CHAPTER III
RESEARCH METHOD

3.1 Research Description

The author of this research uses quantitative method of data collection and uses questionnaires to find the factors that influence consumer’s purchase intention. The resulting data from the questionnaire will be processed using **Statistical Product and Service Solution** (SPSS). The author uses statistic as statistic is an important element when evaluating sources.

3.2 Population and Sample

3.2.1 Population

Population is defined as the entire number of individuals that has certain measurement; it also includes individual, or object observed (Lind, Marchal, & Wathen, 2017). The population in this research is potential buyers of Jolav in Indonesia. The population number in this study is unknown. Because of the unknown amount of population, there will be a sampling group taken to make this research feasible.

3.2.2 Sample

According to Ganganpreet (2017), sampling is a technique used by researchers to choose a smaller amount of selected individuals or items from a systematic population to serve as the source of data in order to help obtaining the data of the study. The sample in this study will be people who have interest in purchasing soap from Jolav. Since the number of the population is unknown, the
The author of this study will use unknown population formula to determine the sample size (Susetyo, 2019):

\[
n = \frac{Z^2}{4\mu^2}
\]

Where:

- \( n \): Sample Size
- \( Z \): Confidence level of the sample for this research, at \( \alpha = 5\% \) (95\% confidence interval), so \( Z = 1.96 \)
- \( \mu \): Margin of error, sampling error level allowed (set at 10\%)

Based on the previous formula, the following is obtained:

\[
n = \frac{1.96^2}{4(0.1)^2} = 96.04 \text{ (rounded up to 97)}
\]

Therefore, the sample size of this study will consist from a minimum of 97 potential buyers of Jolav.

### 3.3 Data Collection Methods

#### 3.3.1 Data Types and Source of Data

Data are information, such as facts, numbers, letters, and symbols that has been processed to describe an object, idea, condition, or situation (Bourgman, 2012), as cited by Grant (2017, 5). This research will collect two types of data, which are:

a. Primary data: The result of the questionnaires distributed to the respondents. The researcher will process the data using SPSS from the collected questionnaires.

3.3.2 Data Collection

The data provided in this research will be collected through two methods, which are:

a. Questionnaire

Questionnaire is used as a tool for collecting and recording information regarding certain issue in form of a set of questions (Bolarinwa, 2015).

b. Literature

According to Machi & McEvoy (2016), theoretical knowledge can be used to help the researcher to understand the topic, whereas field-based knowledge can be used to support the significance of the study. To gain theoretical and field-based knowledge, this research uses literature review as one of the data collection method.

3.3.3 Variable Measurement

The scales used in this research are interval scale and nominal scale. Nominal scale is used to gather a sample’s general information, such as the respondent’s age and gender. The interval scale is used to measure the importance & the significance of a statement given. To measure a respondent’s agreement towards a given statement, the 5-point Likert scale will be used as a scaling technique in this research. The formation of Likert scale used is:

Scale 1 for Strongly Disagree (SD),

Scale 2 for Disagree (D),

Scale 3 for Neutral (N),

Scale 4 for Agree (A), and

Scale 5 for Strongly Agree (SA).
### 3.4 Operational Definition and Variable Measurement

#### 3.4.1 Operational Definition

<table>
<thead>
<tr>
<th>Variable</th>
<th>Conceptual Definition</th>
<th>Indicators</th>
<th>Operational Definition</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Product</strong></td>
<td>Green products are products that are harmless to human and the environment, are not wasteful on resources, do not produce excessive waste, and do not involve animal cruelty (Dhar &amp; Das).</td>
<td>1. Ingredients. 2. Responsible sourcing. 3. Packaging. 4. Product has eco-responsible label.</td>
<td>1. I am interested in buying Jolav soap because it is made of natural ingredients. 2. I am interested in buying Jolav soap because it is made from responsibly sourced materials. 3. I am interested in buying Jolav soap because it uses eco-friendly packaging. 4. I will be more interested in buying Jolav soap if it has eco-friendly labels (e.g. Organic label).</td>
<td>Dhar &amp; Das (n.d.)</td>
</tr>
<tr>
<td><strong>Price</strong></td>
<td>Price is the amount that the consumer pays in exchange of the value they gets (price should be proportional with the value of a product) (Larashati, 2012). Proportionality refers to something that is corresponding with the size or amount to something else (Lexico, n.d.). In this case, meaning that the increase in price is balanced with the green value.</td>
<td>1. Price &amp; green benefits, proportionality 2. Prestige from the price.</td>
<td>1. I am interested in buying Jolav soap because the price is proportional with its value &amp; green benefits. 2. I am interested in buying Jolav soap because it is a prestigious product.</td>
<td>Larashati (2012)</td>
</tr>
<tr>
<td><strong>Place</strong></td>
<td>Place is where consumers can get a product from. Marketers should make the product</td>
<td>1. Carbon emissions produced from product procurement.</td>
<td>1. I am interested in buying Jolav soap because it is available near me.</td>
<td>Larashati (2012), Jolav’s social</td>
</tr>
</tbody>
</table>
### Promotion

<table>
<thead>
<tr>
<th>Promotional Practices</th>
<th>Reasons for Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental campaign.</td>
<td>I am interested in buying Jolav products because Jolav is actively promoting environmental campaigns.</td>
</tr>
<tr>
<td>Professionally designed promotion content.</td>
<td>I am interested in buying Jolav soap because Jolav’s promotion content is professionally designed.</td>
</tr>
<tr>
<td>Company’s honesty towards eco-friendly claims.</td>
<td>I am interested in buying Jolav soap because Jolav is honest towards its eco-friendly claims.</td>
</tr>
</tbody>
</table>

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### People

<table>
<thead>
<tr>
<th>Employee Practices</th>
<th>Reasons for Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Storekeeper’s behavior towards environmental protection.</td>
<td>I am interested in buying soap from Jolav because the employees care about environmental sustainability.</td>
</tr>
<tr>
<td>Storekeeper’s awareness towards environmental protection.</td>
<td>I am interested in buying Jolav soap because the employees aware about environmental protection.</td>
</tr>
</tbody>
</table>

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### Process

<table>
<thead>
<tr>
<th>Production Practices</th>
<th>Reasons for Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>The company advises consumers for not using plastic bags.</td>
<td>I am interested in buying Jolav soap because Jolav is actively trying to reduce waste (e.g. minimizes usage of plastic bags).</td>
</tr>
<tr>
<td>The company prioritizes on the safety &amp; wellbeing of the employees</td>
<td>I am interested in buying Jolav soap because Jolav</td>
</tr>
<tr>
<td>Physical Evidences</td>
<td>Purchase Intention</td>
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<tr>
<td>--------------------</td>
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<td><strong>Physical Evidences</strong></td>
<td><strong>Purchase Intention</strong></td>
</tr>
<tr>
<td>Physical evidences are the tangible touches a company gives to demonstrate its consistency in practicing sustainability (Dhar &amp; Das).</td>
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</tr>
<tr>
<td>1. The store uses natural colors for its nuance. 2. The store uses sustainable materials for decoration.</td>
<td>1. The customer is triggered into buying Jolav products. 2. The customer is expecting a certain outcome from using a product. 3. The customer is trying to satisfy their aspirations. 4. The customer has been recommended Jolav soap by their associates. 5. The customer is emotionally associated with Jolav product / brand.</td>
</tr>
<tr>
<td>1. I am interested in buying Jolav soap because the booth presents a natural &amp; eco-friendly nuance. 2. I am interested in buying Jolav soap because they use sustainable materials for decoration.</td>
<td>1. I am interested in buying Jolav soap after learning about Jolav’s product &amp; social values. 2. I expect to have a healthy skin when I buy Jolav soap. 3. I want to buy a soap from Jolav to contribute in giving positive impact in the society. 4. I have been recommended by a relative to buy a soap from Jolav before. 5. I am interested in buying Jolav product because of the community empowerment activity that Jolav does.</td>
</tr>
</tbody>
</table>

Source: Processed Data

Table 3.1 Research Variables and Indicators
3.5 Validity and Reliability

3.5.1 Validity

Validity test is a tool used to measure the degree of accuracy of a research concept. Validity analysis aims to test the validity of each of the questions asked in a questionnaire. A valid & accurate measurement process is important as it determines the validity of the data. A questionnaire is valid if the significance value of the Pearson Correlation coefficient is less than 0.05 for each question indicator (Lind, Marchal, & Wathen, 2017).

3.5.2 Reliability

Reliability test is used to measure the level of trustworthiness & reliability of an answer given by the respondents. According to Lind, Marchal, & Wathen (2017), a variable is determined as reliable if the Cronbach Alpha value is above 0.60.

3.6 Data Analysis Method

3.6.1 Multiple Regression Analysis

This research uses Multiple linear regression analysis to measure the impact of each variables. This is done by measuring the linear relationship between two or more independent variable and one dependent variable (Lind, Marchal, & Wathen, 2017). The formulation is stated as below:

\[
Y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_7 X_7 + e
\]

Where:
- \(Y\) = Purchase Intention
- \(a\) = Constanta
- \(\beta_{1,2,3,4,5,6,7}\) = Regression Coefficient
- \(e\) = Error
- \(X_1\) = Product
- \(X_2\) = Price
- \(X_3\) = Place
- \(X_4\) = Promotion
- \(X_5\) = People
- \(X_6\) = Process
- \(X_7\) = Physical Evidence
3.6.2 Research Tests

3.6.2.1 Classical Assumption Test

a. Multicollinearity test

According to Lind, Marchal, & Wathen (2017), Multicollinearity test is used to find the degree of correlation between the independent variables in the regression model. The test is done by examining the value of Variance Inflation Factor (VIF) and tolerance. If the VIF value is less than 10 with tolerance above 0.10, it means there is no multicollinearity between the independent variables.

b. Normality test

Normality test is used to find the normality distribution of the independent variable and the dependent variable. This research will use Kolmogorov-Smirnov test to assess the normality of the variables. The variables will be classified as normal if the residual significance is above 0.05 (Lind, Marchal, & Wathen, 2017).

c. Heteroscedasticity test

According to (Lind, Marchal, & Wathen, 2017), Heteroscedasticity test is used to find out whether the residual variance differs between the observations. In this research, the researcher will use Glejser test as the measurement tool to find out the heteroscedasticity. There is no heteroscedasticity in this research if the significance is equal to or above 0.05.
3.6.2.2 Model Fit Test (F Statistic test)

The F test aims to find whether all independent variables, simultaneously, significantly affect the dependent variable. The independent variables are said to have significant effect on the dependent variable if the F sig. value is $\leq 0.05$ (Lind, Marchal, & Wathen, 2017).

3.6.2.3 Partial Significance Test (t Statistic test)

The partial significance test is used to know whether an independent variable, partially, significantly affects the dependent variable. The independent variables, partially, have significant effect on the dependent variables if the t sig. value is $\leq 0.05$ (Lind, Marchal, & Wathen, 2017).

3.6.2.4 Coefficient of Correlation ($R$) and Coefficient of Determination ($R^2$)

The coefficient of correlation ($R$) determines the level of relationship between two or more independent variables and dependent variable and is measured on the scale of 0 to 1. The closer the $R$ value to 1, the stronger the correlation is.

The Coefficient of determination ($R^2$), will show the percentage of contribution that is given by independent variables in affecting the dependent variable. (Lind, Marchal, & Wathen, 2017).