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# Consumers Mapping and Green Marketing Design for Products with Reusable Packaging

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### **ABSTRAK**

Produk Hepi Circle menggunakan kemasan plastik yang dapat digunakan kembali. Hepi Circle perlu mengetahui perilaku konsumen untuk mengembangkan strategi pemasaran hijau yang sesuai. Untuk menjawab isu tersebut, studi ini bertujuan untuk memetakan perilaku konsumen Hepi Circle dan merancang strategi bauran pemasaran hijau yang menyeluruh. Studi ini menggunakan wawancara dan 102 data sampel purposif untuk analisis deskriptif, klaster dan tabulasi silang. Analisis klaster menghasilkan empat klaster: Greenback Green, True-Blue Green, Grousers, dan Sprout. Analisis deskriptif dan tabulasi silang menjelaskan karakteristik tiap klaster. Studi ini merancang 8-P internal dan 7-P eksternal pemasaran hijau. Hepi Circle sebaiknya menggunakan lebih sedikit bahan kimia dan menawarkan harga lebih murah dari produk dengan kemasan sekali pakai. Selain penjualan online, Hepi Circle bisa bekerjasama dengan toko kecil dan reseller lokal. Hepi Circle menjalankan Instagram secara aktif dan mengunggah ulasan konsumen untuk menarik konsumen baru. Hepi Circle dapat mengembangkan prosedur operasi standar dan mensertifikasi produk. Pihaknya bekerja sama dengan kelompok sadar lingkungan untuk kegiatan hijau dan berkolaborasi dengan restoran untuk mencuci piring dengan produknya. Dengan demikian, Hepi Circle mendukung upaya pemerintah untuk mengurangi sampah plastik. Temuan penelitian ini dapat memberikan acuan tentang bagaimana usaha kecil dan menengah di negara berkembang menerapkan strategi pemasaran hijau yang holistik dan menarik.

## Kata Kunci:

Pemasaran Hijau; Perilaku Konsumen; Analisis Klaster; Kemasan Sekali Pakai

#### **ABSTRACT**

Hepi Circle products use reusable plastic packaging. Hepi Circle needs to know consumer behavior to develop an appropriate green marketing strategy. This study aims to map Hepi Circle consumers and design a holistic green marketing mix strategy to address this issue. This study used interviews and 102 purposive sampled data for descriptive, cluster, and crosstab analysis. Cluster analysis creates four clusters: Greenback Green, True-Blue Green, Grousers, and Sprout. Descriptive and crosstab analysis results describe each cluster's characteristics. This study designs 8-Ps internal and 7-Ps external green marketing. Hepi Circle's products should use fewer chemicals and be cheaper than those with single-use packaging. Besides online shopping, Hepi Circle can collaborate with small stores and local resellers. It should effectively maintain Instagram and upload consumer reviews to attract new consumers. It can also develop standard operating procedures and have the products certified. It can also cooperate with environmentally conscious groups to conduct green activities and collaborate with restaurants to wash dishes using Hepi Circle products. Hepi Circle supports government plastic waste reduction efforts by doing these activities. The findings of this study can provide a reference for how small and medium enterprises in developing countries design holistic and attractive green marketing strategies.

#### *Keywords:*

Green Marketing; Consumer Behavior; Cluster Analysis; Reusable Packaging

### **INTRODUCTION**

Indonesia is producing an increasing amount of plastic waste annually. In 2022, 69 million tons of garbage were produced, with 12.5 million tons of plastic waste. The number has increased exponentially since 1995 (Ruhulessin, 2023). If plastic waste cannot be controlled, it could negatively affect ecosystems and threaten human survival (Alodokter, 2021). One of the contributors to the increase in plastic waste is the single-use plastics that can become waste and harm the environment if they enter water or soil. To address this issue, the government continues to campaign to reduce single-use plastic waste (Ruhulessin, 2023).

From the company side, green marketing is one strategy to reduce plastic waste. Green marketing refers to any marketing initiatives designed to encourage and sustain environmentally friendly consumer behavior (Chen & Chang, 2013). Thus, green marketing incorporates environmental sustainability into marketing. In other terms, green marketing promotes products that are presumed to be environmentally safe. As a result, green marketing encompasses a wide range of actions, such as product modification, changes to the manufacturing process, advertising modification, and packaging improvements (Dangelico & Vocalelli, 2017).

Green marketing became popular long ago, specifically at the end of the 1980s. John Grant's book "The Green Marketing Manifesto" in 2012 significantly advanced the marketing field by increasing business understanding of environmental issues (Hariyani & Sartana, 2013; Manongko, 2018). American Marketing Association (AMA) defines green marketing as the marketing of products that are presumed to be environmentally safe (Hanifah *et al.*, 2016; Manongko, 2018). Thus, green marketing refers to all initiatives created to encourage and maintain environmentally conscious consumer behavior (Chen & Chang, 2013).

Companies should focus on creating consumer awareness about the significance of green products and maintain consistency in their offers (Pant *et al.*, 2020). Accordingly, they utilize green marketing to appeal to environmentally friendly consumers. It can be combined, such as a manufacturer's product marketing strategy should protect the environment for consumers, or manufacturers who care about the environment offer their products to environmentally conscious consumers (Manongko, 2018).

There are several ways to segment consumers for green marketing (Dangelico & Vocalelli, 2017). The most popular approach is to examine green consumers' psychographic and demographic characteristics. Demographic factors include observable aspects of a consumer's profile, including age, education, and income. Meanwhile, psychographic factors are psychological aspects of a consumer's personality, including values, beliefs, and attitudes (Manongko, 2018). To respond to consumers' varying degrees of environmental concern, marketers can divide the market into five segments that

describe different shades of green as follows (Das et al., 2012; Fleury et al., 2016; Lu et al., 2013; Manongko, 2018):

- 1. Apathetic. Since this group considers environmental apathy the norm, it needs to be more concerned about the environment to take action. Its primary source of environmental information is television.
- Grousers, believes that individual behavior cannot improve the environment. Thus, this group
  must to be more involved and interested in green issues. Their primary source of information
  about environmental issues is newspapers.
- 3. Sprouts. Consumers in this group are concerned about the environment, but only to the extent that it affects their needs. Because of this, they will buy environmentally friendly products as long as they meet their demands. This group reads newspapers as its primary source of green issues.
- 4. Greenback Greens. This group is unlikely to give up comfort and convenience for the environment, nor does it have the time to be entirely green. However, they are still willing to buy green products. This group gets information on environmental issues via newspapers.
- 5. True-Blue Greens. People in this group are environmental activists. They have in-depth knowledge of environmental issues. Compared to the typical consumer, True-blue exhibits more environmentally sensitive behavior than the typical consumer, such as considering how a product, or its packaging is recycled. Environmental groups are its primary source of green information.

Green marketing awareness is the most significant determinant in green product purchasing intentions (Wu & Chen, 2014). Green marketing incorporates a broad range of activities, including product modification, changes to the production process, packaging changes, and modifying advertising (Das *et al.*, 2012). It means that green marketing relates to all endeavors that create products and services that meet consumers' needs and wants without harming the environment (Manongko, 2018). Notably, the green marketing strategy could improve the integration of environmental concerns into every element of a company's operations, from strategy development and planning to production and consumer distribution, product modification to packaging, and promotional changes (Chen & Chang, 2013; Manongko, 2018; Zaky & Purnami, 2020).

The marketing strategy includes external and internal company factors. Meanwhile, the marketing mix strategy is the fundamental principle and generic purpose of marketing and consists of elements such as product, pricing, place, and promotion to shape sales (Manongko, 2018). These Ps comprise the marketing mix, frequently called the "4 Ps".

Furthermore, green marketing can be interpreted as a management process that is accountable for identifying, anticipating, and satisfying the needs of consumers and society to benefit the

environment while maintaining sustainability (Peattie, 2016). Compared to the conventional marketing mix with 4 Ps, the green marketing mix involves internal and external green Ps, which contain more than 4 Ps. Internal green Ps consist of eight elements as follows (Peattie, 2016):

- 1. Product. The focus will be on how a product could resolve environmental problems such as waste, pollution, recycling products, and saving energy.
- 2. Price. Green products usually involve greater production costs, which results in higher selling prices. Thus, it is crucial how the company sets affordable prices for the products.
- 3. Place. It relates to the efficient usage of retailers and distributors. For example, companies can collaborate with retailers to offer discounts, coupons, souvenirs, or promotional items to consumers who return packaging through them. These actions could promote packaging recycling initiatives.
- 4. Promotion. It has to do with what the company does to promote environmental concerns and enhance its reputation as an environmentally conscious company. Public relations, packagingbased sales promotions, logos or labels, and advertisements can all be used for this kind of promotion.
- 5. Providing information. It explains how the company can understand the problems in the changing environment.
- 6. Process. It relates to how the company can use as little energy as possible in its production process and reduce waste as optimally as possible.
- 7. Policy. It considers implementing company policies to motivate, monitor, and evaluate environmental activity.
- 8. People. It describes how the actors or individuals working for the company use their skills, knowledge, and expertise to implement this green marketing directive as the company policy that is motivated by environmental sustainability in their day-to-day operations.

Green marketing must satisfy two goals: improving environmental quality and providing consumer satisfaction. In general, all businesses, whether run by individuals, groups, or organizations, ensure that the goals to be achieved pay attention to internal and external elements, necessitating various methods, stages, and tactics. Hence, the approach for green product marketing should consider social responsibility toward the environment (Ottman *et al.*, 2006, cited in Manongko, 2018).

External green marketing mix elements are growing in importance for marketing and companies. They should realize that consumers are willing to pay more for green products due to their environmental concerns. Consequently, a green product strategy may enhance company performance (Tarabieh & Al-Majali, 2021). External green Ps include seven elements as follows (Peattie, 2016):

1. Paying consumers. It refers to all members of the green consumer group, regardless of their level of greenness or the types of products they require.

- Provider. It includes how suppliers use infrastructure in providing environmentally friendly
  products. For instance, the method used by wood suppliers to obtain their wood, such as
  indiscriminately cutting forests results in deforestation.
- Politician. It relates to how simple it may be to persuade the government to draft and adopt environmental laws and the extent to which such legislation will inspire the company to implement them.
- 4. Pressure group. This group is interested in forcing businesses to conduct green practices. This group includes governments, corporate associations, judicial institutions, and consumer protection organizations.
- Problems. It describes how companies can overcome social and environmental problems that occur in the past or present. Past problems will accumulate with current problems if solutions are not immediately found.
- 6. Prediction. The company can anticipate potential issues that may arise in the future. The company can address current issues and take preventive actions by doing so.
- Partner. Partners are third parties who can support the company regardless of whether the company has connections to other institutions that struggle with social and environmental issues.

Because packaging has a significant environmental impact, it is crucial for adequately delivering products throughout today's supply chains and society. The rising environmental pressures from single-use packaging (such as material use, waste generation, and littering) call for a reversal of this trend. Compared to single-use packaging, reusable packaging has both environmental and economic advantages and can significantly reduce environmental effects (Coelho *et al.*, 2020). With this approach, resources should be kept in closed loops, resulting in zero waste (Zhu *et al.*, 2022).

To support this strategy, Hepi Circle offers fast-moving consumer goods (FMCGs), such as shampoo, soap, and detergent, in reusable packaging to reduce plastic waste. For the first purchase, consumers buy the product and its plastic packaging. Nevertheless, for a second purchase, consumers only need to buy the products refilled into the reusable packaging. If the packaging is unused, the company sends the damaged packaging to the nearest recycling center. For doing so, Hepi Circle supports the reduction of plastic waste caused by single-use plastic packaging.

Hepi Circle products are similar to other FMGCs; what sets them apart is how they are packaged, using reusable packaging. So far, its primary goal is to introduce products to consumers. Thus, it still engages in minimal green marketing and needs to adequately identify its consumer behavior and develop an appropriate marketing strategy. To solve these issues, this study seeks to address the following two research questions:

RQ1: How does Hepi Circle classify consumer behavior towards its products?

RQ2: How does Hepi Circle design an appropriate green marketing strategy for its products?

Accordingly, to answer the research questions, this study aims to identify and map Hepi Circle consumers and design its holistic green marketing strategy. Since the green marketing strategy is comprehensive, including both internal and external company elements, this strategy exemplifies how the company incorporates community (or social) needs into its goals. Green marketing practices are growing because consumer values on sustainability are increasing. As a result, green marketing connects to sustainability. Combining internal and external green marketing, the company can develop a sustainable marketing communication strategy as follows (Nandini, 2016; cited in Manongko, 2018; Ottman, 2017):

- 1. Knowing the consumer. Before marketing a product, companies should ensure their target consumers know and care about the issues they wish to address. If companies can determine the right consumer group, they will create a marketing strategy to fit it.
- 2. Appealing to consumers' self-interest. Consumers buy products to meet their wants. Thus, they want products with the desired benefits. Environmental and social benefits can also impact purchases, especially when comparing products.
- 3. Educating and empowering consumers with solutions. Consumers want to buy green and appreciate companies' efforts to provide them with the knowledge they need to make proper purchases and use products sustainably. It works best with an emotional message that empowers consumers to manage their lives and the world.
- 4. Reassuring on performance. Some still think green products are less effective or valuable than well-known commercial ones. Although this perception decreases, it still deters some potential consumers from buying greener products. Addressing the issue will remove these barriers to product purchase.
- 5. Engaging the community. Green consumers are well-informed and quite dependent on their research. The company can consider using company branding to educate and engage consumers about their beliefs and concerns rather than just promoting green advantages in traditional ways.
- 6. Being credible. Five ways to develop credibility in sustainable branding and marketing are walking the talk, being transparent, not misleading, getting third-party support, and encouraging responsible consumption.

Moreover, this study also develops a sustainable market communication strategy for Hepi Circle after designing its comprehensive green marketing strategy. The findings of this study can provide a better understanding of green marketing practices, particularly in developing nations such as Indonesia. The findings can encourage Indonesian small and medium-sized enterprises (SMEs) to develop eco-friendly products and implement a suitable green marketing strategy. The paper is arranged as follows. The next section presents research methods, followed by findings and discussions. The final section provides conclusions, limitations, and suggestions for future research.

### **RESEARCH METHODS**

This study applied qualitative and quantitative research approaches to address the research questions comprehensively. This study conducted the qualitative research approach through an interview with the management of Hepi Circle and observations. In contrast, the quantitative research approach was carried out by a survey of the current and potential consumers of Hepi Circle. Specifically, this study employed purposive sampling in data collection using Google Forms. The minimum sample size needed for a medium-size effect (r=0.3) and a power of 0.8 with a standard alpha level of 0.05 is 85 (Cohen, 1992, cited in Field, 2018). Using the Slovin formula based on Sugiyono (2019), a sample size 100 was obtained. From the distribution of the questionnaires, 102 respondents filled in and returned the questionnaire. Thus, the amount of data is sufficient for further analysis.

The questionnaire contained 30 questions. There were four demographic questions, including gender, age, occupation, and income. Two questions related to greenness level to identify the clusters and 24 questions connected to the green marketing mix strategy. In the questionnaire, closed-ended questions were provided as multiple predefined choices for each question so that respondents could click or circle the appropriate answer.

K-means clustering was then used for the collected data to identify consumer behavior clusters. This study employed a crosstab analysis to find out the characteristics of consumers in each cluster. After that, the data was examined to design an appropriate green marketing mix of 8-Ps internal and 7-Ps external green marketing mix and develop a sustainable marketing communication strategy. Following that, the findings of this study were discussed with the company to be considered as its future marketing strategy.

# RESULTS AND DISCUSSION

#### Respondents' Profile

**Table 1** shows the respondents' profile. The survey results reveal that female respondents comprise more than three-quarters of the sample (81.37%), with male respondents coming in second (18.63%). Most respondents are between the ages of 21 and 30 (84.31%). Only 11.77% of responders are younger than 16, and only 3.92% are older than 30. Most respondents are students (77.35%). The remaining respondents are made up of employees (13.73%), housewives (4.9%), and business owners (3.92%).

### **Clustering of Consumer Behavior**

Consumer behavior and green marketing are closely intertwined because several consumer habits can explicitly encourage consumers to purchase eco-friendly products. The behavior can show consumers' willingness to pay more for the products (Dangelico & Vocalelli, 2017). Based on the interview results with Hepi Circle's management referring to internal and external green Ps, the

questionnaire included two questions according to these variables. **Table 2** presents two questions about green products on a scale between 1 and 4 (1 do not care or strongly objection, to 4 very care or no objection).

Table 1. Respondents' Profile

Variable	Answer	Number
Gender	Male	19
	Female	83
Age	<=20	12
	21-30	86
	31-40	4
Occupation	Student	79
	Entrepreneur	4
	Employee	14
	Housewife	4
	Other	1
Income per month	< IDR 1,000,000	44
-	IDR $1,000,000 - 3,000,000$	35
	IDR $3,000,000 - 5,000,000$	15
	> IDR 5,000,000	8

Source: Authors (2023)

**Table 2. Measurements of Consumer Greenness** 

Variable	Do not care	Care enough	Care	Very care
Do you think that you care about the environment?	0	28	46	28
	Strongly objection	Moderate objection	Objection	No objection
Could you pay more for eco-friendly products?	4	15	24	59

Source: Authors (2023)

As shown in **Table 2**, despite varying levels of care (the first question), all respondents (102) said they care about the environment. Forty-six (45%) care, while the rest, 28 care enough and 28 very care, 27.5% respectively. From the results calculation, this variable has an average value of 3. For the second question, 59 (57.84%), have no objection to paying more for eco-friendly (green) products. Fifteen (14.71%) have moderate objections, while the rest, 23.53%, have objections, and only 3.92% have strong objections. The average value of this variable is 1.65. According to this finding, 72.55% of respondents are willing to pay more for green products, and 27.45% said they would disagree.

Based on the results, respondents generally care about the environment and do not mind paying more for environmentally friendly products. Although they have different greenness levels, this result supports a claim that consumers who have a high value on the environment are even willing to pay more for a product while still maintaining high standards for quality. This result offers a favorable opportunity to win the competition and achieve company objectives (Setyawati *et al.*, 2017).

After identifying the greenness level of the respondents, this result was used for cluster analysis. Cluster analysis is a helpful technique for categorizing clusters of identical objects (Sarstedt & Mooi, 2019). As mentioned in **Table 5**, 74 respondents have purchased Hepi Circle products. This data would be analyzed to identify and map consumer behavior of Hepi Circle with K-means clustering. Jeffreys's Amazing Statistics Program (JASP) software was employed using the greenness level, represented with

two variables (**Table 2**). As presented in **Figure 1**, the cluster analysis generated four clusters of green consumer behavior as follows:

- 1. Sprouts (Cluster 1). This group includes seven Hepi Circle consumers (9.5%), indicated by a care value on average. However, a negative objection value denotes that buying environmentally friendly products at a higher price than ordinary ones is quite objectionable.
- 2. Grousers (Cluster 2). This group involves 18 Hepi Circle consumers (24.3%). This group has the negative value of care and the positive value of objection.
- 3. Greenback Green (Cluster 3). This group comprises 29 Hepi Circle consumers (39%) who favor spending more on pricey green products, represented by a negative value of objection. Conversely, this group has no interest in environmental activities by getting a slightly below-average care value. This result suggests that this group wants to protect its lifestyle.
- 4. True-Blue Green (Cluster 4). This group comprises 20 Hepi Circle consumers (27%) and is willing to invest more in green products and engage in activities that support environmental issues, such as reuse and recycling. The high care value and the low objection value demonstrate this result.

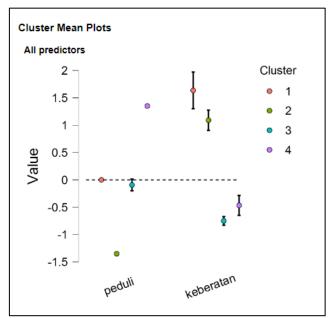


Figure 1. Clustering Consumer Based on The Greenness Level Source: Authors (2023)

# **Characteristics of Consumer Behavior's Clusters**

Cross tabulation is a form of frequency distribution between two or more variables. This analysis can determine the value of the dependencies between variables. If Crosstab is further examined, details concerning the existence or absence of variable dependence can be discovered (Situmorang & Lufti, 2014). After identifying four clusters, Crosstab analysis was conducted to test the dependency between four variables, i.e., gender, income, occupation, and information source, as shown in **Table 3**. Only one variable depends significantly on the clusters, namely the information source, with a p-value

of 0.01. **Table 4** presents the result of the Crosstab analysis that can be used to identify the respondents' characteristics in each cluster.

Table 3. Crosstab Analysis Result

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Variable	p-value	
Gender	0.106	
Income	0.050	
Occupation	0.643	
The information source of Hepi Circle	0.010	

Source: Authors (2023)

Table 4. Respondents' Characteristics in Each Cluster

	Variable	Grousers	Sprouts	Greenbac k Green	True-Blue Green
Gender	Male	6	3	4	2
	Female	12	4	25	18
Income	IDR 1,000,000 – IDR 3,000,000	10	3	8	11
	< IDR 1,000,000	3	1	17	5
	IDR 3,000,000 – IDR 5,000,000	2	2	4	2
	> IDR 5,000,000	3	1	0	2
Occupation	Student	15	6	20	15
	Non-student	3	1	9	5
The information source of Hepi Circle	Family	1	4	2	3
	Social media	12	0	18	12
	Friends	5	3	9	5

Source: Authors (2023)

Regarding the data in **Table 4**, the characteristics of each cluster can be described as follows:

- 1. Gender. The highest percentage of males is in Grousers (40%), while for females, the highest percentage value is in the Greenback Green (42,373%).
- 2. Income. The result suggests that Greenback Green contains the most significant number of respondents with an income of less than IDR 1,000,000. However, the income of less than IDR 1,000,000 is almost the same in Grousers.
- 3. Occupation. The occupation was modified to 'student' (answer number 1) and 'non-student' (answer number 2) for data processing, respectively. The Greenback Green has the highest percentage of student and non-student occupations.
- 4. Information source. There is a significant relationship between these variables. For example, social media (42%) and friends (41%) are the primary information sources for three clusters: Grousers, Greenback Green, and True-Blue Green. Meanwhile, Sprouts have the highest percentage of families as information sources (40%). This result supports the argument that the advice of friends, family, and reliable outside sources significantly impacts consumers who buy green products (Ottman, 2017). Although cluster information sources differ from the reasoning in the previous section, this result suggests that social media is an unavoidable source of information. Social media content may affect consumers positively or negatively. As Grousers has distinct environmental concerns from Greenback Green and True-Blue Green, companies must be careful when posting on social media.

# **Design of Green Marketing Mix**

Several interviews were conducted with Hepi Circle management regarding the current marketing strategies, including segmentation, targeting, positioning, differentiation, and 4 Ps. This study also surveyed both current and potential consumers of Hepi Circle with 12 closed-ended questions (**Table 5**).

Table 5. Survey Results About Hepi Circle

Table 5. Survey Results About Hepi Circle				
Variable	Answer	Number of Answers		
Where do you often purchase cleaning	Outlet	2		
products?	Retailer	63		
	Minimarket	26		
	Market	4		
	Online	7		
Do you know Hepi Circle?	Yes	81		
•	No	21		
How do you know Hepi Circle?	Friends	23		
	Family	10		
	Social media	48		
What products are known to be sold by	Detergent	70		
Hepi Circle?	Shampoo/soap	54		
_	Liquid floor cleaner	39		
	Dishwashing liquid	40		
	Others (example: fried onion)	1		
Have you ever purchased Hepi Circle	Yes	74		
products?	No	7		
Do you know how to order Hepi Circle	Yes	71		
products?	No	3		
Do you know where to find Hepi Circle products?	Outlet	48		
	Online	21		
	Others	5		
Are Hepi Circle products easy to get?	Very difficult	0		
	Difficult	17		
	Easy	49		
	Very easy	8		
Please mention a Hepi Circle product that	Detergent	19		
you have purchased more than once.	Shampoo/soap	37		
	Liquid floor cleaner	13		
	Dishwashing liquid	5		
Do you want to try Hepi Circle products	Yes	72		
in other variants?	No	2		
How many times have you purchased	Once	14		
Hepi Circle products in the past three	Twice	41		
months?	Three times	15		
	Four times	4		
Do you want to order again after trying	Yes	13		
Hepi Circle products for the first time?	No	0		

Source: Authors (2023)

As shown in **Table 5**, most respondents purchased cleaning products in various ways, such as through retailers (63 respondents), minimarket (26 respondents), and online (7 respondents). 81 of the 102 respondents knew about the Hepi circle, whereas 21 did not. Of the 81 respondents who knew Hepi Circle, 48 r (59.26%) knew Hepi Circle from social media, and 23 (28.39) knew Hepi Circle from

friends. Only 10 respondents (12.35%) knew about Hepi Circle from their families. These results indicate that most respondents know Hepi Circle from social media owned by Hepi Circle.

Detergent (70 respondents) and shampoo/soap (54 respondents) are the most well-known Hepi Circle products known by respondents. Dishwashing soap and floor cleaner are other products that respondents are aware of (40 respondents each). Only one is aware of Hepi Circle's other products. Consequently, this study develops a green marketing plan for Hepi Circle cleaning products based on this result and the company's primary focus on cleaning products. Forty-nine respondents agreed that purchasing Hepi Circle products was simple, whereas eight had a very simple experience.

Furthermore, of the 81 respondents who know Hepi Circle, 74 had purchased Hepi Circle products, while seven had never done so. Forty-eight (65%) purchased at outlets, while 21 (28.4%) purchased online. Forty-one respondents (55.41%) purchased Hepi Circle products twice, followed by 15 (20.27%) who purchased them thrice. Fourteen respondents (18.91%) purchased them once, while four (5.41%) purchased them four times. Most respondents who have purchased Hepi Circle products want to try other product variants provided by Hepi Circle. This finding shows that respondents had a good experience of consuming Hepi Circle products, making them curious about other products. Of the 14 respondents who had tried Hepi Circle for the first time, a follow-up question asked if they wanted to order again. Thirteen wanted to order again, and one chose not to answer.

**Table 6. Product and Price Survey Results** 

Product	Not often	Often enough	Often	Very often
How often do you use detergent?	6	22	36	38
How often do you use shampoo/soap?	0	5	28	69
How often do you use floor cleaner?	16	30	29	27
How often do you use dishwashing liquid?	0	5	33	64
	< 1 month	1-2 months	2-3 months	> 3 months
How long do you need to finish a one-liter bottle of detergent?	33	46	15	8
How long do you need to finish a one-liter bottle of shampoo/soap?	31	53	13	5
How long do you need to finish a one-liter bottle of floor cleaner?	11	40	29	22
How long do you need to finish a bottle of 750 ml of dishwashing liquid?	37	44	16	5
Price	< IDR 20,000	IDR 20,000- 30,000	IDR 30,000- 40,000	> IDR 40,000
How much is a fair price for one bottle of detergent?	27	50	19	6
How much is a fair price for one bottle of shampoo/soap?	26	45	20	11
How much is a fair price for one bottle of liquid floor cleaner?	43	34	22	3
How much is a fair price for one bottle of dishwashing liquid?	55	38	7	2

Source: Authors (2023)

**Table 6** lists 12 questions about these two Ps using a four-scale to obtain more specific information for product and price. It shows that detergent, shampoo/soap, and dishwashing liquid are

the most often used products. The most response for using one bottle of detergent, shampoo/soap, floor cleaner, and dishwashing liquid is 1-2 months. Most respondents said detergent and shampoo/soap should cost IDR 20,000–30,000 per bottle. Most respondents suggested a price under IDR 20,000 for one bottle of floor cleaner and dishwashing liquid. This information would be considered when creating the green marketing mix.

Based on the results from interviews, the cluster analysis, and the survey, the green marketing mix can be designed for Hepi Circle. Particularly, this study developed internal green Ps as follows:

- 1. Product. Hepi Circle aims to use green marketing to sell its products with refill systems and reusable packaging. Not only using reusable plastic packaging, but Hepi Circle should also ensure that the ingredients in its products use materials with fewer chemicals to make them more friendly to consumers and the environment. Because labels and packaging affect purchases of products categorized as green (Widjojo & Yudianto, 2015; cited in Manongko, 2018), products should be labeled with information about their ingredients and methods of use to increase consumer safety. Hepi Circle should emphasize that its reusable packaging offers a substantial opportunity to preserve the product's functionality while potentially reducing material use and environmental effects (Coelho et al., 2020). In doing so, Hepi Circle demonstrates the attributes of green products, including its use of minimum packaging, availability of refillable products, lack of possibly harmful ingredients, and lack of rapid generation of waste due to packaging (Manongko, 2018). Green products can be a distinctive and unique differentiator for a product. Green items may stand out and differentiate a product. As market conditions change, green products generate new business opportunities (Putra & Prasetyawati, 2021).
- 2. Price. As informed in the previous section, consumers only pay the cost of the packaging once at the time of the initial purchase. They merely pay the product cost for the subsequent purchase, exchanging the old package for the new. Thus, Hepi Circle products are less expensive when compared to similar products with single-use packaging. Besides, Hepi Circle can also provide a bundling price by offering several things in a single package at a lower cost than purchasing each product separately. Notably, consumers want to buy environmentally friendly products that are affordable and easy to get (Pant *et al.*, 2020).
- 3. Place. Currently, Hepi Circle can be purchased both online through its website or WhatsApp and offline via six partner outlets that work together and have the concept of selling environmentally friendly products. From the survey result, access can be facilitated by collaborating with small shops easily accessible to consumers in their residential areas because 65% of respondents get Hepi Circle products from outlets. Besides, to expand its selling areas, Hepi Circle could offer a reseller program through which it will employ a reseller agent to assist in product sales. The resellers may communicate more effectively with the local consumers in

- the area, making it more straightforward for them to purchase the products. In this way, Hepi aims to use green marketing to sell its products with refill systems and reusable packaging. Hepi Circle products can be obtained online through the hepicircle.com website or the Hepi Circle e-commerce application. In addition, consumers can buy through physical stores from Hepi Circle's partners, such as Alang-Alang Zero Waste Shop and Mamaramah Eco Bulkstore.
- 4. Promotion. Because information sources have a significant relationship with clusters, this needs to be considered in designing the green marketing mix. Based on the survey's results, 59% of respondents and more than 50% of Grousers, Greenback Green, and True-Blue Green clusters are familiar with Hepi Circle through social media. Social media currently provides facilities to make products more easily recognized by many people. For example, with the Instagram Ads feature in Instagram, companies can advertise their products and reach the next consumer with precise targeting and helpful insights. Hepi Circle may continue to run adverts on Instagram and upload testimonials or reviews from consumers who have utilized its products to attract new consumers. Furthermore, companies can carry out promotional activities that can be accepted by all consumer groups and convince these consumers to start caring about the environment.
- 5. Providing information. Hepi Circle can provide information about its products on social media to inform current and potential consumers about the company and its products. Information on the product's ingredients, manufacturing method, intended usage, and ease of access to the product are just a few examples of the types of information that can be provided. From the interview results, Hepi Circle still needs to focus on providing information related to the environment. Thus, Hepi Circle can add more information about current environmental problems or green issues in their community to show their environment concern.
- 6. Process. Hepi Circle can develop standard operating procedures (SOP) for its operations, including taking orders from resellers, obtaining materials from suppliers, cleaning product containers, and delivering products to resellers. By doing so, Hepi Circle can ensure that they produce green products because they are designed and processed to reduce the effects that pollute the environment, both in production, distribution, and consumption (Handayani et al., 2017).
- 7. Policies. According to the results of the interview, Hepi Circle participates in supporting the existing government regulations, namely Regulation of the Minister of Environment and Forestry of the Republic of Indonesia Number P.75/MENLHK/SETJEN/ KUM.1/10 /2019 concerning Roadmap for Waste Reduction by Producers Articles 4 and 6 (Menlhk, 2019).
- 8. People. Hepi Circle should share knowledge about green products with its employees to inform the consumers when selling its products.

To strengthen its green marketing strategy, Hepi Circle can also develop external Green Ps as follows:

- Paying consumers. Based on the results of cluster analysis, there were four consumer clusters, namely Greenback (39%), True-Blue Green (27%), Grousers (24.3%), and Sprouts (9.5%). True-Blue Green is a consumer group that cares about the environment and does not mind paying for products with a higher price than regular products. Meanwhile, Grousers are a group of consumers who feel that protecting the environment is not their responsibility. However, Greenback Green and True-Blue Green are most concerned with green products. Notably, environmentally friendly product consumers have excellent potential to implement green marketing successfully(Hanifah et al., 2016). Thus, Hepi Circle should convince these consumer clusters that products from Hepi Circle do not generate waste but are still economical. Based on the survey result, some Grousers have purchased Hepi Circle products, and several True-Blue Green needed to learn about Hepi Circle. Therefore, these groups can become potential consumers. To increase consumer trust and convince other groups (Sprouts and Grousers), Hepi Circle should get a certification for its products, such as Indonesian National Standard (SNI: Standar Nasional Indonesia) (BSN, 2017). According to the interview result, Hepi Circle has submitted a test for dishwashing liquid products. Next, Hepi Circle will request to test other products.
- 2. Provider. Hepi Circle currently receives materials from suppliers in large quantities in big containers, then packs them in smaller packages in one-liter bottles. This product in smaller packaging will be distributed to resellers. Hepi Circle can ask the suppliers to provide information about raw materials used to create the products.
- 3. Politician. Currently, the government's support for green products is growing. For instance, the Ministry of Trade is committed to empowering small and medium enterprises (SMEs) to improve the quality of environmentally friendly products through technical guidance activities (Kemendag, 2019). Because of this, more businesses are producing green products, and consumers are becoming more interested in them (Dangelico & Vocalelli, 2017).
- 4. Pressure group. Recognizing the ability of the market to bring about change, many environmental groups collaborate freely with businesses, providing insightful advice and knowledge (Ottman, 2017). Hepi Circle can build cooperation with groups that care about the environment to optimize this benefit, such as Zero Waste Indonesia and Sayang Bumi. For example, Sayang Bumi organized a local project called "Recycle Circle" that included events like webinars, workshops, and video campaigns. Hepi Circle may participate in the event to draw in consumers interested in using refill products to help reduce plastic waste.
- Problems. According to the interview results, Hepi Circle aims to solve problems related to
  plastic waste. As explained in the Introduction, Hepi Circle wants to reduce plastic waste with
  products with reusable plastic packaging.

- 6. Prediction. One of the predicted problems is refilling packaging products. Hepi Circle can provide detailed information about the packaging cleaning procedure to overcome this issue. Also, Hepi Circle can conduct product testing to address this concern and increase consumer confidence. Based on the interview result, Hepi Circle has proposed testing dish soap products and is willing to apply for testing of other products. By doing this, Hepi Circle tries to comply with the regulation.
- 7. Partner. Hepi Circle can collaborate with other parties, such as restaurants, so that the restaurant can wash dirty dishes using Hepi Circle products. Through this activity, Hepi Circle can show the benefits of its dish soap and highlight that its products do not create plastic waste.

**Table 7** presents the sustainable marketing communication strategy of Hepi Circle based on internal and external green marketing Ps. This strategy can help Hepi Circle achieve its objectives and missions and communicate them to consumers. Through this strategy, more consumers will be environmentally concerned and prefer to purchase eco-friendly products like Hepi Circle with reusable packaging.

Table 7. Sustainable Marketing Communication Strategy of Hepi Circle

Table 7. Sustainable Marketing Communication Strategy of Hepi Circle		
Green marketing strategy	Description	
Knowing your consumer	Hepi Circle consumers can be grouped into four clusters, namely Grousers, Sprouts, Greenback Greens, and True-Blue Greens.	
Appealing to consumers' self-interest	<ol> <li>Hepi Circle uses materials with fewer chemicals to create its products.</li> <li>The consumers' most popular and frequently used products are soap and shampoo.</li> </ol>	
Educating and empowering consumers with solutions	<ol> <li>Hepi Circle can highlight the use of reusable packaging.</li> <li>Hepi Circle can provide information on current environmental issues.</li> </ol>	
Reassuring on performance	<ol> <li>Hepi Circle can collaborate with restaurants to use Hepi Circle products to wash their dirty dishes. This action will demonstrate the effectiveness of the Hepi Circle dishwashing liquid.</li> <li>The fact that Hepi Circle products do not produce waste sets them apart from comparable goods.</li> </ol>	
Engaging the community	<ol> <li>Hepi Circle can collaborate with communities involved in the green movement, such as Green Peace, Zero Waste Indonesia, or Sayang Bumi, to develop cooperative environmental initiatives.</li> <li>Hepi Circle may conduct a reward program to encourage consumers to inform their friends and families about Hepi Circle, such as price reductions, gift cards, or something else.</li> </ol>	
Being credible	<ol> <li>Hepi Circle should have its products certified.</li> <li>Hepi Circle publishes consumer reviews of its products on its social media channels.</li> </ol>	

Source: Authors (2023)

### CONCLUSION AND RECCOMMENDATION

Hepi Circle offers fast-moving consumer goods with reusable plastic packaging. Since its packaging can be used several times, it can reduce plastic waste. In terms of the greenness level, the cluster analysis resulted in four clusters, i.e., Greenback Green (39%), True-Blue Green (27%), Grousers (24.3%), and Sprouts (9.5%). After mapping its consumers, Hepi Circle can design its appropriate and compelling green marketing mix consisting of 8-Ps internal and 7-Ps external marketing. The designed green marketing mix is holistic as it consists of more Ps than a conventional marketing mix with 4 Ps. By combining the internal and external green marketing mix, Hepi Circle can create its sustainable marketing communication strategy. This strategy can help Hepi Circle communicate its green marketing mix to consumers and other stakeholders, such as suppliers, community groups, partners, and the government.

The findings of this study reveal that by providing products in reusable packaging and creating an effective marketing mix strategy for the products, the company may actively support government efforts to reduce plastic waste. The results of this study also show that the degree of greenness can be used to categorize consumer behavior of green products. As a result, the findings of this study can contribute to the literature on green marketing and enrich the implementation of green marketing strategies in developing nations like Indonesia. The results of this study can also offer a reference for creating a marketing mix that aligns with the company's vision and is compliant with green marketing.

Nonetheless, there are several restrictions on this study. First, this study only surveyed consumers in Surabaya. Future research may cover green product consumers beyond Surabaya. Second, the greenness level in this study was related to two questions. In order to better reflect consumer behavior of green products, future research could address this limitation by including more variables. Third, this study focused on how the company develops a green marketing strategy. Further research may investigate whether green marketing strategies significantly influence company performance.

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