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ANALYSIS OF CUSTOMER SATISFACTION IMPLICATIONS OF ECO- FRIENDLY PREFERENCE AND ECO-FRIENDLY PRODUCT QUALITY

[1]Manish Kumar and [2]Dr. Gaurav Shukla
[1]Research Scholar Maharishi University of Information Technology Lucknow
[2]Assistant Professor Department of Civil Engineering, Maharishi University of Information Technology Lucknow

ABSTRACT

The goal of this research is to look at eco-friendly preferences and product quality, as well as their effects on customer satisfaction, either partially or concurrently. The study employed a quantitative approach that included multiple linear regression analysis. As an independent variable (X), eco-friendly preference and eco-friendly product quality were measured, while consumer satisfaction was examined as a dependent variable (Y). The study's focus was on the modern market consumer as a unit of analysis. The data was collected through saturated random sampling with 100 respondents from Bandung's modern market customers. The E views programmed was used to calculate the statistical analysis, which included the Classical Assumption Test and hypothesis testing tests of Z, T, and F with a significant level of () 5%. The findings revealed that environmentally friendly preferences and environmentally friendly product quality have a considerable beneficial impact on customer satisfaction. This result was obtained because a statistical test revealed that when customer demand for environmentally friendly products and product quality improves, so will customer happiness. Both factors, Eco-Friendly Preference and Eco-Friendly Product Quality, have partial or simultaneous influence on Customer Satisfaction.

Keywords: Eco friendly environment, product quality, preferences

1. INTRODUCTION

In today's contemporary period, the general public circles the purchase transaction in the modern market surrounding the neighbourhood where the customers dwell, and the degree of consumption of various products on the market is extremely high. Do we comprehend, however, that the items we consume are safe for consumers and do not destroy the environment? Surprisingly, a product that is available on the market is inextricably linked to an appealing design, extensive communication, and appropriate product quality. The phenomena of customers' use of environmentally friendly items was discovered through a pre-survey conducted by the author in the form of direct interviews with customers in the current market in January 2018 and depicted in Figure 1.
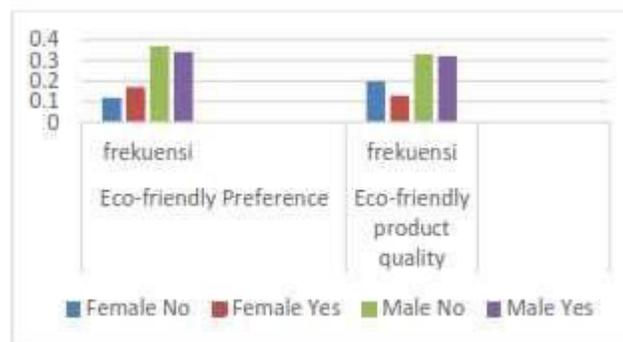

Figure 1: Data from the study in 2018

Consumers of many everyday necessities should exercise caution. Consumers are frequently aided by a variety of widely disseminated information on the quality of the products on offer. Consumers are encouraged to select items that are not only useful in meeting demands and complying with consumption feasibility norms, but also have an environmentally friendly manufacturing method.

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Based on current events, this study examines how the contemporary market is attempting to establish environmentally friendly preferences and the quality of environmentally friendly products, which will have an impact on customer satisfaction, which will, of course, have a beneficial impact on the modern market.

Green marketing is a strategy used by marketers to respond to consumers' growing concern about the environment. Green marketing is defined as (1) developing products that are less harmful to the environment in their production, use, or disposal than traditional versions of the product; (2) developing products that have a positive impact on the environment; or (3) tying the purchase of a product to an environmental organisation or event [1]. Green marketing is a marketing strategy that focuses on environmental preservation [2]. Green marketing is inextricably linked to the consumer's comprehension, action based on their eco-preferences, and the quality of the consumer's product, such that the desired attribute of the product makes the consumer happy. Lack of awareness of green products, as well as negative opinions of green products, can be addressed by educating customers and developing better products [3].

1.1 CONSUMER PREFERENCES FOR ECO-FRIENDLY PRODUCTS:

Using consumer preference data, sustainable growth focuses on finding out what customers love and dislike about environmentally friendly items, and finding out how well current consumers understand and appreciate them. plastic wrappers, cup coffee, cake wrap, pouches, consumables, electronic devices, and others are examples of environmentally conscious products. When products are no longer needed, they have no impact on the environment. An effective strategy for reducing pollution is to set an example and make sure the products purchased meet environmental safety standards. as predicted by [4] It's possible that the target audience likes the product, but they do not prefer it to the competition. According to [5], consumer preferences are defined as awareness and attraction; customers so respond to the products on offer. People comprehend and are intrigued because the thing being given is familiar to them because of the process of communication. Increasing consumer awareness and interest in environmentally friendly items are vital in influencing decisions to purchase such products. [6] A preference is a kind of attitude that either likes or dislikes an object, concept, or person.

The greater the degree of visual/aesthetic correspondence, the more likely it is that an object will be favoured [according to the preference-for-prototypes theory]. Product labelling, packaging, use, and disposal must all be taken into consideration in order to safeguard the environment. Incorporating the brand into the evoked set for extended choice making calls for a preference method. An easy capture technique is sometimes insufficient when extended decision making requires numerous brands, multiple qualities, and a variety of information sources. Rather, in order to win favour with the target market, the marketer must construct an information campaign that results in the brand being chosen by these individuals. it expects an involved search with extensive product information, as well as many locations to shop and venues to select from. Next, companies need to make a strong statement on those marketable characteristics. [1]. There are substantial and dramatic disparities in taste and colour preferences around the world. If you overlook consumer preferences, you run the risk of a poor return on investment (ROI). Consumers with a high degree of environmental knowledge showed a stronger effect of attitude towards the environment than consumers with a low level of environmental awareness. This assessment provides insight into the antecedents of eco-friendly product purchases for green and non-green customers.

1.2 ECO-FRIENDLY PRODUCT OF SUPERIOR QUALITY:

The quality of eco-friendly products faces issues relating to customer awareness and trust in the product's quality. The two primary issues are that (1) consumers may perceive the product is of lower quality as a result of its green status and (2) they may believe the product is not truly green [4]. Successful green or eco-friendly products effectively address both of these issues, such as organic foods perceived to be healthier, tastier, and safer, and energy-efficient appliances perceived to be less expensive to operate. Additionally, emphasis should be placed on the product's green image, safety, and quality [12,13]. According to [12,13], improving service, product quality, menu, and facilities has a favourable effect on consumer perceived value and satisfaction, hence forming positive consumption attitudes. [14] Green items were classified as general green products, recycled paper products, animal-free products, ecologically friendly detergents, organically grown fruits and vegetables, ozone–friendly

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aerosols, and energy-efficient products. Additionally, there was a substantial positive association between ecologically conscious behaviour and purchasing intention for environmentally friendly products [15]. By and large, green items are referred to as ecological or environmentally friendly products [16].

1.3 SATISFIED CLIENTS:

Satisfaction refers to a person's sentiments of joy or disappointment in response to the perceived performance or outcome of a product in comparison to his or her expectation [4]. According to [17], satisfaction is an emotional state, and the buyer's post-purchase attitude can be one of discontent, neutrality, joy, annoyance, or pleasure. [18] 'Satisfaction is tied to an individual's subjective assessment of feeling. Emotions arise as a result of disconfirmation and the ratio of output to input. The outcome is either a positive or negative sense of fulfilment. Additionally, [19] adds that customer satisfaction is the attitude toward a product or service following its purchase and use. Consumer experience and education have an effect on product satisfaction and subsequent purchases [20].

We utilize multiple linear regression to examine how these eco-friendly inclinations and the quality of eco-friendly items can have a considerable positive effect on consumer satisfaction. This result was obtained because statistical analysis demonstrated that as customer preference for eco-friendly products and the quality of eco-friendly products grows, customer satisfaction will increase as well. The article's objective. The objective of this article is to examine eco-friendly choice and eco-friendly product quality, as well as their impact on customer satisfaction, either in part or in full.
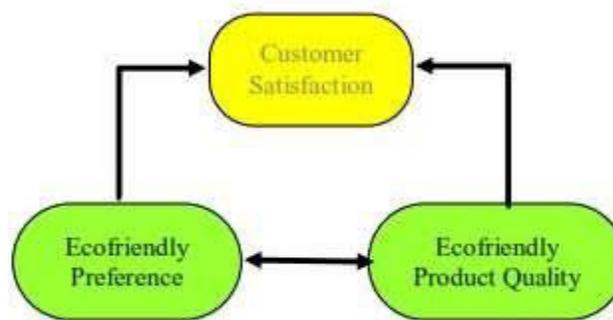

Figure 2: The research's model

2. TECHNIQUE:

The research was conducted quantitatively using multiple linear regression analysis. Three variables were measured: eco-friendly preference, eco-friendly product quality (X), and customer satisfaction (Y) (Y). The current market customer served as the unit of analysis in this study. The data gathering technique used saturated random sample with 100 respondents from Bandung's modern market. The statistical study employed the Classical Assumption Test and hypothesis testing for Z, T, and F at a significance level of () 5%, as estimated by the Eviews programme.

2.1 Eco-Friendly Choice and Eco-Friendly Product Quality are Related to Customer Satisfaction by Multiple Linear Regression:

The following results of multiple linear regression analysis are achieved using the E-views 7 software: A has a value of 0.36, b1 has a value of 0,30, and b2 has a value of 0,58. Thus, the following equation for multiple linear regression can be constructed:

$$Y = 0.36 + 0,30X1 + 0,58X2 \text{ ------------------------- (1)}$$

The following equations can be interpreted using the a and bi values:

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c = 0.36 indicates that if eco-friendly choice and product quality are both 0%, customer satisfaction is valued 36%.

X1 = 0.30 indicates that if customer preference for eco-friendly products increases by 1% but product quality remains unchanged, customer satisfaction will improve by 30%.

X2 = 0,58 indicates that if the quality of eco-friendly products grows by 1% and the desire for ecofriendly products remains constant, customer satisfaction will increase by 58 percent.

2.2 THE CONVENTIONAL ASSUMPTION TEST:

Additionally, an examination of the classical assumption reveals the following:

BLUE Test	Criteria	Acceptance
Correlation serial test	X^2 statistic < X^2 table where $0.687 < 5,99$	model free from serial correlation problem
Normality test	Jarque-Bera < X^2 table where $2.28 < 5,99$	residual is normally distributed
Linearity Test	F f-statistic < f-table $(0.05;2;100) = 3.09$ so that $1.32 < 3.09$	linear model is acceptable
Heteroscedasticity	Obs*R-squared = 0.925665 < table chi-square (5%,df) = 5.99	the model passed the heteroscedasticity test
Multicoliniarity	If R-squared 1 > R-squared 2 then R-squared1 = $0.717 > $ R-squared2 = 0.513	the model did not find any multicoleniarity

Table 1: The above analysis of the classical assumption reveals the following

3. RESULTS AND DISCUSSION:

3.1 CUSTOMER SATISFACTION IMPLICATIONS OF ECO-FRIENDLY DESIRE AND ECOFRIENDLY PRODUCT QUALITY:

The coefficient of determination (KD) is equal to the square of the correlation coefficient (R), alternatively referred to as the R-Square. The coefficient of determination is used to determine the impact on customer satisfaction of eco-friendly choice and eco-friendly product quality.

The coefficient of determination, or R square, of E-Views 7 is 0, 7175 or 71, 75 percent. This demonstrates that eco-friendly preference and eco-friendly product quality have a cumulative effect of 71,75 percent on the Customer Satisfaction variable. Eco-friendly preference and eco-friendly product quality have a cumulative effect of 71,75 percent on the Customer Satisfaction variable. While the remaining 28.25 percent is due to the influence of unmeasured variables other than eco-friendly preference and eco-friendly product quality.

3.2 CORRELATION BETWEEN ECO-FRIENDLY PREFERENCES AND THE QUALITY OF ECO-FRIENDLY PRODUCTS:

To determine whether the variables relating to eco-friendly preference and eco-friendly product quality are positively or negatively correlated, we used statistical testing of z. H0: 1 = 2 = 0, indicating that there is no positive link between eco-friendly preferences and the quality of eco-friendly products in Bandung's Modern Market.

H1: I 0, indicating that there is a positive correlation between eco-friendly preferences and the quality of eco-friendly products at Bandung's Modern Market.

The significance threshold () is 0.05.

Criteria for testing:

If the value of Z-statistics exceeds the value of Z-table, reject H0.

Accept If the value of Z-statistics is greater than the value of Z-table

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Z value of 10.9 was obtained from the calculation results. This value is compared to the table's Z value. Z-table = Z / 2 = Z0,025 = 1.82 when = 0.05. As the value of Z-statistics (17,34) is greater than the value of Z table (1,82), H0 is rejected and Ha is accepted; the Z value is a positive sign indicating that the relationship between Eco-friendly preference and Eco-friendly product quality is in the same direction; Eco-friendly preference includes the extent to which Eco-friendly product quality exists. Assuming variable X1 (Eco-friendly preference) is constant, value 17,34 indicates that there is a positive relationship between eco-friendly preference (X1) and eco-friendly product quality (X2) in Bandung's Modern Market.

3.3 ECO-FRIENDLY CHOICE AND ECO-FRIENDLY PRODUCT QUALITY HAVE A LIMITED IMPACT ON CUSTOMER HAPPINESS:

3.3.1 Testing Implications Eco-Friendly Preference (X1) to Customer Satisfaction (Y) Either Partial. Ho:

1 = 0, indicating that eco-friendly preferences have a negligible effect on customer satisfaction. Ha: 1 0, which indicates that eco-friendly preferences have a marginal effect on customer satisfaction. With a significance level of 5%. Eco-friendly preference has an t-Stat value of 1.66, as determined by EViews-7 processing. This value will be compared to the value in the distribution table t for the table t. With = 0.05 and df = n-k-1 = 96- (3-1) = 94, the value of the t table for the two-sided test is 1.66. Given that t-Stat for X1 (4.05)> t-table, Ho accepted implies that Ecofriendly preference has a marginal effect on Customer Satisfaction. That is, increasing customer preference for eco-friendly products and services will have a substantial impact on increasing customer satisfaction.

4. CONCLUSION:

The authors draw the following findings based on the results of their data analysis and discussion:

In the modern market of Bandung, there is a favourable correlation between eco-friendly preference (X1) and eco-friendly product quality (X2). Eco-friendly preference is effective in increasing the quality of eco-friendly products, and good eco-friendly product quality has a positive impact on customer satisfaction.

Eco-friendly preferences have a marginal effect on customer satisfaction. This could be because in today's market, eco-friendly preferences have a partial impact on customer pleasure, as well as reel green product excellence. Eco-friendly product quality has a marginal effect on customer satisfaction. That is, if the quality of eco-friendly products is increased, the effect on customer satisfaction in Bandung's modern market will increase.

Customers who obtain rewards will feel good about their opposition to the company and its environmentally beneficial items.

The research indicates that there are considerable concurrent implications of eco-friendly preference and eco-friendly product quality on customer satisfaction, and that the implications of eco-friendly preference and eco-friendly product quality have a significant impact on customer satisfaction. This means that if Eco-friendly preferences and product quality are correctly handled and strengthened, the impact on Customer Satisfaction will also increase.

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