



THE EFFECT OF PRODUCT KNOWLEDGE AND SUBJECTIVE NORMS ON CONSUMER PURCHASE INTENSION AND PURCHASE DECISIONS (STUDY AT UBUD SARI ORGANIC RESTAURANT, BALI, INDONESIA)

Ni Wayan Sri Ekayanti 

Master of Management Study Program, Faculty of Economics and Business,
Udayana University, Indonesia
bkvlceka@gmail.com

I Putu Gde Sukaatmadja

Master of Management Study Program, Faculty of Economics and Business,
Udayana University, Indonesia

Abstract

Organic food is food produced without the use of chemicals, hormones, antibiotics and without using Genetic Modified Organism (GMO) techniques. Consumers are increasingly aware of products that are environmentally friendly, environmentally friendly and environmentally friendly. Consumer decision making is an important aspect for marketers because it determines whether consumers will make a purchase or not make a purchase for a decision that consumers set. The design of this study is associative research, using a survey method, where data is collected through information from respondents who filled out questionnaires that researchers spread. The research was conducted at Ubud Sari Organic restaurant located in Ubud, Gianyar, Bali, Indonesia. The research objects are product knowledge, subjective norms, purchase intentions, and purchasing decisions. The population of this research is visitors and buyers who are consumers of Ubud Sari Organic restaurants. Determination of the sample is 112 in accordance with the provisions of sampling. This study uses the Structural Equation Model (SEM) - Partial Least Square (PLS) with a variance based approach with WarpPLS 5.0 as an analysis method.

The results of hypothesis testing prove that product knowledge and subjective norms have a positive and significant effect on purchase intention. Similarly, purchase intention has a positive and significant effect on purchasing decisions.

Keywords: Product knowledge, subjective norms, purchase intentions, consumer decisions, structural equation model, partial least square

INTRODUCTION

Changing environmental conditions with global warming make some people more aware of the importance of environmental care. Lately, public awareness of the environment began to increase after seeing the amount of environmental damage that occurred. Environmental observer organizations have emerged and criticized activities carried out by marketers. This affects consumers so they begin to pay more attention to environmental issues than before. Consumers are very concerned about the limited resources available on earth, health and environmental destruction, so they begin to look at products that are more environmentally responsible (Dimiyati et al., 2018)

Changes in public awareness of this environment pose challenges for marketing players in marketing their products. Smart marketers will look at environmental issues as opportunities to satisfy the needs and desires of consumers by applying environmental issues in the marketing activities they do.

Purchasing decisions are activities of individuals who are directly involved in making decisions to make purchases on products offered by sellers (Kotler and Keller, 2009: 179). According to Simamora (2004), interest is something that is personal and related to the individual's attitude towards an object will have the strength or drive to do a series of behaviors to approach or get the object. The interest in buying is the stage of the consumer's tendency to act before the buying decision is truly carried out.

Theory of Planned Behavior (Ajzen, 2005) states that interest in behavior is a function of attitudes, subjective norms, and perceptions of behavioral control over behavior. This means that someone's interest in doing behavior is predicted by his attitude towards his behavior and how he thinks, other people will judge it if the individual performs that behavior and then internal and external beliefs are perceived as controllers. Schiffman and Kanuk (2007) suggested that interest in buying is a psychological activity that arises because of the feeling (affective) and mind (cognitive) of an item or service desired.

Knowledge is known as a characteristic that affects all phases in the decision making process. Consumers who consider the importance of environmental consequences will buy products that are environmentally friendly. Consumer awareness is formed from patterns of behavior that are responsible for the environment and respect for the existence of other beings on this earth. Consumer awareness comes from their knowledge of the importance of creating a healthy environment that is the basis of the improvement in the quality of human life.

Besides knowledge, other predictors of consumer purchase intentions are subjective norms. Subjective norms are perceptions of social pressure to do or not take an action or behavior (Ajzen, 2005). Rahayu (2013) explains subjective norms are individual beliefs about the expectations of influential people around (significant other), both individuals and groups to display certain behaviors or not. The above definition explains that subjective norms are products of individual perceptions of beliefs held by others. Significant other provides guidance on the right thing to do.

The phenomenon that has occurred lately is the increasing interest and desire of consumers to be able to consume food and beverages that are environmentally friendly. Consumers are increasingly aware of products that are environmentally friendly, environmentally friendly and environmentally friendly.

Organic food is food produced without the use of chemicals, hormones, antibiotics and without using Genetic Modified Organism (GMO) techniques. Food or food ingredients that use organic labels, should also not contain additives such as MSG, artificial sweeteners, preservatives, dyes, and artificial flavorings. There have been many studies on the benefits of organic food which is allegedly able to increase immunity in degenerative diseases, prevent the occurrence of free radical exposure, cell regeneration, and be able to optimize antibodies.

The study was conducted at Ubud Sari Organic restaurant in Ubud, Gianyar to explore variables that affect consumer intention and purchasing decisions for products produced by Ubud Sari Organic restaurants which are known to sell a variety of organic food and beverage products that are environmentally friendly.

LITERATURE REVIEW

Theory of Planned Behavior (TPB)

Theory of Planned Behavior (TPB) proposed by Fishbein and Ajzen (1980) is a continuation of the Theory of Reasoned Action (TRA) which was also proposed by Fishbein and Ajzen. Theory of Planned Behavior is one of the most predictive persuasion theories. The main difference between the two models of Theory of Reasoned Action (TRA) and Theory of Planned Behavior

is that the Theory of Planned Behavior combines additional dimensions of perceptions of control behavior as determinants of behavioral intentions (Ajzen, 1991).

According to TPB, the individual performance of a particular behavior is determined by his intention to carry out that behavior. For TPB, attitudes toward target behavior, subjective norms about involvement in behavior, and perceived behavioral control influence the intention and behavior of internet buying. As a general theory, TPB does not specify certain beliefs related to a particular behavior, so determining the beliefs that are left to the preferences of the researcher. The TPB provides a strong theoretical basis for testing such a premise, along with a framework for testing whether attitudes are indeed related to the intention to engage in certain behaviors, which themselves must be related to actual behavior. Based on the theory, beliefs about how important referrals that other people feel about buying the internet to other important people's views must also influence the intention to make purchases on the internet. Finally, perceived behavioral control is informed by beliefs about individual ownership of opportunities and resources needed to engage in behavior (Ajzen, 1991).

Theory of Planned Behavior has been applied to the study of the relationship between attitudes toward behavior, subjective norms, perceptions of behavioral control, behavioral and behavioral intentions in various fields, including advertising, public relations, campaigns, and health. Theory of Planned Behavior is shown in Figure 1.

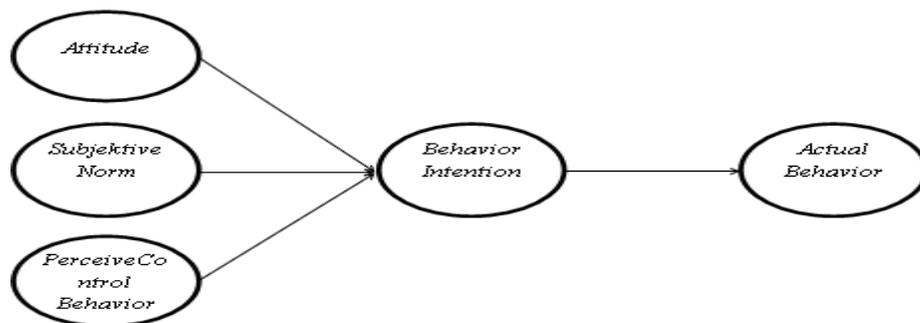


Figure 1. Theory of Planned Behavior Concept

Source: Ajzen (1991)

Buying decision

Definition of Purchasing Decisions

Purchasing decisions themselves are activities of individuals who are directly involved in making decisions to make purchases on products offered by sellers (Kotler and Keller, 2012: 179). With this purchasing decision, consumers can make choices about products that are in accordance

with the needs and desires of consumers, especially for cosmetic products in the country that are currently emerging with many variations and choices.

A purchase decision is a process of integration that combines the attitude of knowledge, to evaluate two or more alternative behaviors, and choose one of them. Purchasing decisions are the choice of two or more alternative purchasing decision choices, meaning that someone can make a decision, there must be several alternative choices and considerations (Schiffman and Kanuk, 2007). According to Wardhana and Iba (2014), making an individual purchasing decision is a stage of the buying behavior process that precedes and determines the purchase action if the action is needed. The action needed here means buying the desired product in order to satisfy their needs. Based on the above understanding it can be concluded that purchasing decisions are a process of making a decision from consumers to make a purchase, after making various considerations. The decision to buy can lead to how the process in making that decision is done.

Measurement of Purchasing Decisions

Consumer decision making is an important aspect for marketers because it determines whether consumers will make a purchase or not make a purchase for a decision that consumers set. Consumer decisions are closely related to information owned by consumers and various factors that are influenced by consumer knowledge about the product to be bought (Wardhani et al., 2016). In the consumer decision-making process, the influence of the consumer situation will provide different end results for each consumer. The stages of information seeking are also influenced by the level of consumer needs for the product they are looking for. Consumer decisions are influenced by external environmental factors such as cultural, social, personal and psychological factors (Kotler and Keller, 2012: 179).

Wardhani et al. (2016) relates the dimensions of consumer purchasing decisions based on consumer desires to obtain as much information as possible about the product they want to buy, the buying process carried out by consumers in a short period of time and the desire of consumers to recommend to other parties about the products they have bought. Septifani et al. (2014) stated the dimensions of consumer purchasing decisions based on actual purchases made by consumers and the frequency of purchases made by consumers of a particular product. Saputro et al. (2016) measure consumer purchasing decisions based on several indicators, namely: (1) consumer routines / habits in making purchases; (2) stability of choice on a product; (3) the speed of time to decide on a purchase; (3) more actively seeking information about products; (4) decide on your own purchase.

Wardhana and Ika (2014) state that purchasing decisions are influenced by the marketing and environmental mix through the characteristics of buyers and the process of purchasing decisions. The process of consumer purchasing decisions includes: (1) introduction of problems / needs; (2) information seeking, (3) alternative evaluation; (4) buying action; (5) behavior after purchase.

Intention of Purchase

The purchase intention is the stage of the respondent's tendency to act before the actual buying decision is made. Buying intention shows how likely consumers are to buy a brand or how likely it is for consumers to move from one brand to another (Kotler and Keller, 2012: 187). The intention to buy is the stage of the respondents' tendency to act before the buying decision is actually carried out. There is a difference between actual purchases and buying interests. If the actual purchase is a purchase that is actually made by the consumer, then the interest in the purchase is the intention to make a purchase on the next occasion. Although interest in buying is a purchase that is not necessarily going to be done in the future, but measurement of interest in purchases is generally done in order to maximize predictions of actual purchases themselves (Simamora, 2004).

Ibrahim and Mohamood (2013) in their study showed that buying intention can also determine the possibility of consumer action that leads to actual purchase, and through the identification of the intensity of purchase intention, there is a high possibility of buying certain specific products when purchasing intentions are stronger. The interest in buying consumers is the initiative of respondents in making decisions to buy a product. The detailed model of consumer behavior explains that marketing stimuli which consist of marketing mix variables, namely product, price, place, promotion as the main components in marketing. The main component is also influenced by the presence of other stimuli that are external, namely economics, technology, politics, culture (Oentoro, 2012: 11).

Measurement of Purchase Intentions

The research conducted by Septifani et al. (2014) measured consumer purchase intentions for tea drinks based on consumer attitudes toward product information obtained, subjective norms, and behavioral control. According to Suki (2018) consumers' buying intention towards green products is influenced by several indicators, which are based on the quality and price offered by producers of green products when compared with other producers, the desire to recommend products offered by these producers to others, and the desire to shop again. to these producers compared to other manufacturers of green products.

The AIDA model is related to purchase intention according to Kotler and Keller (2012: 242):

1. Attention

The relationship between consumers and products, in this case where the company can pay attention to consumers by approaching consumers by approaching consumers to realize the existence of products and their quality.

2. Interest

Consumer sensitivity to products, in this stage consumers are grown and a sense of attraction is created for the product. Companies try to make their products have an attraction in consumers so that consumers have curiosity that can lead to interest in a product, curiosity that can lead to interest in a product.

3. Desire

The desire of consumers to try and own the product, consumer curiosity about the product, direction to interest to buy.

4. Action

The actions of consumers to make a decision to make a purchase.

Al-Swidi et al. (2013) measured consumer purchase intention towards green food products with several indicators, namely (1) intention to buy green food products in the near future; (2) plans to buy green food products in the near future; and (3) efforts to buy green food products in the near future.

Product knowledge

According to Murray and Schlacter (1990) in Haryadi (2009), knowledge is known as a characteristic that influences all phases in the decision making process, specifically knowledge is a relevant and important construct that influences how consumers collect and regulate how much information is used for decision making and how consumers evaluate products and services. Before consumers carry out purchases of environmentally friendly products, consumers will seek information in advance about the products to be purchased, for which knowledge is needed. Knowledge is a relevant and important construct that influences how consumers collect and regulate information, how much information is used for decision making and how consumers evaluate products and services (Haryadi, 2009). Consumers who consider the importance of environmental consequences, will be interested and eventually lead to interest in buying products that are environmentally friendly. Lin & Zhen (2005) in Wardhana & Iba (2014) emphasize that product knowledge depends on consumer awareness or understanding of the product, or consumer trust in the product.

According to Wardhana and Iba (2014), product knowledge is an important thing that must be communicated by marketers in providing guidance on the products they offer to consumers. Various promotional efforts carried out by marketers to provide education to consumers, especially in showing the superiority of their products compared to competitors (Wardhana and Iba, 2014).

Product Knowledge Measurement

Septifani et al. (2014) in their study measured product knowledge variables using indicators, namely indicators of understanding of environmentally friendly products and government regulations regarding environmentally friendly products and indicators, awareness, namely awareness to use environmentally friendly products. Wardhana and Iba (2014) measure product knowledge with ability indicators to determine product function, trust in product quality, and ability to know product brands.

Subjective Norm

Subjective norms are perceptions of social pressure to do or not take an action or behavior (Ajzen, 2005). James and Christodoulidou (2011) state that subjective norms have an influence on the intention to drink wine since consumption of wine is often done in other people's companies. Rahayu (2013) explains subjective norms are individual beliefs about the expectations of influential people around (significant other) both individuals and groups to display certain behaviors or not.

Kazemi et al. (2013) stated that subjective norms refer to individual perceptions of important people's opinions about doing or not doing behavior. In other words, subjective norms refer to perceived social pressure to be involved in behavior or not. Chi et al. (2012) state the TRA theory or attitude and subjective norms can explain community behavior intentions and then predict actual consumer actions. Subjective norms include normative beliefs and motivations to comply. Normative beliefs refer to feeling the individual expectations of a particular reference or group, and the motivation to obey is the willingness to comply with certain individual references or group opinions.

Subjective Norm Measurement

Suprpti (2010: 135) states that subjective norms can be measured directly by assessing consumer feelings about how relevant other people become role models (such as family, classmates, work colleagues) will approve or disagree with certain actions they do. Ramayah and Harun (2005) state that subjective norms are individual beliefs to obey the direction or

advice of people around them to participate in entrepreneurial activities. Subjective norms are measured directly by assessing respondents' feelings about the willingness to follow the recommendations of important people for them (Tjahjono et al., 2008).

According to Ajzen (1991), subjective norms generally have the following two components:

1. Normative beliefs

Perceptions or beliefs about the expectations of others towards him are a reference for displaying behavior or not. Beliefs that relate to the opinions of leaders or other people who are important and influential for individuals or role models whether the subject must do or not a certain behavior.

2. Motivation to comply

Individual motivation to fulfill these expectations. Subjective norms can be seen as a dynamic between the impulses perceived by individuals from the people around them with the motivation to follow their views (motivation to comply) in doing or not doing these behaviors.

Al-Swidi et al. (2013) measured subjective norms by using indicators, namely: (1) the trend of increasing green food products; (2) important people around consumers who think they should buy green food products; (3) important people around consumers who want to buy green food products; (4) people whose opinions are valued by consumers who want to buy green food products rather than conventional ones.

Theory of Planned Behavior concept is very important to be used to find out how consumer behavior related to the purchase of a product. Theory of Planned Behavior is a continuation of the previous theory which was also initiated by Ajzen (1991), namely the Theory of Reasoned Action. In the Theory of Reasoned Action, the antecedents are predictors of behavioral intention, namely subjective attitudes and norms, whereas in Theory of Planned Behavior, Ajzen (1991) redeveloped the theory by adding another predictor, namely perceptions of behavioral control. Several previous studies that discussed the relationship between Theory of Planned Behavior towards the purchase intention of green products include Sentosa and Mat (2012), Septifani et al. (2014), and Velnampy and Achchuthan (2016).

The results of the Septifani et al. (2014) study show that the decision to purchase tea drinks in returnable glass bottling (RGB) packaging is strongly influenced by consumer knowledge of the product. In the process of purchasing a product, consumers tend to consider several product attributes, such as brand, quality, price, and so on. Consumers of green marketing products that already have knowledge of products (understanding of environmentally friendly concepts and applicable environmental regulations and awareness to consume environmentally friendly products), tend to consider environmentally friendly aspects of a

product before deciding to buy. Besides knowledge, Septifani et al. (2014) also stated that interest is a very important factor in the consumer decision-making process to buy RGB tea drinks.

The results of the research by Tamashiro et al. (2013) state that knowledge of the green environment and subjective norms positively influences consumer purchasing intentions for green products in Brazil. Suki (2016) states that consumer attitudes and behavior as well as consumer knowledge about green products will encourage consumers to intend to buy green products offered.

The conceptual framework is used to explain a series of relationships between the independent variables of product knowledge and subjective norms on the dependent variable of purchase intention and consumer purchasing decisions on green products offered at Ubud Sari Organic restaurants. The conceptual framework is explained further in Figure 2.

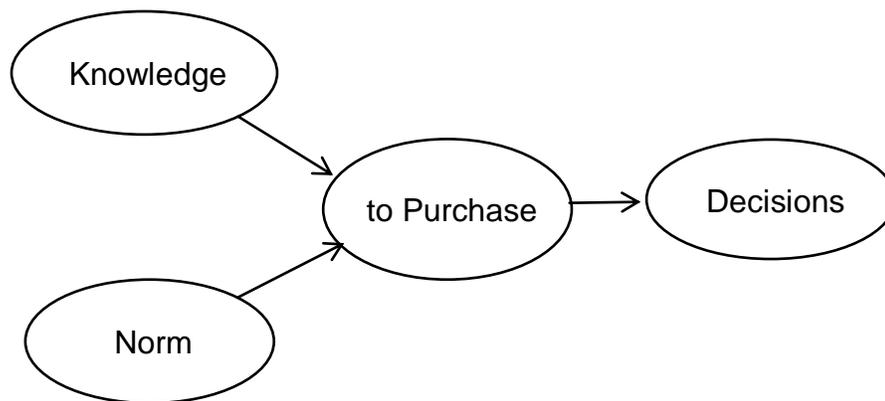


Figure 2. Research Conceptual Framework

Source: Septifani et al. (2014), Suki (2016), Tamashiro et al. (2013)

Effect of Product Knowledge on Intention to Purchase

Dimiyati and friends (2018) study shows that knowledge has a positive and significant effect on buying interest, if consumer perceptions of knowledge increase, it will increase consumer buying interest. Septifani et al. (2014) from the results of his research also stated that there is a significant positive influence between consumer knowledge of the product to be purchased with consumer purchase intentions. According to Junaedi (2015), the level of knowledge and awareness of consumers towards environmentally friendly products greatly influences the level of consumer involvement in the process of finding information about environmentally friendly products and encourages consumers to wish to purchase green products in the future. Based on the results of the study, the following research hypotheses can be formulated:

H1: Product knowledge has a positive and significant effect on consumer purchase intentions.

Subjective Norm Effect on Intention of Purchase

According to Dewi and Ardani (2016), who conducted research on the intention to repurchase consumers of fashion products online in Denpasar City stated that subjective norms significantly influence consumers' purchase intentions. Kazemi et al. (2013) which examines the influence of customer equity on repurchase intention, indicating that subjective norms have a positive effect on repurchase intention. James and Christodoulidou (2011) in his research on wine consumption in Southern California, showed that subjective norms significantly influence consumers' purchase intentions. The results of similar studies were also stated by Binalay et al. (2016) who conducted a study of students 'online buying interest in Manado, which stated that subjective norms had a positive and significant effect on students' buying interest. Based on the results of the study, the following research hypotheses can be formulated:

H2: Subjective norms have a positive and significant effect on consumer purchase intentions.

Effects of Intention to Purchase on Purchase Decisions

According to Septifani et al. (2014) buying intention has a positive effect on tea drink purchasing decisions in returnable glass bottling (RGB) packaging. The results of this study also show that intention is a very important factor in the consumer decision-making process to buy RGB tea drinks. Dimiyati et al. (2018) states that purchase intention has a positive and significant effect on purchasing decisions. This shows that if consumer perceptions of buying intention increase, it will increase purchasing decisions. Based on the results of the study, the following research hypotheses can be formulated:

H3: The intention to buy has a positive and significant effect on consumer purchasing decisions.

RESEARCH METHODOLOGY

The design of this study is associative research, using a survey method, where data is collected through information from respondents who filled out questionnaires that researchers spread. The research was conducted at Ubud Sari Organic restaurant located in Ubud, Gianyar.

Variable identification

Based on the formulation of the problems and hypotheses developed, the variables in this study can be identified as follows:

1. Independent variable or independent variable (X), which is a stand-alone variable and can affect other variables. The independent variable of research is product knowledge (X1) and subjective norms (X2).

2. Dependent variables or dependent variables, namely variables that are influenced by other variables. The dependent variable of the study is purchase intention (Y1) and purchasing decision (Y2).

Data Type

The data used in this study are divided into two types, namely quantitative data and qualitative data.

1. Quantitative research data is the number of diners who will be used as respondents.
2. Research qualitative data is an explanation of product knowledge, subjective norms, purchase intentions and purchasing decisions.

Data source

According to the source, the data used in this study are as follows:

1. Primary sources, which are collected and obtained directly from respondents who fulfill the characteristics of the research sample, both through interviews and written statements using a questionnaire.
2. Secondary sources, namely data from Ubud Sari Organic, including data from the results of related research studies.

Research Population and Samples

The study population is visitors and buyers who are consumers of Ubud Sari Organic restaurants. According to Sugiyono (2011), the sample is part of the number and characteristics possessed by the population. Samples are taken from the population based on the size of the population, the resources used in the study and the level of trust desired in the study. In this study the method of determining the sample used was purposive sampling, because with the purposive sampling method researchers determined themselves the samples taken because of certain considerations. So, the samples were taken not randomly, but determined by the researchers themselves, that is, at least they had purchased organic food products once at Ubud Sari Organic restaurant. By using purposive sampling it is expected that the sample criteria obtained are really in accordance with the research that will be conducted.

The number of respondents used can be determined by 5 to 10 times the number of indicator variables. The number of indicators in this study is 14, so the number of respondents used can be calculated with $14 \times 8 = 112$ respondents. Determination of the sample is 112 according to the provisions of sampling according to Sarwono (2007: 3) where sampling to obtain maximum results should be used > 100 samples, and according to Hair et. al. (2013)

recommend a sample range between 100-200 or a minimum of five samples for each indicator observed.

Data Collection Instrument

This study uses a questionnaire given to respondents as an instrument of data collection. The questionnaire distributed to respondents contained a number of questions and statements about the identity of the respondents as well as variable measurement items.

The measurement scale used in this study is a Likert scale, which is a scale that has been widely used to ask respondents to mark the degree of agreement or disagreement with a series of questions and statements about the object of research. Measurements with a Likert scale have five scores between "strongly disagree" and "Strongly agree", namely: (1) strongly disagree, (2) disagree, (3) neutral, (4) agree, and (5) strongly agree.

The quality of measurement data instruments used can be tested through validity and reliability testing, so that the instrument can be relied on its ability to obtain representative data.

1. Test Validity

Validity test is used to determine the interpretation of respondents to each item statement contained in the research instrument and carried out by correlating the scores of instrument items in a factor. This factor can be said to be valid if it has a Pearson \geq correlation value of 0.3 (Suliyanto, 2011).

2. Reliability Test

Reliability was tested using the Cronbach Alpha statistical test, where a variable was said to be reliable if it gave the Cronbach Alpha value \geq 0.6 (Suliyanto, 2011).

Data Collection

Primary data and secondary data used in this study were obtained using the following methods:

1. Interview, namely the technique of collecting data by conducting question and answer directly with product buyers in Ubud Sari Organic and the manager of the restaurant as the initial research observation technique and to support the data that has been collected through the questionnaire.
2. Questionnaire, namely the technique of collecting data by distributing questionnaires to visitors and buyers of products at Ubud Sari Organic, to find out perceptions of respondents to the statements submitted in the questionnaire.

Table 1 Questionnaire

Source	code	Indicator
Septifani <i>et al.</i> (2014)	X1.1	Consumer understanding of environmentally friendly products
	X1.2	Awareness of using environmentally friendly products
Al-Swidi <i>et al.</i> (2013)	X2.1	Trends in buying organic food products are increasing
	X2.2	Important people around me think I should buy organic food products
	X2.3	Important people around me want me to buy organic products
	X2.4	The people whose opinions I appreciate want me to buy organic food products rather than conventional ones
Al-Swidi <i>et al.</i> (2013)	Y1.1	Intend to buy organic food products in the near future
	Y1.2	Planning to buy organic food products in the near future
	Y1.3	Trying to buy organic food products in the near future
Saputro <i>et al.</i> (2016)	Y2.1	Consumer routine / habits in purchasing organic food
	Y2.2	Stability of choice on an organic food product
	Y2.3	Speed of time to decide on buying organic food products
	Y2.4	Frequency of using organic food products
	Y2.5	Decide yourself to purchase organic food products

Descriptive Statistics Analysis

Descriptive analysis is intended to find out the characteristics and responses of respondents to the item statements on the questionnaire, and the description of each indicator is expressed in the frequency value and the average value of the respondents' score (Sugiyono, 2011).

Inferential Statistical Analysis

Inferential analysis or also called probability analysis is used to test the relationship between variables formulated in the hypothesis. To test the hypothesis that produces a fit model (fit), this study uses the Structural Equation Model (SEM) with a variance based approach with Partial Least Square (PLS). According to Sholihin and Ratmono (2013), SEM-PLS is a strong analytical method and can be applied to all data scales, does not require many assumptions, the sample size is relatively small, and the data does not have to be multivariate normally distributed (indicators with scale categories to usable ratios on the same model).

Through a variant-based SEM-PLS approach, it is assumed that all calculated variants are useful variants for explanation. In addition, in SEM-PLS, the structural model of relations

between latent variables is called the inner model, while the measurement model that is reflexive or formative is called the outer model (Sholihin and Ratmono, 2013).

Overall, the measurement model complete with the SEM-PLS approach is carried out by the following steps:

1. Development of a structural model (inner model). Development of structural models based on concepts and theories in order to analyze the relationship between exogenous and endogenous variables that have been described in the conceptual framework.
2. Development of flowcharts (path diagram). The theoretical model that has been built and developed in the conceptual framework is then described in a flow diagram that serves to show the relationship between exogenous and endogenous variables along with the indicators that make up the variable. Development of research flowcharts can be seen in Figure 3.
3. Convert the path diagram to the system of equations
 - a) Inner model, which is an explanation of the relationship between latent variables (structural models) and the relationship between latent variables based on substantive theory.
 - b) Outer model, which is an explanation of the relationship between latent variables and indicators (outer relation).

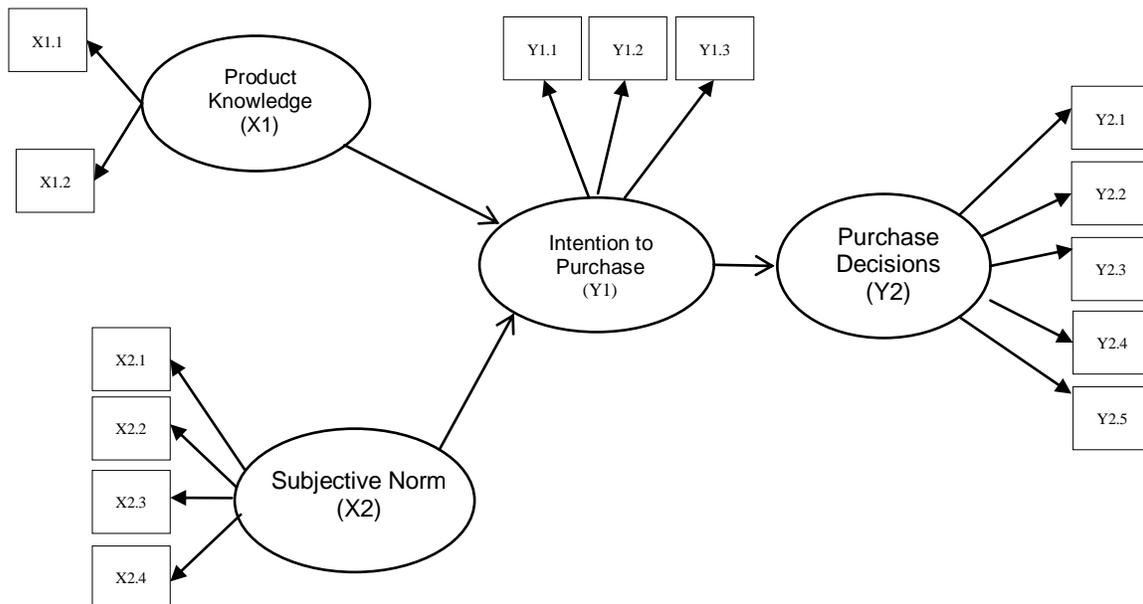


Figure 3. Flow Diagram or Outer Model

4. Estimates. Parameter estimation method in SEM-PLS is least square methods, which includes three things, namely:
 - a) Weight estimate, to calculate latent variable data
 - b) Path estimate, connecting between latent variables and estimation of loading between latent variables and their indicators.
 - c) Means and location parameters, which include the value of regression and intercept constants for latent variables and indicators.
5. Evaluate the Goodness of Fit SEM-PLS Model
 - a) Goodness of Fit Outer Model (Measurement Model)
 - 1) Convergent Validity, which is a correlation between indicator scores and latent variable scores, with a factor loading of 0.5 to 0.6 at the initial stage of development.
 - 2) Discriminant Validity, which is a measurement indicator based on cross loading with latent variables. If the value of the cross loading indicator in the relevant variable is greater than the value of cross loading on the other latent variables, then the indicator can be said to be valid. By comparing the value of square root of average variance extracted (AVE) in each construct by correlating between constructs and models, it will give the value of discriminant validity. The value of discriminant validity must be > 0.5 .
 - 3) Composite Reliability, which is a measurement of the consistency of an instrument that can form a construct variable. Composite reliability has a value of > 0.7 .
 - b) Goodness of Fit Inner Model. The R-square measurement of the dependent variable is the same as the regression, while the independent latent variable uses the size of the Stone Geisser Q square test (Q²). Q-squared is used to measure the predictive relevance of the construct model and how well the observations produced by the model and parameter estimates. The Q-square value must be > 0 which indicates good predictive relevance, whereas if the Q-square < 0 indicates the model does not have predictive relevance.
6. Hypothesis Testing (resampling jackknifing). Hypothesis testing is done by using significant level testing on each path of influence between the independent variable and the dependent variable. The results of the overall path calculation can be seen in the output path coefficients and p values. Testing the hypothesis in this study uses the WarpPLS 5.0 structural equation model.

ANALYSIS RESULTS

Characteristics of Respondents

Table 2 Respondent's Characteristic

Characteristics	Respondent's Distribution	Respondent's	
		No.	Percentage (%)
Age	17 s/d 25	47	42,31
	>25 s/d 35	41	36,42
	>35 s/d 45	4	3,85
	>45 s/d 55	9	7,69
	>55	11	9,73
	Total	112	100
Sex	Female	23	20,69
	Male	89	79,31
	Total	112	100
Education	High School	21	19,23
	Diploma	47	42,31
	Bachelor / Postgraduate	39	34,62
	Others	5	3,84
	Total	112	100
Occupation	Student	43	38,46
	College student	30	26,92
	civil servant	4	3,85
	Private Employee	13	11,54
	Entrepreneur	22	19,23
	Lainnya	0	0,00
	Total	112	100

Based on Table 2, it can be seen that the majority of respondents in this study were aged between 17 to 25 years, as many as 47 people (42.31%). Respondents aged between > 25 to 35 the following year, namely 41 people (36.42%). This shows that the majority of buyers and consumers who come to Ubud Sari Organic restaurants are still relatively young. most of the respondents in this study were female, 89 people (79.31%), while those of the male sex were 23 people (20.69%). This shows that visitors or consumers who come and buy organic food products in Ubud Sari Organic restaurants are mostly women. respondents in this study were consumers who had a diploma education level of 47 people (42.31%) and undergraduate /

postgraduate students, 39 people (34.62%). This shows that consumers who come and buy organic food products to Ubud Sari Organic restaurants have good education and formal knowledge. The type of work of consumers or buyers who come to Ubud Sari Organic restaurants comes from various occupations. The biggest came from students, namely 43 people (38.46%) and students namely 30 people (26.92%). This is also in accordance with the tendency of consumers who come and buy organic food products, mostly from young people.

Results of Testing Hypotheses

Model Evaluation

This study uses the Structural Equation Model (SEM) -Partial Least Square (PLS) with a variance based approach with WarpPLS 5.0 as an analysis method. The use of WarpPLS as an analytical method requires several stages of structural equation modeling. The modeling stages have been described in Chapter IV and the structural equation model of this research can be described, such as Figure 4.

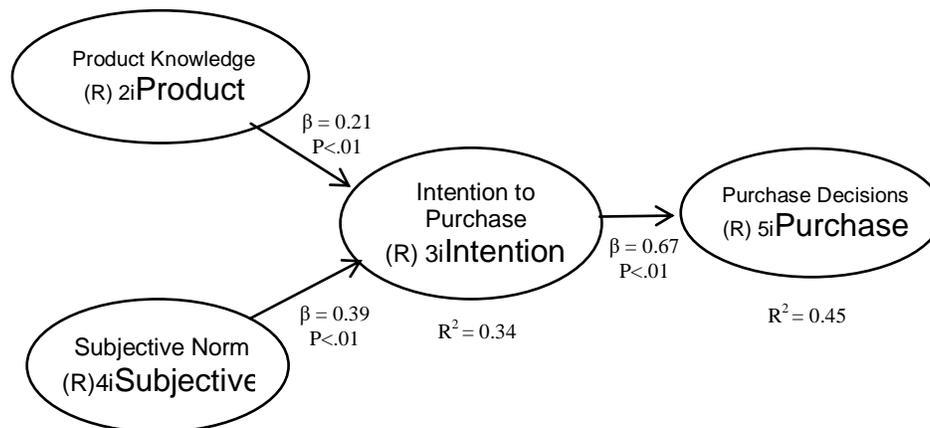


Figure 4. Research Structural Equation Model

The Goodness of Fit model evaluation (outer model) with reflective indicators is done by finding the convergent and discriminant validity values of the indicators and composite reliability for the whole indicator. The structural model (inner model) is evaluated by looking at R-square (R²) in the equation between endogenous latent variables by calculating the predictive-relevance value (Q²) and then can be seen the path on the inner model.

Measurement Model Results (outer model)

Evaluation of measurement models based on outerloading (output combined loadings) for reflective indicators with criteria, namely reflective indicators is considered valid if it has a loading value above 0.5 and a p value is significant (<0.05). This means the model meets convergent validity. The results of the outer loading (loading factor) of the indicators of product knowledge, subjective norms, purchase intentions and purchasing decisions are presented in Table 3.

Table 3 Outer Loading and Cross Loading Variable Research

	Product Knowledge	Subjective Norm	Intention to Purchase	Purchase Decision	SE	P Values
X1.1	0,792	-0,176	-0,042	-0,388	0,077	<0,001
X1.2	0,792	0,176	0,042	0,388	0,077	<0,001
X2.1	-0,025	0,684	0,529	-0,413	0,079	<0,001
X2.2	0,269	0,653	-0,208	-0,088	0,080	<0,001
X2.3	-0,265	0,582	-0,231	0,529	0,081	<0,001
X2.4	-0,008	0,605	-0,151	0,054	0,081	<0,001
Y1.1	-0,113	-0,054	0,793	-0,065	0,077	<0,001
Y1.2	-0,421	0,070	0,629	-0,077	0,080	<0,001
Y1.3	0,481	-0,540	0,737	0,135	0,078	<0,001
Y2.1	-0,363	0,586	-0,110	0,681	0,081	<0,001
Y2.2	0,008	0,185	-0,063	0,703	0,079	<0,001
Y2.3	0,212	0,215	0,117	0,529	0,087	<0,001
Y2.4	0,072	-0,328	0,085	0,797	0,077	<0,001
Y2.5	0,102	-0,362	0,003	0,776	0,077	<0,001

Table 4 Outer Loading and Cross Loading Variable Research

	Product Knowledge	Subjective Norm	Intention to Purchase	Purchase Decision	SE	P Values
X1.1	0,792				0,077	<0,001
X1.2	0,792				0,077	<0,001
X2.1		0,684			0,079	<0,001
X2.2		0,653			0,080	<0,001
X2.3		0,582			0,081	<0,001
X2.4		0,605			0,081	<0,001
Y1.1			0,793		0,077	<0,001
Y1.2			0,629		0,080	<0,001

	Product Knowledge	Subjective Norm	Intention to Purchase	Purchase Decision	SE	P Values
Y1.3			0,737		0,078	<0,001
Y2.1				0,681	0,081	<0,001
Y2.2				0,703	0,079	<0,001
Y2.3				0,529	0,087	<0,001
Y2.4				0,797	0,077	<0,001
Y2.5				0,776	0,077	<0,001

Table 4 shows that all reflective indicators of product knowledge, subjective norms, purchase intentions and purchasing decisions in this study have met convergent validity because there is no loading value below 0.5 and a significant p value (<0.001), so that all indicators are used has been considered valid.

Evaluation of the measurement model based on cross loading is used to assess whether the construct has good discriminant validity. Discriminant validity is said to be good (valid) if the value of crossloading each indicator in the relevant variable is greatest compared to the cross loading of other latent variables. The cross loading results presented in Table 4 can be seen that cross loadings obtained by latent variables to predict the indicators themselves are greater than the indicators of other latent variables. The interpretation that can be given from the results of cross loadings is that the latent variable has fulfilled discriminant validity.

Evaluation of the measurement model was also carried out based on the comparison of the square root of average variance extracted (AVE root value) of each latent variable with the correlation between other latent variables. Discriminant validity (discriminant validity) research instrument is said to be good if square root of AVE latent variable is greater than the correlation value between other latent variables. The AVE value can be seen in Table 5.

Table 5 Correlation Value of Latent Variables

	Product Knowledge	Subjective Norms	Intention to Purchase	Purchase Decision
Product Knowledge	(0,792)	0,555	0,440	0,478
Subjective Norms	0,555	(0,632)	0,362	0,377
Intention to Purchase	0,440	0,362	(0,723)	0,550
Purchase Decision	0,478	0,377	0,550	(0,660)

Based on Table 5, it can be seen that the AVE value for product knowledge variables, subjective norms, purchase intentions and purchasing decisions has AVE values above 0.50,

which indicates that the model has good discriminant validity. To evaluate the discriminant validity of the research instrument, it can be seen that the square root of value of AVE product knowledge latent variable is 0.792 higher than the correlation value between the other latent variables, such as the subjective norm of 0.555; with purchase intention of 0.440; and with a purchase decision of 0.478.

Evaluation of measurement models based on composite reliability is useful for looking at construct or variable reliability. A construct is said to be reliable if the composite reliability value is above 0.70. Table 6 shows the composite reliability value.

Table 6 Value of Composite Reliability

Variable	Composite Reliability
Product Knowledge	0,771
Subjective Norm	0,726
Intention to Purchase	0,765
Purchase Decision	0,782

Table 6 shows that composite reliability has a value above 0.70. This value indicates that the composite reliability results are good or the latent variables of the study are reliable.

Structural Model Results (Inner Model)

Innermodel evaluation can be seen from the R-square value (R²) on the coefficient value of the latent variable, which shows the percentage of variance in the endogenous construct can be explained by the construct / variable hypothesized to affect the endogenous variable. The R-square value of endogenous latent variables is presented in Table 7.

Table 7 R-square value (R²) Endogenous Latent Variable

	R ²
Intention to Purchase	0,336
Purchase Decision	0,450

Based on Table 7, it can be seen that the R-square value of endogenous variables of purchasing decisions = 0.450. These results indicate that the variance in purchasing decision variables can be explained by the variables used, namely product knowledge variables, subjective norm variables, and purchase intention variables of 45%, while the remaining 55% is explained by other variables that have not entered the model.

Hypothesis testing is done by using significant level testing on each path of influence between the independent variable and the dependent variable. The results of the overall path calculation can be seen in the output path coefficients and p values. Testing the hypothesis in this study uses the WarpPLS 5.0 structural equation model. The results of the research hypothesis testing for each path can be explained as follows:

The path coefficient value between the product knowledge variable and the purchase intention variable is 0.211 with a value of 0.010 or $p < 0.05$ (the decision to accept or reject the hypothesis at the level of α 5%). Product knowledge variables have a positive and significant direct effect on the variable purchase intention in consumers of Ubud Sari Organic restaurants. Hypothesis 1 states that product knowledge has a positive and significant effect on consumer purchase intentions received.

The value of the jalu coefficient between subjective norm variables with the purchase intention variable is 0.393 with p values of < 0.001 . Subjective norms have a positive and significant direct effect on the purchase nat variable on consumers of Ubud Sari Organic restaurants. Hypothesis 2 which states that subjective norms have a positive and significant effect on acceptable purchase intentions.

The path coefficient value between purchase intention variables and purchase decision variables is 0.671 with p values < 0.001 . The purchase intention variable has a positive and significant direct effect on the purchasing decision variable in the consumers of Ubud Sari Organic restaurants. Hypothesis 3 which states that purchase intentions have a positive and significant effect on consumptive purchasing decisions.

Based on the results of hypothesis testing compared to the theory and the empirical relationship, the following discussion can be done.

DISCUSSIONS

Effect of Product Knowledge on Intention to Purchase

The results of hypothesis testing prove that product knowledge has a positive and significant effect on purchase intention. There is a unidirectional relationship between product knowledge and purchase intention, namely the higher the level of knowledge possessed by consumers, which includes understanding and awareness, it will further increase consumers' purchase intention of organic food products at Ubud Sari Organic restaurants, and vice versa, the lower the level of knowledge possessed by consumers will further reduce consumers' purchase intention of organic food products at Ubud Sari Organic restaurants.

These results indicate that the values contained in product knowledge which include a good understanding of organic food products and awareness to use organic food products, will increase consumers' intentions, plans and efforts to buy and use organic food products.

This study proves that product knowledge influences consumer purchasing intentions, and the results of this study reinforce the results of the study of Dimiyati and friends (2018), which shows that knowledge has a positive and significant effect on buying interest. This study is also consistent with the results of the study of Septifani et al. (2014), which states that there is a significant positive influence between consumer knowledge of the product to be purchased with consumer purchase intentions.

Subjective Norm Effect on Intention of Purchase

The results of hypothesis testing prove that subjective norms have a positive and significant effect on purchase intention. The relationship between subjective norms and purchase intention shows a unidirectional relationship, namely the higher the level of social pressure from people around consumers to encourage consumers to buy organic food products, the higher the consumer's purchase intention and vice versa, the lower the level of social pressure from people around consumers to encourage consumers to buy organic food products, the lower the purchase intention of consumers of organic food products in Ubud Sari Organic restaurants.

This study provides an indication that consumers' intention to buy organic food products in Ubud Sari Organic restaurants is quite high. This is seen from the intention of consumers to buy organic food products in the near future, plans for consumers to buy organic food products in the near future and business consumers to buy organic food products in the near future.

This research is in accordance with the results of research conducted by Dewi and Ardani (2016). Dewi and Ardani conducted a study of the intention to repurchase consumers of fashion products online in Denpasar, which states that subjective norms significantly influence consumers' purchase intentions. The results of the study also support the study of Binalay et al. (2016) who conducted a study of students' online buying interest in Manado, which stated that subjective norms had a positive and significant effect on students' buying interest.

Effects of Intention to Purchase Decisions

The results of hypothesis testing prove that purchase intention has a positive and significant effect on purchasing decisions. The relationship between purchase intention and purchase decision is a one-way relationship, namely the higher the consumer's intention to purchase organic food products, the higher the consumer purchasing decision and vice versa, the lower

the consumer's intention to purchase organic food products, the lower the purchasing decision. consumers of organic food products at Ubud Sari Organic food stalls.

These results indicate that the values contained in consumer purchase intentions which include the intentions, plans and efforts of consumers to buy organic food products in the near future will be able to bring consumer confidence to immediately take the decision to buy organic food products. Purchasing decision making that is done quickly also shows the confidence of consumers who have understood and are aware of the importance of buying and using organic food products.

Empirically the purchase intention variable proved to influence the purchasing decision, so the results of this study support the results of previous studies conducted by Septifani et al. (2014) and Dimiyati et al. (2018). Septifani et al. (2014) stated that intention to buy has a positive effect on tea drink purchasing decisions in returnable glass bottling (RGB) packaging. Dimiyati et al. (2018) states that purchase intention has a positive and significant effect on purchasing decisions. This shows that if consumer perceptions of buying intention increase, it will increase purchasing decisions.

SUGGESTIONS FOR FURTHER RESEARCH

It needs to be studied, whether it is due to lack of understanding and awareness of organic products or because from the price side it is still considered too high, because local people's interest in consuming organic products is still very low. There needs to be counseling and outreach to farmers about the benefits and benefits that can be obtained if you want to grow organic crops. Subsequent research is recommended to be able to consider other factors that also influence purchase intentions and purchasing decisions for organic food products, such as price and economic value.

REFERENCES

- Ajzen, I. (1991). The Theory of Planned Behavior. *Organizational Behavior and Human Decision Processes* Vol. 50, No. 2, Pp.179-212.
- Ajzen, I. (2005). *Attitudes, Personality and Behavior*, Second Edition Edition. Open University Press, Berkshire, England.
- Ajzen, I., Fishbein, M. (1980). *Understanding Attitudes and Predicting Social Behavior*. Prentice-Hall, Englewood Cliffs, NJ.
- Al-Swidi, A., Huque, S.M.R., Hafeez, M.H., Mohd, M.N. (2013). The Role of Subjective Norms in Theory of Planned Behavior in the Context of Organic Food Consumption. *British Food Journal* Vol. 116, No. 10, pp.1561-1580.
- Binalay, A.G., Mandey, S.L., Mintardjo, C.M. (2016). Pengaruh Sikap, Norma Subjektif dan Motivasi terhadap Minat Beli secara Online pada Mahasiswa Fakultas Ekonomi dan Bisnis di Manado. *Jurnal EMBA: Jurnal Riset Ekonomi, Manajemen, Bisnis dan Akuntansi* Vol. 4, No. 1, pp.79-94.
- Chi, H., Yeh, H., Hung, C.W. (2012). The Moderating Effect of Subjective Norm on Cloud Computing Users' Perceived Risk and Usage Intention. *International Journal of Marketing Studies* Vol. 4, No. 6, pp.95-102.

- Dewi, N., Ardani, I.G.A.K.S. (2016). Pengaruh Sikap, Norma Subjektif terhadap Niat Beli Ulang Produk Fashion Via Online di Kota Denpasar. *OJS Manajemen Unud* Vol. 5, No. 4, pp.2637-2664.
- Dimiyati, M., Kartikasari, M.D., Sukarno, H. (2018). Pengaruh Green Marketing dan Pengetahuan terhadap Keputusan Pembelian dengan Mediasi Minat Membeli Konsumen Sariayu Martha Tilaar di Kota Jember. *e-Journal Ekonomi Bisnis dan Akuntansi* Vol. 5, No. 2, pp.172-177.
- Hair, J., Hult, T., Ringle, C., Sarstedt, M. (2013). *A Primer on Partial Least Squares Structural Equation Modeling (PLS-SEM)*. Sage, Los Angeles.
- Haryadi, R. (2009). Pengaruh Strategi Green Marketing Terhadap Pilihan Konsumen Melalui Pendekatan Marketing Mix, Studi Kasus pada The Body Shop Jakarta. Universitas Diponegoro, Semarang.
- Ibrahim, K.S., Mohamood. (2013). Antecedent Stirring Purchase Intention of Smartphone Among Adolescents in Perlis. *International Journal of Academic Research in Business and Social Sciences* Vol. 3, No. 12, pp.84-97.
- James, Christodoulidou. (2011). Factors Influencing Wine Consumption in Southern California Consumer. *International Journal of Wine Business Research* Vol. 23, No. 1, pp.36-48.
- Junaedi, M.F.S. (2015). Pengaruh Kesadaran Lingkungan pada Niat Beli Produk Hijau: Studi Perilaku Konsumen Berwawasan Lingkungan. *Benefit: Jurnal Manajemen dan Bisnis* Vol. 9, No. 2, pp.189-201.
- Kazemi, Abadi, D., Nastaran, K. (2013). Analyzing the Effect of Customer Equity on Repurchase Intentions. *International Journal of Academic Research in Business and Social Sciences* Vol. 3, No. 6, pp.78-92.
- Kotler, P., Keller, K.L. (2012). *Marketing Management, 14th Edition*. Pearson Education, Inc. Upper Saddle River, New Jersey, 07458.
- Oentoro, D. (2012). *Manajemen Pemasaran Modern*. Yogyakarta: Laksbang Pressindo.
- Rahayu, T. (2013). Pengaruh Sikap dan Norma Subjektif terhadap Niat Beli Mahasiswa sebagai Konsumen Potensial Produk Pasta Gigi Pepsodent. *Gema* Vol. 25, No. 46, pp.1210-1213.
- Ramayah, T., Harun, Z. (2005). Entrepreneurial Intention Among the Student of University Sain Malaysia (USM). *International Journal of Manajement and Entrepreneurship* Vol. 1, No. 2, pp.8-20.
- Saputro, R.Y., Paramita, P.D., Warso, M.M. (2016). Pengaruh Brand Awareness, Perceived Quality, dan Price terhadap Keputusan Pembelian Honda Vario 125 di Dealer Astra Honda Semarang. *Journal of Management* Vol. 2, No. 2, pp.1-17.
- Schiffman, L.G., Kanuk, L.L. (2007). *Perilaku Konsumen Edisi 7Alih Bahasa: Zoekifli Kasip*. Jakarta: PT Indeks.
- Sentosa, I., Mat, N.K.N. (2012). Examining A Theory of Planned Behavior (TPB) and Technology Acceptance Model (TAM) in Internet Purchasing Using Structural Equation Modeling. *Researches World - Journal of Arts, Science & Commerce* Vol. 3, No. 2, pp.62-77.
- Septifani, R., Achmadi, F., Santoso, I. (2014). Pengaruh Green Marketing, Pengetahuan dan Minat Membeli terhadap Keputusan Pembelian. *Jurnal Manajemen Teknologi* Vol. 13, No. 2, pp.201-218.
- Sholihin, M., Ratmono, D. (2013). Analisis SEM-PLS dengan WarpPLS 3.0 untuk Hubungan Nonlinier dalam Penelitian Sosial dan Bisnis. Yogyakarta: Penerbit ANDI Yogyakarta.
- Simamora, B. (2004). *Panduan Riset Perilaku Konsumen*. Jakarta: PT. Gramedia Pustaka Utama.
- Sugiyono. (2011). *Metode Penelitian Bisnis (Pendekatan Kuantitatif, Kualitatif, dan R&D)*. Bandung: Alfabeta.
- Suki, N.M. (2016). Green Product Purchase Intention: Impact of Green Brands, Attitude, and Knowledge. *British Food Journal* Vo. 118, No. 12, pp.2893-2910.
- Suki, N.M. (2018). Determinants of Consumers' Purchase Intentions of Organic Vegetables: Some Insights from Malaysia. *Journal of Food Products Marketing* Vol. 24, No. 4, pp.392-412.
- Suliyanto. (2011). *Ekonometrika Terapan-Teori dan Aplikasi dengan SPSS*. Yogyakarta: CV. Andi Offset.
- Suprpti, N.W.S. (2010). *Prilaku Konsumen, Pemahaman Dasar dan Aplikasinya Dalam Strategi Pemasaran*. Denpasar : Udayana University Press.
- Tamashiro, H.R.d.S., Silveira, J.A.G., Merlo, E.M., Ghisi, M. (2013). The Relationship between Ecological Knowledge, Ecological Concern, Ecological Affection, Subjective Norms and The Green Purchase Behavior in Brazil. *African Journal of Business Management* Vol. 7, No. 34, pp.3297-3314.
- Tjahjono, Kurnianto, H., Ardi, H. (2008). Kajian Niat Mahasiswa Manajemen Universitas Muhammadiyah Yogyakarta untuk Menjadi Wirausaha. *Jurnal Manajemen dan Bisnis* Vol. 16, No. 1, pp.46-63.

Velnampy, T., Achchuthan, S. (2016). Green Consumerism in Sri Lankan Perspective: An Application and Extension of Theory of Planned Behavior. *Advances in Management & Applied Economics* Vol. 6, No. 5, pp.39-66.

Wardhani, W., Sumarwan, U., Yuliati, L.N. (2016). Pengaruh Persepsi dan Preferensi Konsumen terhadap Keputusan Pembelian Hunian Green Product. *Jurnal Manajemen dan Organisasi* Vol. 6, No.1, pp.45-63.