

The Correlation Between Awareness of Sustainable Fashion and Willingness to Pay with Intention to Purchase Sustainable Fashion Products

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ABSTRACT

The rapid growth of the fast fashion industry has given rise to a new phenomenon referred to as sustainable fashion, hence prompting a paradigm shift in consumers' perspectives towards their clothes consumption habits. The objective of this study is to investigate the correlation between customer awareness of sustainable fashion and their willingness to pay, specifically in relation to their intention to purchase sustainable fashion products. The hypotheses posited in this study are derived from the theoretical framework of the Theory of Reasoned Action. The data for this study was collected from a sample of 310 participants through an online survey. The sampling approach employed was non-probability sampling, specifically purposive sampling. The selection of participants for the survey was based on certain criteria, (1) Male and female from Indonesia (2) Male or female consisted of individuals between the ages of 18 and 50.

This study tested one hypothesis. As a result, it shows that awareness of sustainable fashion and willingness to pay, does correlate positive and significant with intention to purchase sustainable fashion products with a result of 0.000 (<0.01) on both variables. The aforementioned evidence supports the validity of the existing theory, that customers who have a greater understanding about the problems related with the consequences of fast fashion or the opposite of sustainable fashion are more likely to make purchases of sustainable fashion products. The findings of this study provide an important implication as knowledge of the impact of various barriers to sustainable fashion consumption can increase their intention to purchase sustainable fashion goods. Although public awareness of the negative environmental effects of the fashion industry is relatively high, there is still much work to be done to educate consumers on the consequences of their decisions. Furthermore, Indonesian market has already demonstrated a willingness to pay a higher price for environmentally and socially responsible products. Thus, it may serve as an encouragement for both global and regional fashion brands to make the transition towards sustainability.

Keywords: Customer Awareness, Willingness to Pay, Purchase Intention, Sustainable Fashion, Attitude, Subjective Norm, Indonesia

INTRODUCTION

With the advancement of time and technology, where digital culture offers convenience in transactions, clothes have become something that is consumed excessively or commonly referred to as overconsumption, which is supported by fast-fashion's in the fashion industry. Fast fashion sector has evolved into a substantial and intricate industry, sustained by a fragmented and comparatively low-tech manufacturing system (Chen, n.d.). Ever since the Industrial Revolution, global temperatures have risen about 1.1 degrees due to the contribution made by GHG or greenhouse gas emission, resulting in atmospheric warming, with significant regional variations (IPCC, n.d.).

The rapid growth of fast fashion, in turn, creates a new movement known as sustainable fashion, which transforms how customers begin to think about their use of clothing (Diddi *et al.*, 2019). Sustainable fashion is an idea or concept that is diametrically opposed to fast fashion. It was created to address the issues of impulsive purchasing, hedonistic behavior, and environmental pollution. The focus was on the materials used to make the clothing, usage longevity, and whether it could be recyclable or not. Sustainable apparel refers to clothing or garments that are manufactured and/or obtained in a manner that prioritizes environmental and social responsibility. And now, there is a growing expectation among consumers for fashion industry stakeholders to fulfil their obligations towards social and environmental sustainability. According to a recent survey, a significant proportion of customers, specifically 67%, expressed the view that the utilisation of sustainable materials holds considerable significance as a determining element in their purchasing decisions.

Despite the fact that sustainable fashion businesses and consumer awareness of sustainable fashion are beginning to increase, fast fashion remains in high

demand of fashion and consumers are still reluctant to get one's hands on eco-friendly clothing due to pre-existing negative perceptions of sustainable or eco-fashion products such as its price, value, trends, and fashion brand image (Han *et al* 2017). According to one journal, knowledge and awareness about environmentally friendly issues will lead to more positive attitudes toward sustainable or ethical consumption (Mandarić *et al.*, 2021). However, data shown in the previous paragraph indicates a disparity between willingness to pay and actual product purchase behavior due to a deficient amount of awareness and knowledge of fashion that is sustainable because it is not targeted for the mass market.

sustainable fashion is a hot subject that is increasingly being discussed in the media. As a result, this topic is related to communication because discussions about sustainable fashion are currently being discussed in various media in recent years because there is a process of communication behind increasing awareness in discussions about sustainable fashion.

RESEARCH PROBLEM

Looking at it, we can see how fashion is one of the least sustainable industries globally (Geneco, n.d). Kutsenkova (2017) stated that sustainable fashion has the potential to change both how people consume and how industry produces; Achieving an optimal equilibrium between these two aspects holds the promise of yielding significant social and environmental advantages (in Dewanto & Belgiawan, 2020). Rosadi (2021) stated that, only 28 percent of Indonesian consumers fully understand sustainable products, implying that the majority of Indonesian consumers are still unaware of sustainable products, one of which is sustainable fashion.

The lack of awareness has a connection to how they transition to a much more sustainable manner. Subsequently, This also

influences people's willingness to purchase environmentally friendly goods (Amed *et al*, 2021). Although Amed *et al* (2021) also shows the increasing demand of sustainability in fashion, as customers now are more concerned about climate-change (Amed *et al*, 2021). However, although the benefits of sustainable fashion are becoming more widely known, the number of purchases remains low (Dewanto & Belgiawan, 2020).

Based on the above statement, it is necessary to know whether is there a correlation between awareness of sustainable fashion and willingness to pay with intention to purchase sustainable fashion products?

RESEARCH OBJECTIVE

The purpose of this study is to explain the correlation between awareness of sustainable fashion and willingness to pay with intention to purchase sustainable fashion products.

THEORITICAL FRAMEWORK

Awareness of Sustainable Fashion

Awareness refers to an understanding of, or knowledge of, the most important issues facing the fashion industry. It also refers to advocating for positive change and appreciating those who are working to make a more ethical and sustainable future for fashion (Fashion Revolution, n.d).

Although the concepts of ethical fashion and sustainable fashion are somewhat independent from one another, there is a strong connection between the two. Ethical fashion, while on the other hand, places a greater emphasis on social responsibility and the protection of workers at each step of garment production, in contrast to sustainable fashion, which has a tendency to focus more on the environmental aspect of garment production. The concept of ethical fashion is one that falls under the umbrella term of

sustainable fashion. When one of these ideas is enforced on its own, it is not nearly as effective as when both of them are enforced together, due to the symbiotic link that exists between ethical and sustainable fashion. Because of this, it is imperative that ethical and sustainable fashion be implemented jointly in order to benefit both workers and the planet earth. As a result, apparel companies cannot be fully sustainable unless they also engage in ethical business activities, and vice versa.

Willingness to Pay

Willingness to pay (WTP) is the maximum cost consumers are willing to pay for a benefit received in the form of goods or services, and it measures how much potential customers value these goods or services (Amelia in Yuliasma, 2020). In other words, the public's desire to accept the obligation of payment in accordance with the calculated amount can be defined as willingness to pay. Kamal (2014) defines willingness to pay as an economic value defined as the maximum number of people willing to take goods and services in exchange for other goods and services.

In this research, the term willingness to pay describes a consumer's attitude on the amount of money they are prepared to spend on a product or service in exchange for perceived additional qualities, in this case environmental benefits. This is an occurrence for which an individual's willingness to pay for an environmental condition or evaluation of natural resources and services with the goal of improving environmental quality (Hanley & Spash, 1993).

Intention To Purchase Sustainable fashion Products

Spears and Singh (2004) provide a definition of buy intention as the conscious desire of an individual to actively pursue the acquisition of a particular brand of product. People will behave differently based on

their intentions, but having good intentions makes them more likely to behave in the desired manner. In other words, attitudes are controlled and influenced by intentions and beliefs about behavior. Behavior is preceded by intentions, which can be influenced by behavioral, normative, and control beliefs (Maichum *et al.*, 2016).

The basic premises involving consumer sustainability concern are that those who care about the environment are more likely to engage in environmentally conscious consumer behaviors and have strong intentions to purchase sustainable clothing.

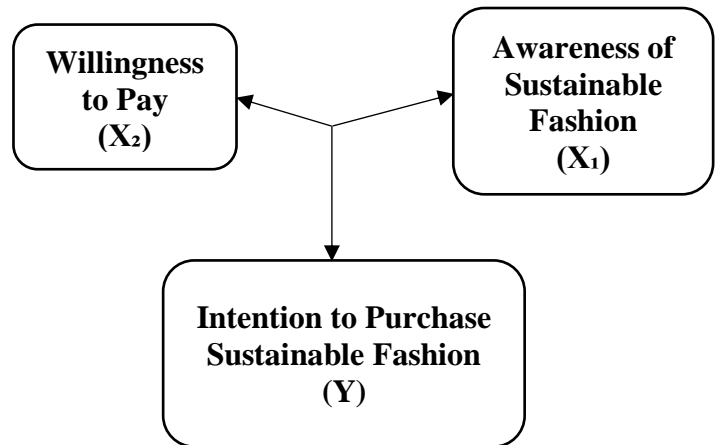
Theory of Reasoned Action

The Theory of Reasoned Action (TRA) to examine the correlation between awareness of sustainable fashion and purchase intention with the intervening variable of willingness to pay. Fishbein and Azjen's (1975) theory of reasoned action suggested that people choose to engage in behaviors they believe would lead to desirable outcomes after considering the pros and cons of various options. In other words, this theory assumes that individuals make rational decisions by using available information and weighing the consequences of their actions before deciding whether or not to act in a certain way. There are two factors this model suggest about behavioral intent, that is: (1) attitude with behavior; and (2) subjective norms or perceived social pressure associated with the behavior (Azjen and Fishben, 1975). In the context of sustainable fashion, attitude applies to an individual's comprehensive evaluation of products associated with sustainable fashion.

The role of awareness is of utmost importance in the formation of attitudes. Individuals who possess a comprehensive understanding of the ecological and societal concerns associated with the fashion sector are inclined to exhibit favorable perspectives towards sustainable fashion. Along with it, willingness to pay for sustainable fashion products is an important

component of intention. In assumption, consumers who have more awareness about the issues associated with the effects of fast fashion or the inverse of sustainable fashion are more likely to purchase sustainable fashion goods. Ultimately, such consumers may be inclined to behave in accordance with their beliefs or knowledge.

Figure 1. Theoretical Framework



HYPOTHESIS

There is a correlation between awareness of sustainable fashion (X_1), willingness to pay (X_2) with intention to purchase sustainable fashion products (Y).

RESEARCH METHOD

Research Type

This research uses quantitative research with explanatory research methods, which aim to explain the relationship between variables and test the hypotheses that have been formulated.

Population

The population in this study is male and female with an age range between 18-50 years old in Indonesia

Sampling

The sampling technique used in this study is a nonprobability sampling

technique with purposive sampling. This sample size is 310 respondents.

Data Analysis

A non-parametric test Kendall's W are used to test the hypothesis of this research.

RESULTS AND DISCUSSION

Hypothesis utilizes Kendall's-tau correlation coefficient utilizing IBM SPSS version 25.

In line with this research, the Theory of Reasoned Action (TRA) is a psychological framework that elucidates the relationship between people' attitudes and beliefs, and their behavioral intentions and subsequent behaviors. In the context of sustainable fashion and consumers' willingness to pay for sustainable fashion products, the Theory of Reasoned Action (TRA) might be employed to comprehend the relationships between customers' attitudes, subjective norms, and their purpose in purchasing sustainable fashion items.

The role of awareness is of utmost importance in the formation of attitudes. Individuals who possess a comprehensive understanding of the ecological and societal concerns associated with the fashion sector are inclined to exhibit favorable perspectives towards sustainable fashion. Along with it, willingness to pay for sustainable fashion products is an important component of intention. The statement indicates the inclination of individuals to allocate a greater budget towards the purchase of sustainably produced products. The findings of the hypothesis test support the validity of the established theory. The statistical test results confirm that the hypothesis test yields a highly significant value of 0.000 (<0.01), indicating a strong level of significance. The resulting correlation coefficient of 0.855 which indicates a very strong positive relationship.

CONCLUSION AND RECOMMENDATION

Conclusion

This research proves that there is a positive correlation between awareness of sustainable fashion and willingness to pay with intention to purchase, this testing hypothesis which refers to the results of the Kendall's W correlation test, shows that there is a very significant relationship between awareness of sustainable fashion and willingness to pay simultaneously with intention to purchase sustainable fashion products, with a significance value of 0.000 (<0.05) and a correlation coefficient of 0.855 which indicates a very strong positive relationship.

The analysis has indicated that both factors have a positive and statistically significant correlate on consumer intentions to make a purchase. Although there may be a lack of consumer awareness, the findings of this study demonstrate a noteworthy beneficial relation on consumer awareness about sustainability and their willingness to pay on their intention to make a purchase. Hence, it is recommended that businesses diversify the marketplace as necessary. This study's respondents are already willing to pay more for environmentally and socially sustainable products. This result indicates a need for businesses to proactively enhance their educational efforts regarding sustainable fashion, as there is a shown customer willingness to allocate more financial resources towards fashion items that include both environmental and social attributes.

Recommendation

1. This study has shown that the awareness of sustainable of sustainable fashion has positive effect on the intention to purchase sustainable products. Therefore, these findings have significant business implications as knowledge of the impact of various barriers to sustainable fashion

consumption can increase efforts to eliminate such obstacles. This research helps sustainable fashion manufacturers, retailers, policymakers better understand the factors that influence consumer attitudes toward sustainable fashion and how to transition to a more sustainable system.

From this point of view, there are things that industry decision-makers can do, the most important of which is eco-labeling, the simplest step to inform consumers about products that apply sustainable principles. Promoting their products and brands to be effective by putting more attention on the treatment of fabric, as the majority of consumers are still lacking on this knowledge. Also, being more transparent with the choice of materials would be beneficial to put as a strategy because it will assist consumers gain more understanding about the apparel they are going to purchase. Many consumers also do not have sufficient knowledge of sustainable fashion in regards to the abatement pattern-making, hand-crafted products, and saving resources by adopting an environmentally friendly laundry, wash less clothing, and dispose/repairing old garments are a part of sustainable fashion.

This may be a useful thing to put as a plan. The owners of businesses will find it to their advantage to take note of the fact that in order to improve the overall consumer perceptions of the amount of sustainability that their service possesses, it is necessary to improve the customer perceptions of all of the numerous underlying characteristics of sustainability. The emphasis of communications should also be on advertising product attributes, as information transparency will substantially increase consumers' intentions to purchase the brand's sustainable fashion products.

When seen from the perspective of the consumer, responsible consuming behavior is required. The decision-making process that underpins sustainable consumption is one that, in addition to an individual's own requirements and preferences, takes into

account the social responsibility of the consumer.

Although public awareness of the negative environmental effects of the fashion industry is relatively high, there is still much work to be done to educate consumers on the consequences of their decisions. It is imperative for marketers to proactively cultivate constructive narratives and promotional campaigns concerning sustainable apparel; that is, to educate consumers on the environmental implications associated with their consumption decisions, while also highlighting the environmental advantages that may be got by the adoption of sustainable alternatives. Consequently, consumers will gravitate toward sustainable retail offerings and demand will transition towards brands that value sustainability as a core value.

2. In accordance with the finding that willingness to pay have positive correlation on intention to purchase sustainable fashion products, means the Indonesian market has already demonstrated a willingness to pay a higher price for environmentally and socially responsible products. As a result, it may serve as an encouragement for both global and regional fashion brands to make the transition towards sustainability.

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