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Green Innovation, Knowledge & Fair Pricing: Shaping Customer Attitudes

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Abstract: *Sustainability has emerged as a global concern due to the escalating climate crisis, resulting in a heightened focus on green products by companies worldwide. Customer attitudes are a reliable predictor of preferences for green products and are influenced by factors such as product knowledge, product innovation, and price fairness. This study utilizes an explanatory research design with quantitative methods to analyze the relationships between these variables. Based on a sample of 150 respondents, the results demonstrate that product knowledge, product innovation, and price fairness significantly impact customer attitudes toward green products. Companies like Starbucks Indonesia should enhance their advertising strategies to improve customer knowledge of green products, adjust their pricing to reflect greater fairness, and develop more innovative green products. These efforts are vital to boosting customer engagement with green products and aligning with global sustainability trends.*

INTRODUCTION

Sustainability has gained significant global importance in response to the escalating climate crisis (Gonzalez and Sorescu, 2019). In Indonesia, for example, noticeable climate changes are enhancing public awareness of the need to protect the environment. This heightened awareness is evident in the growing preference for environmentally friendly products, as more consumers choose options that promote ecological well-being (Fauziyah, 2023). Consequently, green products have emerged as a priority, attracting heightened interest from businesses over the past few years.

The creation and promotion of eco-friendly products have evolved into a worldwide trend (Y. Wang et al., 2018). In recent years, environmentally friendly products have attracted growing interest because of their positive impact on the environment (Hong et al., 2018). Given the issues that pose a risk to ecosystems and the environment, consumers are anticipated to favor green products that do not cause environmental harm (Asih et al., 2022). In response, the company has concentrated on developing innovative green products, a crucial approach to fulfilling customer expectations (Melander, 2017). Therefore, innovating green products has been a focus to improve company competitiveness (Chang, 2016; Zhu, Sarkis et al, 2008). It contributes to increased profitability for the company and supports capability and productivity in business operations

(Savitz, 2013).

Consumers who prioritize sustainable products and possess a heightened awareness of environmental challenges are often categorized as green consumers. Green customers can be defined as individuals who have positively adopted environmentally friendly behavior and tend to have a positive attitude toward green products rather than standard products (Shamdasani, 1993). Green customers avoid products that harm the environment and cause hazardous waste (Ali & Ahmad, 2012). Over the past decade, there has been a significant surge in the population of eco-conscious individuals, reflecting a growing trend toward sustainable consumer behavior (Adhitiya et al, 2019; Haba et al., 2023). According to a survey conducted by WWF Indonesian and Nielsen, 63 percent of Indonesian customers have a positive attitude toward green products (Firmansyah, 2018).

Customer attitudes are often viewed as one of the most robust and insightful predictors of consumer preferences when it comes to environmentally sustainable products (Singh, 2011). The success of green products lies in consumers' adopting a positive attitude towards green products (Bahl et al, 2018). Based on previous research green product knowledge is a factor that influences customers' attitudes toward green products (Huang et al., 2014). Lack of information regarding green product knowledge negatively influenced customer attitudes, meanwhile, customers with high levels of knowledge have much better pro-environmental attitudes (Mohd Suki, 2016) . Other literature finds factors affecting positive customer attitudes toward green products are price fairness and product innovation (Lee, 2012). Customers pay attention to product innovation and price fairness to determine their likelihood of adopting green products (Lee, 2012).

Product knowledge among consumers is a reliable predictor of their likelihood to have positive attitudes toward green products. Customers who understand the importance of green products are inclined to use green products. According to certain research, customers' attitudes toward green products and their actual behavior are favorably correlated when they possess product knowledge (Cerri et al., 2018). On the other hand, consumers who do not possess product knowledge tend to have less impression of green products (Stucki, 2019) . In comparison, consumers with limited product knowledge will not likely use a green product. On the other hand, individuals who have a stronger understanding of green products are likely to have different levels of attitudes. Therefore, product knowledge most likely affects customer attitudes toward green products. A previous study found that Product Innovation is another aspect that influences customer attitudes(Wu et al, 2014).

Product innovation is the introduction of new or significantly improved products (Pujari, 2006). Product innovation plays an imperative role in consumers' attitudes to try new products. Product innovations can be viewed as creating new products aimed at satisfying market needs (Cheng et al., 2014). Most studies show a positive effect of product innovation on market share and sales growth. Previous research investigated the antecedent roles of innovativeness on customer attitude toward green products and found that product innovation significantly affects the positive attitude of customers toward green products. Apart from newly innovated and environmentally friendly materials and production processes, green products are sometimes distinctive in appearance. (Hubert et al., 2017) . The innovation in appearance creates positive attitudes of customers towards green products. Moreover, green products sell relatively at a high price compared to conventional products (Wei et al., 2012) . In addition, based on previous research mentioned that price fairness is also a factor that affects customer attitudes toward green products (Liang, 2016).

Price Fairness can be described as the consumers' judgment of whether an outcome or the

process to reach an outcome is reasonable (Bolton et al, 2001). Price fairness is defined as the customer's assessment of whether the difference between the seller's price and other comparative parties is reasonable, acceptable, and justifiable (Xia et al, 2004 ; Khandelwal et al, 2012) . Product Price Fairness plays a pivotal role in consumer attitude toward green products. Usually, green products are sold at higher prices in the range of 20% to 30% more expensive than typical products (Dekhili et al, 2013). It might affect customer attitudes toward green products if there is no significant reason for price differentiation (Commer Soc Sci et al., 2019). Previous research demonstrates a positive impact of price fairness on attitudes towards green products (Maxwell, 2002). This implies higher price fairness of a price increase maintains a more positive attitude towards the product. Consumers are usually willing to pay a premium price for a product whose attributes, designs, and functions are beneficial to them (Kong et al., 2014) . The customer understanding regarding the value and price of products are fair will likely uplift positive customer attitudes toward green products. It could be deduced from the above discussions that green product price fairness influences consumers' attitudes toward green products (Mittleman, 2012; Ansu-Mensah, 2021). In this study, the object of this research is Green Product at Starbucks.

Starbucks is a multinational company that is committed to reducing plastic waste in their business. Starbucks has core environmental protection values (Starbucks, 2021; Maksum, 2022). Starbucks has reduced the environmental disaster by introducing green products such as reusable cups (tumblers and mugs), paper straws, and reusable bags (spun bonds). Starbucks innovates its green product by creating a tumbler with many themes, colors, and attractive appearance. Starbucks Coffee has been committed to doing more for years and is constantly looking for new ways to reduce the environmental impact of single-use cups and other packaging by launching green products.

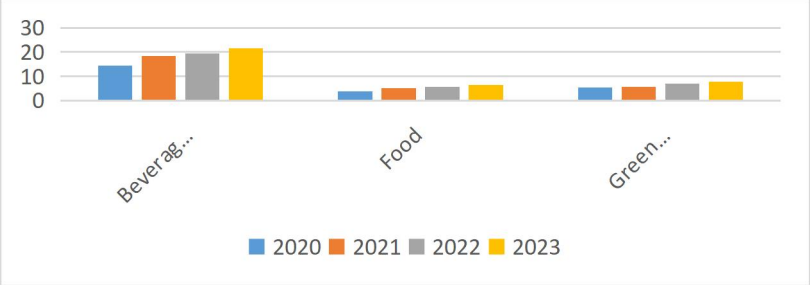


Figure 1. Starbucks Revenue Distribution
Source: Statista, 2024

Based on the horizontal bar diagram above, the vertical axis (y-axis) represents the total revenue gathered from each category of product sold by Starbucks in billions of US dollars and the horizontal axis (x-axis) represents the category of product sold by Starbucks. With the increase in customer attitudes towards green products. There is an issue among customers regarding Starbucks' green product design that is unfavorable to customers' preferences. Based on an interview with one of the baristas of Starbucks stated that the customers of Starbucks using green products remain stagnant. Most Starbucks customers are selective on green product designs. Moreover, customers see Starbucks's green products price as relatively high compared to other competitors. In addition, customers who use green products are still only loyal customers who understand Starbucks' green products (Starbucks, 2024). Based on the previous study shows that Starbucks customers are yet to know about Starbucks' green products evidence (Hanifah et al, 2017).

Therefore, this research intends to find the effect of Product Knowledge, Product

Innovation, and Price Fairness on Customer Attitudes in green products. The empirical result may be used for the development of green products for the company. Based on the background above, the researcher will conduct research with the title Green Product as the Innovation: The Analysis of Product Knowledge, Product Innovation, Price Fairness on Customer Attitude of Starbucks.

LITERATURE REVIEW

Customer Attitudes

Attitude is described as a set of beliefs, and attitudinal loyalty toward a specific product or service. and formed of cognitive, affective, and behavioral components in it (Schiffman et al, 2019) . Attitudes are oriented toward various entities, including products, product categories, brands, services, advertisements, websites, media, retailers, and more. Attitudes reflect either a favorable or an unfavorable evaluation of the attitude object (Chou et al, 2020).

Product Knowledge

Knowledge is information retained in consumers' memory that influences their purchasing decisions regarding products. Consumers with a high level of knowledge about a certain product are more likely to be familiar with the product since product knowledge is formed based on individual experiences or known information. In addition, consumers with a high level of knowledge about a particular product are less likely to feel anxious when purchasing the product (Cacciolatti et al., 2015).

Product Innovation

Product innovation is a new product recognition process due to an increase in the added value of a product, which makes it different from other products (Wahyuni, 2019) . Companies usually make innovations to provide added value. Product innovation can be in the form of the design, model, or function of a product or service. Product innovation is to take products that already exist in the existing market to the next stage. Therefore, existing products have improved functionality and usability for existing markets and successful entry time into markets.

Price Fairness

The price is defined as the money that customers exchange in terms of service or product, or the value they receive (Kotler, 2010) . The price of a product has a substantial impact on consumers' decision-making. For instance, consumers can easily perceive the price level of a product. According to Brucks et al (2000), consumers use price to judge the quality dimension. Consumers use the range of remembered price experiences to set a lower and upper bound of price expectations.

Hyphotheses Development

Prior research indicates a strong correlation between knowledge of green products and attitudes toward green products (Vermeir et al, 2008) . Customers' adoption of green products is directly influenced by their level of attitudes in evaluating green products, which is influenced by their extensive knowledge and information regarding the qualities, functions, and utility of these items (Harris et al, 2010) . The level of consumer knowledge regarding green products positively correlates with their comprehension of the environmental protection attributes and qualities associated with such products. If consumers have product knowledge that adopting green products can yield positive advantages, they will likely exhibit an increase in their attitude toward

green products (Chou et al, 2020).

According to a previous study, it was shown that customers who are provided with product knowledge regarding the environmentally friendly attributes of a product tend to have a better level of attitudes toward green products (Padel et al, 2005). Consumers tend to show more positive attitudes towards green products and are more confident about the reliability of the environmental protection functions of green products. Consequently, this leads to an increased desire to purchase green products. Several studies have demonstrated a significant correlation between customers' product knowledge and their behavior toward green products. Customers who understand the attributes of green products are more inclined to exhibit a positive attitude (Wang et al., 2020).

Further, Roh et al (2020) emphasize that customers with a higher level of knowledge regarding green products can distinguish the quality of the relevant product compared to other competitors. In the C-A-B theory, Product Knowledge is part of the cognitive beliefs when customers have a positive belief toward green products, they are likely to develop positive attitudes toward green products (Chou et al, 2020). On the other hand, if consumers do not have sufficient product-related information or knowledge about the product, will diminish their adoption of green products (Padel et al, 2005) . Based on previous research, this research hypothesis is:

H1: Product Knowledge positively affects Customer Attitude

According to prior research, a favorable correlation exists between product innovation and consumer attitude. Positive attitudes toward new items under the same brand that they have been buying repeatedly and with which they have been satisfied (Zhang et al, 2020). An increase in product innovation has a positive impact on the perceived value of a product (Rayi et al, 2021). Consumers often favor new products. If innovation in a product meets customers' expectations, they will develop positive attitudes toward those objects (Zhang et al, 2020).

According to a prior investigation, product innovation has a beneficial effect on the profitability of a company (Artz et al., 2010) . This is because product innovation has a positive relationship with customer attitudes (Flores et al, 2022) . Thus, increases the value of the purchase decision (Rayi et al, 2021) . In the theory of C-A-B, Product Innovation is part of the affective beliefs components. Product Innovations may elicit excitement, curiosity, or admiration, generating positive affective responses and enhancing attitudes towards green products (Chou et al, 2020) . Prior studies about innovative fashion products using green products received a positive response to their innovation in customer attitude (Ginting et al, 2021).

A previous study found that customers are appreciative of product innovation of green products appearance (Shravan et al., 2024) . Visual elements of green products contribute a positive unique quality to the product that affects positive customer attitudes. These findings indicate that customers can readily embrace innovation in green products. Therefore, the impact of product innovation on customer attitudes is significant. Based on previous research, this research hypothesis is:

H2: Product Innovation positively affects Customer Attitude

Previous research has indicated that the motivation of purchasers to buy eco-friendly items is significantly influenced by factors such as price and product quality (Bit et al, 2022). Heo & Lee (2011) conducted a study on the impact of consumer perception of pricing fairness on purchase decisions. They identified price fairness as a reliable predictor of consumers' purchase

decisions. Consumers tend to believe that the selling prices of market offerings are considerably higher than their perceived fair prices. If prices are acceptable in the customer price range, it will lead to a positive attitude towards the product. However, if it contrasts with customer expectations, it will diminish their attitude toward the product. Customers will seek additional information, form cognitions that justify the high price, and then consider buying other products (Chou et al, 2020).

A previous study found that the price of green products has an impact on customers' purchasing choices (Kalaiselvi et al, 2021) . Consumers who are sensitive to price in their purchase decisions are unlikely to acquire green products. Other literature also mentioned that consumers set price as barriers to using green products (Sharma, 2021). Nevertheless, they linked this phenomenon to the insufficient knowledge among customers regarding green products, resulting in their sensitivity towards the prices of green products. The evidence found that customers with low awareness prefer low-priced green products (Tascioglu et al., 2019) . In the theory of C-A-B, Price Fairness is part of the affective beliefs components. Fair pricing practices evoke positive emotions such as trust and satisfaction, contributing to favorable affective attitudes toward green products (Chou et al, 2020) . Based on previous research, this research hypothesis is:

H3: Price Fairness positively affects Customer Attitude

METHODS

In this study, an explanatory research design is utilized alongside quantitative methods. Explanatory research is a study that aims to explain the position of the variables studied and the relationship between one variable and another. The nature of this research is descriptive analysis as it aims to offer a systematic and precise description of the variables under investigation. In this study, the analysis will focus on examining the effect of Product Knowledge, Product Innovation, and Price Fairness on Customer Attitude.

Population represents the entire group or set of people, events, or things of interest that are the focus of the study (Sekaran, 2016) . In this research context, the population are customers of Starbucks who have been acknowledged and have experience using Starbucks's green products. The study consists of 4 variables, which means the minimum sample size is 40 samples. This research aims to have 150 samples to get near the total potential population of the study. According to Sekaran (2016), the larger the sample size, the more accurate the average values will be. This study utilizes a non-probability sampling approach, As for the technique, the writer uses purposive sampling where it is important to select the specific target of Starbucks customers that acknowledge Starbucks green products.

RESULT AND DISCUSSION

Classical Assumption Test Result

Normality Test Result

The normality test is performed to assess the distribution of data in the study, determining whether it follows a normal distribution. This test can be conducted using graphical analysis, such as histogram charts. Data is considered to be normally distributed when the histogram curve appears symmetrical and doesn't lean to the left or right (Sunyoto, 2017).

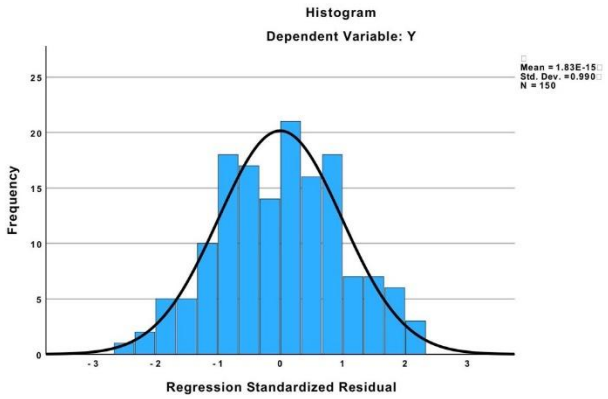


Figure 2. Normality Test Histogram
Source: Primary Data Processed

Based on the graph in Figure 2, it is evident that the data distribution is normally distributed. This is indicated by the bell-shaped curve graph being centered, without leaning to the left or right, and showing symmetrical characteristics.

The normality test can also be conducted using the Normal Probability Plot chart. According to Ghozali (2018), the distribution of items on the Normal probability Plot graph is considered normal when the plotted data points align along the diagonal line, similar to the characteristics of a histogram chart.

Normality Test with Normal Probability Plot

The Normal Probability Plot graph in Figure 4.2 demonstrates that the items are dispersed around a diagonal line and follow the same direction. This indicates that the regression model is normally distributed and satisfies the normality assumption require

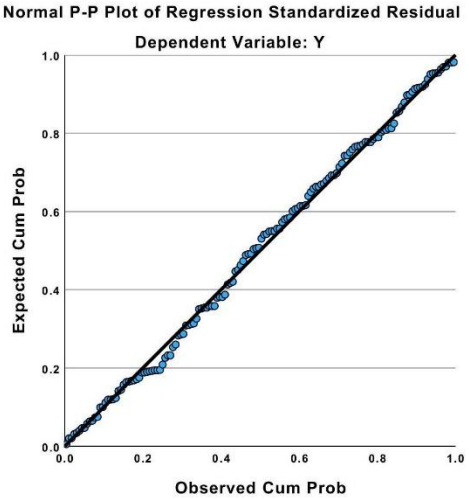


Figure 3. Normal Probability Plot
Source: Primary Data Processed

The normality test can also be conducted using statistical testing, such as the Kolmogorov-Smirnov test, as presented in Figure 3. In this case, the obtained exact Sig. (2-tailed) value is 0.355, which is greater than the significance level of 0.05. Therefore, it can be

concluded that the residual values are normally distributed.

Table 1. Normality Test with Kolmogorov-Smirnov

One-Sample Kolmogorov-Smirnov Test

			Unstandardized Residual
N			150
Normal Parameters[a,b]	Mean		.0000000
	Std. Deviation		1.71732046
Most Extreme Differences	Absolute		.054
	Positive		.054
	Negative		-.035
Test Statistic			.054
Asymp. Sig. (2-tailed)[c]			.200[d]
Monte Carlo Sig. (2-tailed)[e]	Sig.		.355
	99% Confidence Interval	Lower Bound	.342
		Upper Bound	.367

a. Test distribution is Normal.
b. Calculated from data.
c. Lilliefors Significance Correction.
d. This is a lower bound of the true significance.
e. Lilliefors' method based on 10000 Monte Carlo samples with starting seed 2000000.

Source: Primary Data Processed

Multicollinearity Test Result

The multicollinearity test is conducted to identify the presence or absence of multicollinearity in a regression model, using metrics like the 'tolerance value' and 'variance inflation factor' (VIF). In a regression model free from multicollinearity, the VIF should be less than 10, and the 'tolerance value' should be greater than 0.1, as described by Ghozali (2018).

Table 2. Multicollinearity Test

Variable	Collinearity Statistics		Explanation
	Tolerance	VIF	
Product Knowledge	0.165	6.069	Non-Multicollinearity
Product Innovation	0.286	3.492	Non-Multicollinearity
Price Fairness	0.153	6.548	Non-Multicollinearity

Source: Primary Data Processed

The data in Table 2 indicates that both variables X1, X2, and X3 have tolerance values greater than 0.100, and their VIF values are less than 10.00. Therefore, based on the results of the multicollinearity test, it can be concluded that the independent variables in this study do not exhibit any symptoms of multicollinearity.

Heteroscedasticity Test Results

Heteroscedasticity is considered not to occur if there is no discernible pattern, such as a wavy or widening and narrowing pattern on the scatterplot chart. Additionally, the data points should be spread both above and below the 0 on the Y-axis, as described by Ghozali (2018).

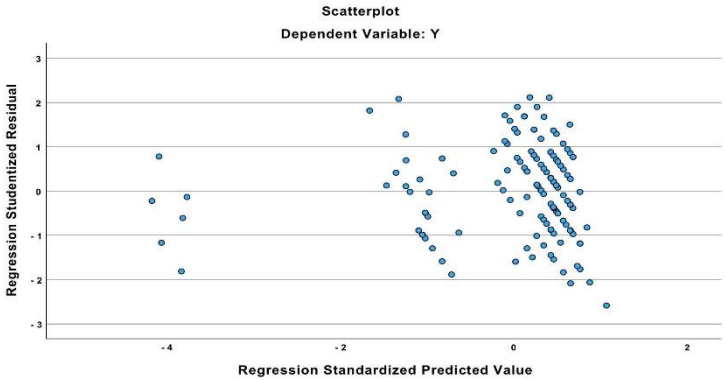


Figure 4. Heteroscedasticity Test Results
Source: Primary Data Processed

The scatterplot chart in Figure 4 demonstrates a random distribution of dots without forming a specific pattern. The dots are also dispersed both above and below the 0 on the Y-axis. Based on the results of the heteroscedasticity test through the scatterplot graph, it can be concluded that there are no symptoms of heteroscedasticity.

Heteroscedasticity can also be tested using the Spearman method. In this method, the presence of heteroscedasticity is ruled out when the significance value between the independent variable and the absolute residual is greater than 0.05.

Table 3. Heteroscedasticity Test using Spearman

Variable	Sig	Description
Product Knowledge	0.058	Non-heteroscedasticity
Product Innovation	0.385	Non-heteroscedasticity
Price Fairness	0.184	Non-heteroscedasticity

Source: Primary Data Processed

Based on the results of the heteroscedasticity test using the Spearmen method in Table 3, it can be concluded that there are no symptoms of heteroscedasticity because each model has a significance value greater than 0.05.

Linearity Test Results

The linearity test conducted to determine the linearity between the independent variable (X) and dependent variable (Y) is in a straight line (Widhiarso, 2010).

Table 4. Linearity Test Result

Variables	F	Sig.
Y*X1	1258.519	<0.001
Y*X2	1283.523	<0.001
Y*X3	961.422	<0.001

Source: Primary Data Processed

In this research, the linearity significant value between product knowledge (X1), product innovation (X2), price fairness (X3) toward customer attitude (Y) is below 0.05 which indicates the linearity between variables (Widhiarso, 2010).

Multiple Linear Regression Result

The multiple linear regression test is conducted to determine whether there is an influence of two or more independent variables (X) on the dependent variable (Y), as outlined by Sunyoto (2017).

Table 5. Multiple Linear Regression Result

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	0.978	0.901		1.085	.280
	Product Knowledge	0.513	0.070	0.521	7.299	<.001
	Product Innovation	0.371	0.121	0.166	3.070	.003
	Price Fairness	0.523	0.134	0.290	3.913	<.001

Source: Primary Data Processed

In this research, there are 3 independent variables, which are product knowledge, product innovation, and price fairness, that influence customer attitude as dependent variables. Furthermore, to calculate the coefficient of the independent variables to estimate the most significant variable that influences customer attitude is used as follows

Multiple linear regression formula as follows:

$$Y = \alpha + \beta 1X1 + \beta 2X2 + \beta 3X3 + \varepsilon$$

$$Y = 0.978 + 0.513\ X1 + 0.371\ X2 + 0.523\ X3 + \varepsilon$$

1. **β1 = 0.513**
   The regression coefficient for product knowledge is 0.513, indicating that, assuming a constant value and no change in other predictor variables, such as product innovation and price fairness, an increase in product knowledge is associated with an increase in the dependent variable, which is customer attitude.
2. **β2 = 0.371**
   The regression coefficient for product innovation is 0.371, indicating that, assuming a constant value and no change in other predictor variables, such as product knowledge and price fairness, an increase in product Innovation is associated with an increase in the dependent variable, which is customer attitude. In this research, product innovation is found to be the lowest predictor compared to product knowledge and product innovation that influence customer attitude.
3. **β3 = 0.523**
   The regression coefficient for price fairness is 0.523, indicating that, assuming a constant value and no change in other predictor variables, such as product knowledge and product innovation, an increase in price fairness is associated with an increase in the dependent variable, which is customer attitude. In this research, price fairness is found to be the highest predictor compared to product knowledge and product innovation that influence customer attitude.

F-test Result

The model feasibility test aims to determine whether the regression model has an overall significant effect. Based on the data in Table 6, it is evident that the independent variables produce an F count greater than the F table value, which is 372.413, and a significance value of 0.05, specifically 0.000. This signifies that the model is feasible and suitable for the data. In this

study, the F table value was obtained using the formula (DF = N-K and DF= K-1), which resulted in (DF = 150-4 and DF= 4-1), giving (DF = 146 and DF = 3). The F table value for 146 at a significance level of 0.050 is 2.60.

Table 6. F-Test Result

ANOVAa						
Model	**Sum of Squares**		**df**	**Mean Square**	**F**	**Sig.**
1	**Regression**	3151.744	3	1050.581	349.055	<.001b
	Residual	439.429	146	3.010		
	Total	3591.173	149			

a. Dependent Variable: Customer Attitude
b. Predictors: (Constant), Product Knowledge, Product Innovation, Price Fairness

Source: Primary Data Processed

Determination Coefficient Result

The determination coefficient test is conducted to assess the model's ability to explain the variation in the independent variables. Its values range from 0 to 1, with a higher coefficient indicating that the independent variables provide more information for predicting the related variable.

Table 7. Coefficient of Determination Result

Model Summary			
Model R	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1.937a	**0.878**	**0.875**	**1.73487**

a. Predictors: (Constant), Product Knowledge, Product Innovation, Price Fairness
b. Dependent Variable: Customer Attitude

Source: Primary Data Processed

Based on Table 7, the correlation coefficient value between the independent variable, namely product knowledge (X1), product innovation (X2), and price fairness (X3) and the dependent variable (Y) customer attitude is 0.940 (column R). This value suggests a strong relationship between the independent variable (X) and the dependent variable (Y) because the resulting number is greater than 0.5. Additionally, the adjusted determination coefficient (adjusted R-square) is 0.882, indicating that 88% of the dependent variance of Customer Attitude is influenced by the factors of product knowledge (X1), product innovation (X2), and price fairness (X3). The remaining 12% is influenced by other factors that are not studied through the variable in this research.

Hypothesis Test

T-Test Result

A partial regression model test is employed to assess if specific independent variables in the regression model significantly influence customer attitude. The t-test is used to examine the existence of a relationship. If the significant value is less than or equal to 0.05, it is considered that a regression-forming variable is significant. The T table value for this study was calculated using the T formula (DF = N-K-1, where DF = 150 – 4 – 1, resulting in DF = 145). This calculation yielded a T table value of 1.65 for 145 degrees of freedom at a significance level of 0.050.

Table 8. t-Test Results

Variable	t Count	t Table	Significant
Product Knowledge	7.299	1.65	0.000
Product Innovation	3,070	1.65	0.000
Price Fairness	3.913	1.65	0.000

Source: Primary Data Processed

Based on the data in Table 8 above, it is shown that the Product Knowledge has a t-count greater than the t-table, which was 7.299, and a significance value less than 0.05, which was 0.000. From these results, it can be concluded that H0 is rejected, and H1 is accepted, with the details of the Product Knowledge (X1) positively having a significant effect on Customer Attitude (Y)

Based on the data in Table 8 above, it is shown that Product Innovation has a t-count greater than the t-table, which was 3.070, and a significance value less than 0.05, which was 0.000. From these results, it can be concluded that H0 is rejected, and H1 is accepted, with the details of the Product Innovation (X2) positively having a significant effect on Customer Attitude (Y)

Based on the data in Table 8 above, it is shown that the Price Fairness has a t-count greater than the t-table, which was 3.913, and a significance value less than 0.05, which was 0.000. From these results, it can be concluded that H0 is rejected, and H3 is accepted, with the details of the Price Fairness (X3) positively having a significant effect on Customer Attitude (Y).

Discussion

Effect of Product Knowledge on Customer Attitude

Based on the data in Table 8, which includes responses from 150 participants, it is evident that there is a significant effect between product knowledge and customer attitude. Therefore, H1 is accepted, indicating that product knowledge has a significant influence on customer attitude. This variable comprises 2 indicators, which include actual knowledge and self-perceived knowledge. In this research, the result shows that product knowledge positively affects customer attitudes toward Starbucks Green Products. The highest average of respondent answers is the respondents know Starbucks green products from seeing them in an offline store. On the other hand, the lowest average of respondent answers is in the familiarity of customers regarding Starbucks Green products. Thus, it encouraged Starbucks should increase their advertisement effort to introduce their products to the customers. Starbucks should improve its advertising strategy by giving relevant information regarding the usefulness of green products through the offline store. The more familiar customers with green products, customers will perceive a positive cognitive memory regarding the benefits of using Starbucks' green products.

This research is consistent with the research conducted by Roh et al (2022) where customer understanding regarding the quality of a product influences their positive attitude toward the product. In addition, it is also proven that customers who understand the attributes and specialty of the product will exhibit a positive customer attitude toward the products.

Effect of Product Innovation on Customer Attitude

Based on the data in Table 8, which includes responses from 150 participants, it is evident that there is a significant effect between product innovation and customer attitude. Therefore, H2 is accepted, indicating that product innovation has a significant influence on customer attitude. In this research, the highest average of respondents' answers is that Starbucks's green products are

innovative. Meanwhile, the lowest average of respondents' answers is that Starbucks's green products are new to the market. Indicating Starbucks green products is no different than other competitors. Therefore, it needs to improve the innovation on its green products to differentiate it from other competitors while staying persistent with its long-lasting quality. That is because product innovation positively influences customer attitudes to use the product if there is something unique about the product compared to other competitors in the market.

This research is consistent with the research conducted by Ginting (2021) in which innovation on green products can receive a positive attitude from the customers. On the other hand, it proved the research by Shravan et al (2024) that innovations in product appearance which create the uniqueness of the product positively affect customer attitudes. It is also linear with research conducted by Zhang et al (2020) which stated that customers appreciate new innovations in a product.

Effect of Price Fairness on Customer Attitude

Based on the data in Table 8, which includes responses from 150 participants, it is evident that there is a significant effect between price fairness and customer attitude. Therefore, H3 is accepted, indicating that price fairness significantly influences customer attitude. This variable comprises 4 indicators: flexibility, reasonableness, acceptability, and superiority. In this research, the highest average of respondent answers is the price of Starbucks Green Products met with customer expectations and fulfilled their needs of using green products. On the other hand, the lowest average of respondent answers is the variety pricing of Starbucks green products with the reasonableness of pricing on Starbucks green products being the second lowest average on respondents' answers. Thus, Starbucks needs to improve its price variety on green products and give more information regarding the product's worth to the customers such as information about the raw materials and usage of technology for creating the products while staying consistent with the utility of the green products.

This research is consistent with the research conducted by Tascioglu et al. (2019), where customers tend to act positively if they understand that the product price is comparable with the quality of the product. Moreover, this study is consistent with research conducted by Wang et al. (2020), where customers tend to have a positive attitude toward green products if they understand the price of the product is reasonable compared to other competitors.

CONCLUSION

The problems of the study and the hypothesis testing in this research have been formulated in the previous chapter. The conclusions drawn from the results are elaborated below:

1. Based on the results regarding the influence of product knowledge and customer attitude, it is evident that H1 is accepted signifying that product knowledge has a significant effect on customer attitude
2. Based on the results regarding the influence of product innovation and customer attitude, it is evident that H2 is accepted signifying that product innovation has a significant effect on customer attitude
3. Based on the results regarding the influence of price fairness and customer attitude, it is evident that H3 is accepted signifying that price fairness has a significant effect on customer attitude.

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