing can represent consumer perceptions and attitudes so that the impact of purchasing behavior is created. So to create an environmentally friendly "coffee" culture in the city of Makassar, it is necessary to know whether the concept of (Filimonau et al., 2019) Changchenkit and Plangklang (2020) Green Marketing Mix 7P can influence the decision to buy coffee at the Coffee Shop.

From several previous studies on the Green Marketing Mix, there has not been much research related to its influence on purchase decisions. In addition, previous studies have focused on the concept of Green Marketing Mix 4P and its influence on purchase intent. So that this is the standing position of the researcher in reviewing with the novelty of the Green *Marketing Mix* 7P concept in its influence on purchase decisions. Moreover, there has been no similar research conducted in Makassar.

2. Method

2.1. Research Approach

This research uses a non-experimental, ex post facto quantitative approach, which means research is based on events that have already occurred that allow changes in behavior, symptoms, and phenomena. The research design used in this study is causal associative which aims to determine cause and effect between two or more variables. (Bellini et al., 2020) (Sanjaya & Yuliastanty, 2018).

2.2. Samples and Sampling Techniques

The sample in this study is MSME *Coffee Shop* customers in Makassar. The number of samples is determined based on the calculation of Amos' structural equation modeling (SEM) analysis and uses a table (rule of the thumb), which is 5-10 times the number of indicators of the entire latent variable. The number of all indicators in the study is 27, so the sample in this study is 10 x 27 = 270 samples. The sampling technique was carried out by accidental sampling. The characteristics of the sample in this study are (Priyanath et al., 2020) (Hair et al., 2021) *Coffee Shop* customers in Makassar who are classified as early and middle adults, namely 19-60 years old. The research will be carried out from April to December 2024.

2.3. Data Collection Methods

The data collection method in the form of an e-questionnaire in the form of a list of written statements was used to measure the research variables, namely *the 7P Green Marketing Mix* and purchase decisions.

2.4. Data Analysis

The data analysis used was a test of validity, reliability, data normality, descriptive respondents, and variable analysis using the Structural Equation Model (SEM) with the SmartPls 4.0 analysis tool to analyze several independent variable influences consisting of *Green Marketing Mix* 7P (*Green Product*, *Green Price*, *Green Promotion*, *Green Place*, *Green People*, *Green Process*, and *Green Physical Evidence*) to the bound variable, the purchase decision.

3. Results and Discussion

This study aims to analyze the application of *Green Marketing Mix* 7P in influencing coffee product purchase decisions at MSME *Coffee Shops* in Makassar. Data were collected from 270 respondents and a descriptive analysis was conducted to understand the characteristics of respondents based on gender, age, education, and occupation, as shown in Table 1.

Of the 270 respondents consisting of 134 male respondents (49.63%) and 136 female respondents (50.37%), the proportion was almost balanced. This concludes that MSME *Coffee Shop* coffee products in Makassar are in demand by both genders.

In terms of age, the majority of respondents (129 people or 47.78%) were in the age range of 17-24 years. This shows that the main target market for MSME *Coffee Shop* coffee products in Makassar is the young age group. A total of 55 respondents (20.37%) were aged 25-34 years, and 58 respondents (21.48%) were aged 35-44 years. Respondents over the age of 45 years were relatively few, with 20 respondents (7.41%) aged 45-54 years and 8 respondents (2.96%) aged 55-64 years. This shows that interest in coffee in MSME *Coffee Shop* is higher among the younger generation.

The education level of the respondents also varied. A total of 110 respondents (40.74%) had their last high school/vocational education, while 112 respondents (41.48%) had an S1 education. Respondents with D3 education amounted to 8 people (2.96%), while respondents with junior high school, S2, and S3 education amounted to 1 person (0.37%), 37 people (13.70%), and 2 people (0.74%), respectively. These results show that consumers of coffee products at MSME *Coffee Shop* in Makassar have a relatively high level of education, with the majority having a high school/vocational school and S1 education.

Table 1. Respondent characteristics

	Characteristic	Sum	Percentage
Gender	Man	134	49,63%
	Woman	136	50,37%
Age	17-24 years old	129	47,78%
	25-34 years old	55	20,37%
	35-44 years old	58	21,48%
	45-54 years old	20	7,41%
	55-64 years old	8	2,96%
Last education	SMP	1	0,37%

	Characteristic	Sum	Percentage
	High School/Vocational School	110	40,74%
	D3	8	2,96%
	S1	112	41,48%
	S2	37	13,70%
	S3	2	0,74%
Work	Students/Students	103	38,15%
	Official	74	27,41%
	Housewives	13	4,81%
	Self-employed/Entrepreneur	20	7,41%
	Teacher/Teacher/Lecturer	29	10,74%
	Professional Tenaga	4	1,48%
	Other	27	10%

Source: Primary data processed (2024)

The work of the respondents was dominated by students with a total of 103 people (38.15%). Furthermore, 74 respondents (27.41%) work as employees. Respondents with housewife jobs amounted to 13 people (4.81%), self-employed/entrepreneurs amounted to 20 people (7.41%), teachers/lecturers amounted to 29 people (10.74%), professional staff amounted to 4 people (1.48%), and others amounted to 27 people (10%). The dominance of students and employees shows that the main target market for coffee products at MSME *Coffee Shop* in Makassar is a group that is active, has high mobility, and needs coffee as a drink to support activities.

So from the results of the descriptive analysis of respondent characteristics, it can be concluded that the main target market for coffee products in MSME *Coffee Shop* in Makassar is the young age group, especially those between the ages of 17 to 34 years. The majority of respondents had their last high school/vocational school or S1 education, with most of them working as students/students or employees. This shows that the main target market is a group that is active, has high mobility, and needs coffee as a drink to support activities. The proportion of male and female respondents is almost balanced, indicating that coffee products at MSME *Coffee Shop* in Makassar are in demand by both genders.

Table 2. Product Usage Characteristics

	Characteristic	Sum	Percentage
Purchase frequency	1-2 times a month	140	51,85%
	3-4 times a month	67	24,81%
	5-6 times a month	24	8,89%
	7-8 times a month	6	2,22%
	9-10 times a month	7	2,59%
	>10 per month	26	9,63%
Order by way	*Hanging out*/enjoying on site	58	21,48%
	Take away/bawa pulang	212	78,52%
Use of beverage products	Glass bottles/glasses	151	55,93%
	Plastic bottles/cups	119	44,07%
Purchase of cold drink products	Using plastic straws	168	62,22%
	Using stainless *straws*	21	7,78%
	Not using straws	81	30,00%
Purchase of food products	Wrapped in *paper box*	152	56,30%
	Wrapped with *styrofoam box*	93	34,44%
	Wrapped in *plastic box*	25	9,26%

Source: Primary data processed (2024)

Based on Table 2, the frequency of coffee product purchases at MSME *Coffee Shops* in Makassar is dominated by purchases 1-2 times a month with a total of 140 respondents (51.85%). A total of 67 respondents (24.81%) buy coffee 3-4 times a month, and 24 respondents (8.89%) buy coffee 5-6 times a month. Respondents who bought coffee 7-8 times a month, 9-10 times a month, and more than 10

times a month amounted to 6 people (2.22%), 7 people (2.59%), and 26 people (9.63%), respectively. This shows that coffee consumers at MSME *Coffee Shops* in Makassar tend to buy coffee regularly, with a relatively low purchase frequency.

The majority of respondents (212 people or 78.52%) ordered coffee by *takeaway*, while 58 respondents (21.48%) chose to hang out/enjoy coffee on the spot. This *takeaway* trend shows that coffee consumers at MSME *Coffee Shops* in Makassar are more likely to consume coffee outside, perhaps because of busyness or because of a preference to enjoy coffee elsewhere.

In terms of the use of beverage products, 151 respondents (55.93%) used glass bottles/cups, while 119 respondents (44.07%) used plastic bottles/cups. The use of more glass bottles/glasses shows consumer awareness of environmentally friendly aspects.

For cold drinks, 168 respondents (62.22%) used plastic straws, 21 respondents (7.78%) used stainless straws, and 81 respondents (30.00%) did not use straws. Although the use of plastic straws still dominates, the increase in the use of stainless straws and the trend of not using straws shows that there is a consumer awareness of the environmental impact of plastic use.

Finally, in terms of purchasing food products, 152 respondents (56.30%) chose food wrapped in *paper boxes*, 93 respondents (34.44%) chose *styrofoam boxes*, and 25 respondents (9.26%) chose plastic boxes. The dominance of the use of *paper boxes* shows that consumers at MSME *Coffee Shops* in Makassar tend to choose packaging that is more environmentally friendly compared to *styrofoam boxes*.

Table 3. Average index and percentage of variable answer responses

Variable	Average Index	Percentage Index
Green Product	3,08	77,10%
Green Price	3,28	82,04%
Green Promotion	3,30	82,59%
Green Place	3,42	85,40%
Green People	3,30	82,53%
Green Process	3,24	80,96%
Green Physical Evidence	3,25	81,20%
Purchase Decision	3,32	83,21%

Source: Primary data processed (2024)

The description of the results of the respondent's analysis related to the response of the variable indicators in this study is described in Table 3. The results of the descriptive analysis show that consumer perception of *the 7P Green Marketing Mix* at MSME *Coffee Shop* in Makassar is in the high category. This can be seen from the average index which is above 3.00 for all variables, and the percentage index which is above 70% for all variables. This shows that consumers in Makassar have a high awareness and appreciation of the efforts of MSME *Coffee Shop* in implementing environmentally friendly concepts.

Consumer perception of *Green Products* is at an average index of 3.08 and a percentage index of 77.10%, which shows that consumers consider coffee products at MSME *Coffee Shop* in Makassar as environmentally friendly products. This shows that consumers in Makassar are increasingly concerned about the quality of environmentally friendly products and are willing to pay more for environmentally friendly products.

Consumer perception of *Green Price* is at an average index of 3.28 and a percentage index of 82.04%, which shows that consumers consider the price of coffee products at MSME *Coffee Shop* in Makassar as a fair price and commensurate with the quality of environmentally friendly products. This shows that consumers in Makassar understand that the implementation of eco-friendly concepts requires additional costs and they are willing to pay higher prices for eco-friendly products.

Consumer perception of *Green Promotion* is at an average index of 3.30 and a percentage index of 82.59%, which shows that consumers consider the promotion carried out by MSMEs *Coffee Shop* in Makassar as an effective promotion in conveying environmentally friendly messages. This shows

that consumers in Makassar are affected by promotions that emphasize eco-friendly aspects and they tend to choose products that are promoted with eco-friendly messages.

Consumer perception of *Green Place* is at an average index of 3.42 and a percentage index of 85.40%, which shows that consumers consider the place or location of MSME *Coffee Shop* in Makassar as an environmentally friendly place. This shows that consumers in Makassar prefer comfortable, clean, and environmentally friendly places, and they tend to choose MSME *Coffee Shops* that apply environmentally friendly concepts in the design of their places.

Consumer perception of *Green People* is at an average index of 3.30 and a percentage index of 82.53%, which shows that consumers rate employees or staff at MSME *Coffee Shop* in Makassar as employees who are friendly and care about the environment. This shows that consumers in Makassar appreciate the attitude of employees who are friendly and care about the environment, and they tend to choose MSME *Coffee Shops* that have employees who are friendly and care about the environment.

Consumer perception of *the Green Process* is at an average index of 3.24 and a percentage index of 80.96%, which shows that consumers consider the coffee production process at MSME *Coffee Shop* in Makassar as an environmentally friendly process. This shows that consumers in Makassar understand the importance of environmentally friendly production processes and they tend to choose products that are produced from environmentally friendly production processes.

Consumer perception of *Green Physical Evidence* is at an average index of 3.25 and a percentage index of 81.20%, which shows that consumers value physical evidence at MSME *Coffee Shop* in Makassar, such as interior design, packaging, and equipment, as environmentally friendly physical evidence. This shows that consumers in Makassar pay attention to physical details that show the commitment of MSME *Coffee Shop* to the concept of environmental friendliness, and they tend to choose MSME *Coffee Shops* that have physical evidence of environmental friendliness.

Finally, consumer perception of Purchase Decisions is at an average index of 3.32 and a percentage index of 83.21%, which shows that consumers tend to buy coffee products at MSME *Coffee Shop* in Makassar because of the Green *Marketing Mix* 7P factors implemented. This shows that consumers in Makassar are motivated by the concept *of Green Marketing Mix* 7P and they tend to choose MSMEs *Coffee Shops* that apply environmentally friendly concepts.

Overall, the results of the descriptive analysis show that consumers in Makassar have a positive perception of the 7P *Green Marketing Mix* implemented by MSMEs *Coffee Shop* in Makassar. This shows that consumers in Makassar are increasingly concerned about environmentally friendly aspects in choosing coffee products. MSMEs *Coffee Shop* in Makassar can take advantage of this trend to increase competitiveness and attract more consumers by continuing to improve the application of environmentally friendly concepts in all aspects of their business.

3.1. Evaluation of Measurement Model (*Outer Model*)

3.1.1. Convergent validity

Convergence validity, which is the focus of quantitative research, tests how consistent the indicators are in measuring the same construct. Santosa (2018) explained that the validity of convergence can be measured at two levels: the indicator level and the latent variable level.

Convergent validity at the indicator level is often referred to as indicator reliability or *loading*, while at the latent variable level, it is known as *internal consistency* or composite reliability. To assess the validity of convergence at the level of latent variables, the value *of Cronbach's Alpha* coefficient can be used. The results of the analysis of the validity, convergence, and reliability of the indicators studied can be seen in Table 4.

The results of the convergence validity and reliability test show that all indicators in the *Green Marketing Mix* 7P construct and Purchase Decision have *a loading factor* that exceeds the threshold of 0.5. Overall, the test results show that all the constructs in this study have good validity and reliability, with the values of *loading factor*, *Cronbach's Alpha*, and *Composite Reliability* meeting the standards. This indicates that the data obtained can be interpreted appropriately and reliably for further analysis.

In the P1.2 item which has a *loading factor* of 0.883, it shows that this indicator has the strongest correlation with the *Green Product* construct. This means that product packaging made from recyclable materials is significantly the most reflective of *Green Product*. This means that consumers consider the use of recycled materials to be the most important factor in determining whether a coffee product is considered "green"/environmentally friendly.

Table 4. Convergence validity and reliability

Variable	Indicator	*Loading factor*	*Cronbach's Alpha*	*Composite Reliability*
Green Product	P1.1	0,853	0,699	0,772
	P1.2	**0,883**		
	P1.3	0,599		
Green Price	P2.1	0,850	0,870	0,875
	P2.2	0,910		
	P2.3	**0,912**		
Green Promotion	P3.1	0,915	0,900	0,901
	P3.2	0,904		
	P3.3	**0,920**		
Green Place	P4.1	0,802	0,793	0,792
	P4.2	**0,900**		
	P4.3	0,821		
Green People	P5.1	0,926	0,931	0,933
	P5.2	**0,961**		
	P5.3	0,926		
Green Process	P6.1	0,894	0,862	0,869
	P6.2	0,860		
	P6.3	**0,901**		
Green Physical Evidence	P7.1	0,864	0,854	0,855
	P7.2	**0,895**		
	P7.3	0,880		
Purchase Decision	KP1	0,863	0,905	0,906
	KP2	0,889		
	KP3	0,885		
	KP4	**0,892**		

Source: Primary data processed (2024)

In the *Green Price* variable, P2.3 has the highest *loading factor* value of 0.912 so that the price indicator of environmentally friendly products is proportional to the benefits obtained by customers, is the indicator that best represents the *Green Price variable*. This shows that consumers are very concerned about whether the price of the product reflects the environmental value offered. In the Green Promotion variable, the P3.3 indicator (0.920), namely *Coffee Shop* provides education to customers about the benefits of environmentally friendly products, is the indicator that best describes *Green Promotion* because it has the largest *loading factor* value . This shows that consumers appreciate *Coffee Shop's efforts* in increasing environmental awareness through education.

In the *Green Place variable*, the P4.2 indicator, namely the interior design *of the Coffee Shop* reflects a commitment to environmental sustainability, is the indicator that best represents the *Green Place* variable, with *a loading factor* value of 0.900. This shows that consumers pay attention to interior design as an indicator of *Coffee Shop*'s environmental commitment. Furthermore, in the *Green People* variable, the P5.2 indicator (0.961), namely *Coffee Shop* employees providing services that support environmentally friendly initiatives, is the indicator that best represents *the Green People* variable. This shows that consumers highly value the attitude and behavior of environmentally friendly employees.

In addition, in the Green Process variable, the P6.3 indicator, namely *Coffee Shop* implementing procedures to minimize negative impacts on the environment, is the indicator that best describes the *Green Process variable* (*loading factor* = 0.901). This shows that consumers care about sustainable and environmentally friendly production processes. Furthermore, in the *Green Physical Evidence*

variable, the P7.2 indicator, namely *Coffee Shop* using equipment and equipment made of environmentally friendly materials, is the indicator that best represents the *Green Physical Evidence variable* (*loading factor* = 0.895). This shows that consumers pay attention to the use of environmentally friendly materials in *Coffee Shop equipment*.

Meanwhile, in the Purchase Decision variable, the KP4 indicator, which is a psychological indicator, is the indicator that best represents the Purchase Decision variable (*loading factor* = 0.892). This shows that psychological factors have a great influence on the decision to purchase coffee products, compared to social factors (0.863), cultural factors (0.889), and personal factors (0.885). The psychological factors that most represent a person deciding to make a purchase can be in the form of a person's motivation to contribute to environmental sustainability, the belief that *an environmentally friendly Coffee Shop* offers more high-quality products and services, as well as the attitude of concern for environmental issues that often occur makes consumers decide to buy products at a *Coffee Shop* that applies the concept *ofgreen marketing*.

In addition, *Cronbach's Alpha* and *Composite Reliability* values for all constructs are also above 0.7. For example, *Cronbach's Alpha* value for the *Green Product* construct is 0.699, and *its Composite Reliability* is 0.772. Likewise with other constructs, such as *Green Price* (*Cronbach's Alpha* = 0.870, *Composite Reliability* = 0.875), *Green Promotion* (*Cronbach's Alpha* = 0.900, *Composite Reliability* = 0.901), and so on. This shows that the indicators in each construction have high internal consistency and are reliable.

3.2. Conversion of Line Diagram to Measurement Model Equation System (*Outer model*)

The equations in this model consist of the equations of the measurement model (*outer model*) are described as follows:

1) Green Product *Variable*. The most influential indicator on this variable is the P1.2 indicator (0.883). The equation for this variable is X1 = 0.853X1.1 + 0.883X1.2 + 0.559X1.3
2) Green Price *Variable.*The most influential indicator on this variable is the P2.3 indicator (0.912). The equation for this variable is X2 = 0.850X2.1 + 0.910X2.2 + 0.912X2.3
3) Green Promotion *variable*. The most influential indicator on this variable is P3.3 (0.920). The equation for this variable is X3 = 0.915X3.1 + 0.904X3.2 + 0.920X3.3
4) Green Place *variable.*The most influential indicator on this variable is the P4.2 indicator (0.900). The equation for this variable is X4 = 0.802X3.1 + 0.900X4.2 + 0.821X4.3
5) Green People *variable*. The most influential indicator on this variable is P5.2 (0.961). The equation for this variable is X5 = 0.926X5.1 + 0.961X5.2 + 0.926X5.3
6) Green Process *variable.*The most influential indicator on this variable is the P6.3 indicator (0.901). The equation of this variable is X6 = 0.894X6.1 + 0.860X6.2 + 0.901X6.3
7) Green Process *variable.*The most influential indicator on this variable is the P7.2 indicator (0.895). The equation of this variable is X6 = 0.894X6.1 + 0.860X6.2 + 0.901X6.3
8) Purchase Decision Variables. The indicator that has the most influence on this variable is KP4 (0.892). The equation of this variable is Y = 0.863Y1.1 + 0.889Y1.2 + 0.885Y1.3 + 0.892Y1.4

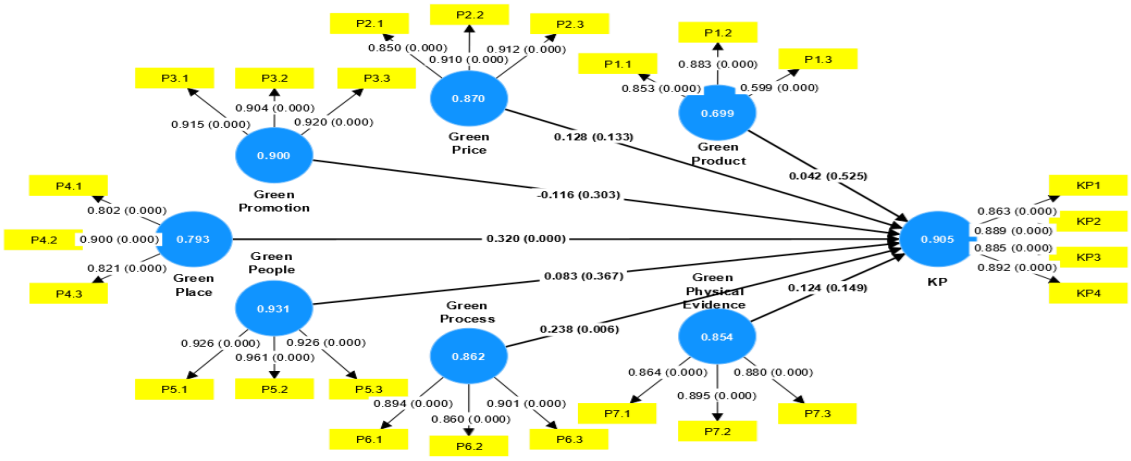

Figure 1. Loading factor value path diagram and *Cronbach's Alpha*

Table 5. *Variable* Cross Loading Value

In.	*Green Product*	*Green Price*	*Green Promotion*	*Green Place*	*Green People*	*Green Process*	*Green phy. ev.*	Kep. purchase	AVE Scores
P1.1	0.853	0.670	0.645	0.566	0.590	0.526	0.549	0.452	0,622
P1.2	0.883	0.476	0.462	0.468	0.399	0.516	0.452	0.439	
P1.3	0.599	0.274	0.215	0.257	0.239	0.292	0.311	0.220	
P2.1	0.544	0.850	0.603	0.591	0.555	0.563	0.503	0.482	0,794
P2.2	0.594	0.910	0.648	0.660	0.623	0.559	0.541	0.519	
P2.3	0.553	0.912	0.618	0.678	0.544	0.582	0.539	0.556	
P3.1	0.629	0.688	0.915	0.704	0.728	0.704	0.685	0.541	0,833
P3.2	0.450	0.573	0.904	0.662	0.654	0.604	0.598	0.509	
P3.3	0.555	0.650	0.920	0.721	0.718	0.688	0.669	0.506	
P4.1	0.441	0.533	0.529	0.802	0.474	0.475	0.453	0.553	0,709
P4.2	0.540	0.669	0.717	0.900	0.679	0.652	0.630	0.545	
P4.3	0.465	0.622	0.676	0.821	0.710	0.686	0.654	0.582	
P5.1	0.550	0.638	0.737	0.746	0.926	0.783	0.743	0.582	0,879
P5.2	0.536	0.611	0.739	0.708	0.961	0.771	0.788	0.621	
P5.3	0.450	0.559	0.682	0.627	0.926	0.757	0.744	0.574	
P6.1	0.516	0.611	0.648	0.672	0.733	0.894	0.692	0.633	0,784
P6.2	0.489	0.486	0.574	0.584	0.657	0.860	0.639	0.532	
P6.3	0.546	0.586	0.713	0.652	0.787	0.901	0.769	0.572	
P7.1	0.502	0.506	0.597	0.559	0.657	0.678	0.864	0.548	0,774
P7.2	0.542	0.568	0.664	0.666	0.734	0.704	0.895	0.557	
P7.3	0.455	0.489	0.622	0.596	0.746	0.707	0.880	0.524	
KP1	0.450	0.526	0.531	0.649	0.577	0.597	0.552	0,863	0,778
KP2	0.400	0.479	0.533	0.590	0.560	0.573	0.554	0,889	
KP3	0.436	0.533	0.452	0.549	0.556	0.578	0.550	0,885	
KP4	0.449	0.521	0.489	0.561	0.534	0.566	0.522	0,892	

Source: Primary data processed (2024)

3.2.1. Validity of Discrimination

Discriminatory validity, an important concept in quantitative research, ensures that the measured constructs are completely different from each other. The validity of discrimination can be tested by analyzing *cross loading* and comparing the root value of the *Average Variance Extracted* (AVE) of the latent variable with the correlation between the latent variables.

According to Santosa (2018), the validity of discrimination is fulfilled if the root value of the AVE of a latent variable is greater than the correlation with all other latent variables. The results of this study show that the *cross loading* value and AVE value are greater than 0.50, as shown in Table 5.

From the cross loading *value table*, it is known that each indicator value has a high value in its latent variable when compared to the indicator value of other latent variables, so that the validity of discrimination of each indicator has been met.

3.3. Conversion of Path Diagram to Structural Model Equation System (*Inner model*)

The inner *model equation* was used to determine the relationship between the latent variables studied: Y = 0.042X1 + 0.128X2 – 0.116X3 + 0.320X4 + 0.083X5 + 0.238X6 + 0.124X7. From this equation, it is known that the *Green Place* variable (0.320) has the most influence on Purchase Decisions, when compared to other 7P *marketing mix* variables. This means that the more environmentally friendly *the Coffee Shop*, the higher the desire of consumers to buy coffee products at Coffee *Shops* that apply *the concept of green marketing*.

3.3.1. Structural Model Evaluation (*Inner Model*)

After evaluating the measurement model and determining the values of the path coefficient and determination coefficient, the next step is to evaluate the structural model (*Inner* model). This

structural model aims to analyze the relationship between latent variables. Here is the R2 value of the endogenous variable, Purchase Decision:

Table 6. R2 Value

Endogenous variables	R Square	R *Square adjusted*
Purchase Decision	0,528	0,516

Source: Primary data processed (2024)

From the test results, it is known that the R2 value of the Purchase Decision is 0.516, which means that 51.6% of the variance of the Purchase Decision is caused by variables in the model, namely exogenous variables in the form of *Green Marketing Mix* 7P (*Green Product*, *Green Price*, *Green Promotion*, *Green Place*, *Green People*, *Green Process*, and *Green Physical Evidence*).

3.4. Discussion

The evaluation of the structural model was carried out by analyzing the relationship between latent variables (*path coefficients*) based on the research hypothesis. This analysis was carried out by comparing *the t-count* value with *the t-table* and the significance value (p-value) for each variable. The results of this calculation can be seen in Table 7.

The hypothesis testing in this study uses the criteria that the alternative hypothesis H1 is accepted and H0 is rejected if the *t-count value* > *the t-table*, and H1 is rejected H0 is accepted if the *t-count value* < *the t-table*. The results of the pathway analysis show that not all research hypotheses are proven to be supported by data. Based on the t-table value of 1.974 with a significance value of 5%, it can be seen that:

H1 (*Green Product* affects Purchase Decisions): This hypothesis is rejected because the t-count value (0.636) < t-table (1.974) and significance value (0.525) > 0.05. This shows that *Green Products* do not have a significant influence on Purchase Decisions. This means that if the product changes whether it uses *Green Products* or not, consumers will still decide to buy coffee products. This means that, although consumers care about the attributes of *Green Products*, it is not the main factor in the decision to buy coffee. This is not in line with the results of previous research. Ahmad et al. (2016); Dianti (2020); dan Hikmatunnisa et al. (2020)

H2 (*Green Price* affects Purchase Decision): This hypothesis is rejected because the t-count value (1.503) < t-table (1.974) and significance value (0.133) > 0.05. This shows that *Green Price* has no significant influence on the Purchase Decision. This means that consumers in Makassar are not too affected by the price of environmentally friendly products in determining their purchase decisions. If the price changes, consumers will still decide to make a purchase. This means that price is not a major factor in coffee purchasing decisions, even though consumers care about environmental sustainability. These results are not in line with the results of previous studies Chrysna et al. (2022); dan McDaniel dan Rylander (2020).

H3 (*Green Promotion* towards Purchase Decision): This hypothesis was rejected because the t-count value (1.030) < t-table (1.974) and significance value (0.303) > 0.05. This shows that *Green Promotion* does not have a significant influence on the Purchase Decision. This means that if *Green Promotion* changes, consumers will still decide to make a purchase. These results are not in line with previous research Alamsyah et al. (2020) dan Paramita et al. (2021)

H4 (*Green Place* against Purchase Decision): This hypothesis is accepted because the t-count value (3.612) > t-table (1.974) and significance value (0.000) < 0.05. This shows that *Green Place* has a significant influence on Purchase Decisions. This means that consumers in Makassar pay close attention to the interior design *of the Coffee Shop* which reflects a commitment to environmental sustainability in determining purchasing decisions. So that if the place/interior of *the Coffee Shop* changes, consumers will also experience changes in deciding to make a purchase. This result is in line with previous research Sudjatmiko & Soegoto (2018) .

H5 (*Green People* on Purchase Decisions): This hypothesis is rejected because the t-count value (0.902) < t-table (1.974) and significance value (0.367) > 0.05. This shows that *Green People* does not have a significant influence on the Purchase Decision. This means that even if there is a change in

employees who support environmentally friendly initiatives, consumers will still decide to buy coffee products. This result is the latest finding because there has been no previous research that has looked at the influence *of Green People* on the purchase decision of coffee products in Coffee *Shop*.

H6 (*Green Process* towards Purchase Decision): This hypothesis is accepted because the t-count value (2.768) > t-table (1.974) and significance value (0.006) < 0.05. This shows that *the Green Process* has a significant influence on the Purchase Decision. This means that if there is a change in the *Green Process,* consumers will also change in deciding to buy coffee products. This result is the latest finding because there has been no previous research that has seen the influence *of Green Process* on Coffee Product Purchase Decisions in *Coffee Shops*.

H7 (*Green Physical Evidence* for Purchase Decisions): This hypothesis is rejected because the t-count value (1.445) < t-table (1.974) and significance value (0.149) > 0.05. This shows that *Green Physical Evidence* has no significant influence on the Purchase Decision. This means that, despite changes to *Green Physical Evidence*, consumers will still decide to buy coffee products. This also shows that consumers in Makassar do not pay much attention to the use of environmentally friendly equipment and equipment in determining purchase decisions. This result is the latest finding because there has been no previous study that has seen the influence *of Green Physical Evidence* on the Purchase Decision of coffee products in Coffee *Shop.*

Table 7. The value of the path coefficient, the count (ttable: 1,974, *two-tailed,* los 5%), and the significance value

Hip.	Line	Path Coefficient (β)	Calculation value	The value of sig. (p)
H1	*Green Product* → Purchase Decision	0,042	0,636	0,525
H2	*Green Price* → Purchase Decision	0,128	1,503	0,133
H3	*Green Promotion* → Purchase Decisions	-0,116	1,030	0,303
H4	*Green Place* → Purchase Decision	0,320	3,612	0,000
H5	*Green People* → Purchase Decision	0,083	0,902	0,367
H6	*Green Process* → Purchase Decision	0,238	2,768	0,006
H7	*Green Physical Evidence Purchase* → Decision	0,124	1,445	0,149

Source: Primary data processed (2020)

Based on the results of this path analysis, it can be concluded that *Green Place* and *Green Process* have a significant influence on coffee product purchase decisions in MSME *Coffee Shops* in Makassar. This shows that consumers in Makassar pay more attention to the environmentally friendly interior design of *the Coffee Shop* and the sustainable production process compared to other aspects. Meanwhile, *Green Product*, *Green Price*, *Green Promotion*, *Green People*, and *Green Physical Evidence* do not have a significant influence on the Purchase Decision. This shows that these aspects have not become the top priority for consumers in Makassar in deciding to buy coffee products that apply the concept of *green marketing*.

Another interesting finding from this study is that there is a gap between positive perceptions and behaviors applied by consumers. Positive perceptions regarding the 7P *Green Marketing Mix* do not always lead to a Purchase Decision. So even though consumer perception of *the Green Marketing Mix* is high, other factors may be more dominant or prioritized by consumers in determining the Purchase Decision.

The results of this study also found that although consumers have awareness of *the Green Marketing Mix,* they may not fully understand the benefits and impacts of the aspects of *the Green Marketing Mix,* so it is not a major factor in the purchase decision. In addition, another finding from this study is that the marketing strategies implemented by MSMEs *Coffee Shop* still seem to be ineffective in communicating the value and benefits of the aspects of *the Green Marketing Mix,* so it is considered that it has not been fully successful in influencing consumer purchase decisions.

4. Conclusion

This study examines the influence of *Green Marketing Mix* 7P on Coffee Product Purchase Decisions in MSME *Coffee Shops* in Makassar. The results of the analysis show that *Green Place* (environmentally friendly interior design) and *Green Process* (sustainable production process) have a significant influence on consumer purchasing decisions, while other aspects of *the Green Marketing Mix* such as *Green Product*, *Green Price*, *Green Promotion*, Green People, and Green Physical Evidence, has no significant influence. This indicates that consumers in Makassar are starting to care about the environment, but their priority on other aspects of Green Marketing as a factor that can make them decide to buy, is still low.

The results of this study have important implications for MSME *Coffee Shop* actors in Makassar, namely the importance of focusing on environmentally friendly interior design and implementing sustainable production processes to attract consumer interest. A more effective marketing strategy is also needed to increase consumer awareness of other aspects of *the Green Marketing Mix* .

References

Ahmad, F., Lapian, J., Soegoto Green Product Analysis, A., Ahmad, F., Lapian, J., Supandi Soegoto, A., & Economics and Business Department of Management, F. (2016). Green Product and Green Marketing Strategy Analysis on The Body Shop Product Purchase Decision in Manado Town Square. *Journal of EMBA : Journal of Research in Economics, Management, Business and Accounting*, *4*(1), 33–044. https://doi.org/10.35794/EMBA.4.1.2016.11557

Alamsyah, D. P., Othman, N. A., & Mohammed, H. A. A. (2020). The awareness of environmentally friendly products: The impact of green advertising and green brand image. *Management Science Letters*, *10*(9), 1961–1968. https://doi.org/10.5267/j.msl.2020.2.017

Ayu, R. S., & Finesso, G. M. (2018). Social Adhesive of Makassar People – Jelajah Kompas. *Kompas.Id*. https://jelajah.kompas.id/kopi-nusantara/baca/perekat-sosial-orang-makassar/

Bellini, C. G. P., Pereira, R. de C. de F., & Becker, J. L. (2020). Emergent customer team performance and effectiveness: An ex post facto study on cognition and behavior in enterprise systems implementation. *Communications of the Association for Information Systems*, *47*(1), 550–582. https://doi.org/10.17705/1CAIS.04726

Bulan, C. D. (2021). Arabica Coffee Kalosi Enrekang. *Pangadereng: Journal of Social Sciences and Humanities Research Results*, *7*(2), 269–284. https://doi.org/10.36869/pjhpish.v7i2.203

Changchenkit, C., & Plangklang, T. (2020). Impact of Sustainability Marketing: An Empirical Study on Consumers' Perception and Attitudes towards Bio Plastic Coffee Cups in Thailand. *International Journal of Trade, Economics and Finance*, *11*(3), 45–49. https://doi.org/10.18178/ijtef.2020.11.3.664

Chrysna, V. Y., Sumarsono, H., & Widyaningrum, P. W. (2022). The Influence of Green Trust, Green Price, and Eco Brand on Purchase Decisions. *e-Journal of Business Economics and Accounting*, *9*(2), 65. https://doi.org/10.19184/ejeba.v9i2.32466

Dianti, N. R. (2020). *Green Products and Young Consumers' Purchasing Decisions*. https://repository.uksw.edu//handle/123456789/26797

Fatir, M. D. (2021). Mayor of Makassar encourages coffee consumption to grow MSME economy - ANTARA News Makassar. *Between South Sulawesi*. https://makassar.antaranews.com/berita/305057/wali-kota-makassar-dorong-konsumsi-kopi-untuk-tumbuhkan-ekonomi-umkm

Ferreira, J., & Ferreira, C. (2020). Ferreira - 2020 - from the grounds up. *Research Centre Business in Society*, 1–24.

Filimonau, V., Krivcova, M., & Pettit, F. (2019). An exploratory study of managerial approaches to food waste mitigation in coffee shops. *International Journal of Hospitality Management*, *76*, 48–57. https://doi.org/10.1016/j.ijhm.2018.04.010

Groh, K. J., Backhaus, T., Carney-Almroth, B., Geueke, B., Inostroza, P. A., Lennquist, A., Leslie, H. A., Maffini, M., Slunge, D., Trasande, L., Warhurst, A. M., & Muncke, J. (2019). Overview of known plastic packaging-associated chemicals and their hazards. In *Science of the Total Environment* (Vol. 651, pp. 3253–3268). Elsevier B.V. https://doi.org/10.1016/j.scitotenv.2018.10.015

Hair, J. F., Hult, G. T. M., Ringle, C. M., Sarstedt, M., Danks, N. P., & Ray, S. (2021). *An Introduction to Structural Equation Modeling*. Springer, Cham. https://doi.org/10.1007/978-3-030-80519-7_1

Hikmatunnisa, Purwanti, R. S., & Setiawan, I. (2020). The Influence of Green Product and Green Advertising on Purchase Decisions (A Study on Buyers Living in Garden City Ciamis Housing). *Business Management and Entrepreneurship Journal*, *2*(3), 130–140. https://jurnal.unigal.ac.id/bmej/article/view/3948

Intania, H., Nobelson, & Suharyati. (2021). Marketing Mix Analysis on Starbucks Coffee Purchase Decisions in Jakarta. *Correlation: National Research Conference on Economics, Management, and Accounting*, *2*, 1457–1470.

Lobubu, D. (2024). 807 Cafes in Makassar Contribute IDR 55 Billion in Tax Revenue. *IDN Times South Sulawesi*. https://sulsel.idntimes.com/business/economy/dahrul-lobubun/807-kafe-di-makassar-sumbang-pendapatan-pajak-rp55-miliar-pada-2023

McDaniel, S. W., & Rylander, D. H. (2020). The Influence of Green Product, Green Price, and Green Advertising on the Decision to Purchase Essential Oil Products at Rumah Atsiri Indonesia. *MANAGE*, *7*(1), 46–54. https://doi.org/10.1108/07363769310041929

Osman, A., Othman, Y. H., Salahudin, S. N., & Abdullah, M. S. (2016). The Awareness and Implementation of Green Concepts in Marketing Mix: A Case of Malaysia. *Procedia Economics and Finance*, *35*, 428–433. https://doi.org/10.1016/s2212-5671(16)00053-8

Paramita, C., Zia, F., & Sularso, R. A. (2021). *Purchase Decision on Green Coffee Shop: The Role of Green Promotion, Green Physical Evidence, and Environmental Awareness*.

Prabawanti, B. E., Manajemen, P., Ekonomi, F., & Bisnis, D. (2020). Application of Green Marketing in the Use of Coffee Waste as A Business Creative Industry Based on Social Enterprise. *Jurnal Manajemen Dan Organisasi (JMO)*, *11*(3), 136–142.

Priyanath, H. M. S., RVSPK, R., & RGN, M. (2020). Methods and Rule-of-Thumbs in The Determination of Minimum Sample Size When Appling Structural Equation Modelling: A Review. *Journal of Social Science Research*, *15*, 102–107. https://doi.org/10.24297/jssr.v15i.8670

Putri, M. R. D. (2021). Looking at the Waste Behind Contemporary Coffee Packaging. *Antara News*. https://www.antaranews.com/berita/2337206/menilik-limbah-di-balik-kemasan-kopi-kekinian

Ristyaningrum, A. (2019). Taking advantage of the Coffee Shop Market Opportunity in Makassar. *Sulawesi Business*. https://sulawesi.bisnis.com/read/20190414/539/911607/memanfaatkan-peluang-pasar-coffee-shop-di-makassar

Ryana, R. M., & Haryanto, H. (2023). The Influence of Brand Dentity, Brand Mage, Product Quality, Service Quality on Intention to Buy Products at Coffee Shop Batam With Consumer Trust as Mediation. *Management Studies and Entrepreneurship Journal*, *4*(4), 3629–3641. http://journal.yrpipku.com/index.php/msej

Sanjaya, S., & Yuliastanty, S. (2018). The Effect of The Marketing Mix Service on Loyalty of Customers with The Satisfaction of Service as Intervening Variables in PT Mandala Multifinance Padang City. *Jurnal Ilmiah Pendidikan Scholastic*, *1*(2), 179–195. https://doi.org/10.36057/JIPS.V2I2.279

Sihotang, J., Nopeline, N., Purba, M. L., & Zai, Y. (2024). Study on the Determinants of Indonesian Coffee Exports to the United States. *EQUILNO: Journal of Development Economics*, *6*(1), 2614–7181. https://doi.org/10.36985/ekuilnomi.v6i1.1106

Sudjatmiko, G., & Soegoto, D. S. (2018). *The Influence of Green Location Strategy, Green Price, and Green Promotions toward Purchase Decision of the property*. 263–266. https://doi.org/10.2991/ICOBEST-18.2018.57

Thufail, A. A., Ihsan, & Mujahid, L. Muh. A. (2022). Analysis of the Characteristics of the Location of Coffee Shops in Makassar City. *Journal of WKM*, *10*(2), 170–176.

Widyastuti, S., Said, M., Siswono, S., & Firmansyah, D. A. (2019). Customer Trust through Green Corporate Image, Green Marketing Strategy, and Social Responsibility: A Case Study. *European Research Studies Journal*, *XXII*(2), 83–99.