



UDC 332

INFLUENCE OF PERCEIVED CUSTOMER VALUE IN MEDIATING THE EFFECT OF GREEN MARKETING ON WILLINGNESS TO PAY FOR ORGANIC PRODUCTS IN GREEN TOURISM VILLAGE BILEBANTE

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ABSTRACT

The increasing environmental awareness has propelled green marketing, integrating environmentally friendly aspects in product marketing to enhance value in the eyes of consumers. In a tourism village, this strategy can elevate perceived customer value and encourage consumers to pay more to support sustainable business practices. This study aims to analyze the influence of perceived customer value in mediating the effect of green marketing on willingness to pay for organic products in Green Tourism Village Bilebante. This research employs an associative quantitative approach. Data were collected from 97 respondents using Likert scale questionnaires and analyzed using path analysis through SmartPLS. The research findings indicate that green marketing has a positive but not significant influence on willingness to pay. However, green marketing significantly enhances perceived customer value, which in turn positively and significantly affects willingness to pay. Moreover, perceived customer value mediates the effect of green marketing on willingness to pay. Theoretically, this study reveals that green marketing affects perceived value by customers and their willingness to pay, albeit inconsistently. These findings support the theory that perceived value is crucial in purchasing decisions and can enhance customer loyalty. Practically, Green Tourism Village Bilebante is advised to strengthen green marketing strategies through transparency and effective communication regarding the environmental benefits of their products to enhance perceived value and willingness to pay.

KEY WORDS

Perceived customer value, green marketing, willingness to pay, organic products.

Over the past few decades, global awareness of environmental preservation has significantly increased. Concerns about potential environmental disasters threatening human health and the survival of future generations have been further reinforced by scientific evidence, such as the depletion of the ozone layer, which increases the risk of skin cancer, and the impacts of global climate change, including global warming (Manchanda, 2014; Risyamuka & Mandala, 2015). Current environmental issues have made society more sensitive to these concerns. In terms of needs, there are efforts to halt and reverse the negative effects of human behaviour on the environment (Rinuastuti et al., 2018). These impacts drive society to take responsibility for the environment and raise awareness about sustainability for the future. In the marketing world, the shift in consumer behaviour towards environmental sustainability through green consumerism movements presents new opportunities for businesses to innovate and create environmentally friendly products (Athar et al., 2023). This phenomenon has thus led to the concept of green marketing, which integrates environmental issues into product marketing activities to ensure they are safe for the environment (Agustin, 2015).

Green marketing not only offers environmentally friendly products but also encompasses the entire production process, packaging changes, and product modifications. According to Polonsky in Agustin (2015), this concept demands a reorientation and environmental responsibility across all aspects of the organization. This phenomenon is closely related to the shift in societal behaviour towards greater environmental consciousness, such as the use of eco-friendly bags and the consumption of organic food



(Putra & Suryani, 2015). In Indonesia, several large companies have implemented this strategy, such as BNI with its Griya Hijau mortgage programme, Excelcomindo with e-bill, and Carrefour with green bags replacing plastic shopping bags (Hafisah & Irawanti, 2023).

The green marketing strategy highlights organic products as a more environmentally conscious choice, emphasising eco-friendly production, distribution, and consumption processes to reduce the negative impact on nature (Putri & Suparna, 2014). The application of this strategy is not limited to companies but also extends to tourist villages or green villages, which offer natural beauty and agrarian life as tourist attractions (Kamariyah, 2020; Sukma & Puspitasari, 2022). In tourist villages or green villages, organic products become increasingly relevant as they are considered better for the environment and human health compared to conventional products containing chemicals (Arismayanti, 2015). One tourist village that applies the green marketing strategy is Green Tourism Village Bilebante.

Green Tourism Village Bilebante is one of the well-known tourist destinations promoting the village concept in Central Lombok. Here, tourists are presented with views of lush green rice fields and delicious traditional foods. This tourist destination has become a flagship sector and opened new opportunities through the implementation of green marketing concepts. The people of Bilebante introduce their rich local culture and environmentally friendly products such as seaweed dodol and lemon grass tea (Mulegati). In addition, traditional massages with natural spa ingredients and various traditional foods are also available. The organic products offered by the people of Bilebante have their own uniqueness, making them one of the main attractions in the development of the green marketing concept in this village.

However, implementing green marketing practices requires additional costs. Consequently, the costs incurred by consumers will also increase in line with the rise in production costs by producers. Consumers typically tend to reconsider purchasing products from producers who implement green marketing practices, questioning whether they are willing to pay more for these products. This willingness to pay, often referred to as willingness to pay (WTP) (Hendra et al., 2023).

Willingness to pay is the maximum amount consumers are willing to spend on a product or service, determined by their perception of the product's value (Leonardo, 2016). In green marketing, producers often set higher prices to support environmentally friendly practices, and consumers who care about environmental conservation generally have a higher willingness to pay (Ramadhani & Widiartanto, 2021). This willingness is crucial in assessing the potential success of green marketing strategies, where perceived customer value—the consumer's perception of a product's value based on its quality, environmental, or social benefits—plays a key role (Iranita, 2018). In the context of organic products in a tourist village, this value includes benefits for the environment, health, and support for the local community (Hanggara, 2018).

Green marketing, which emphasizes environmental aspects in promoting products or services, can enhance perceived customer value by associating additional values such as sustainability, quality, and benefits for the environment or society. When a product is positioned as environmentally friendly, consumers are likely to view it as a more valuable investment. This often drives the desire to pay more, especially if consumers feel that by paying more, they are supporting better business practices for the environment or society.

This is also supported by several previous studies, including research by Haryadi (2009) which found that the implementation of green marketing, particularly on products, can build positive perceptions and increase consumer trust, while also providing a competitive advantage that boosts purchase interest. The study by Tirtayani et al. (2016) in Denpasar and Kampani (2014) at PT. Astra International Tbk. also showed that green marketing positively affects perceived customer value. Research by Johari (2019) and Wu & Chen (2014) affirms that products marketed with the green marketing concept are highly valued by consumers, contributing positively to shaping consumer value perceptions.

Research shows that companies with strong environmental claims in Asia, such as those found by Ghazali et al. (2017), X. Zhang et al. (2018), L. Zhang et al. (2018), Y. Zhang et al. (2020), and Guerreiro et al. (2023) benefit from higher purchase intentions and



willingness to pay from consumers, influenced by attitudes and perceptions of the brand. Additionally, research by Krystallis & Chrysohoidis (2005) shows that consumers are willing to pay more for organic food because it is perceived as healthier. Studies by Tj & Widjaja (2024) and Li et al. (2012) show that perceived customer value influences consumers' willingness to pay, with factors such as lifestyle and social value also playing a role. Bushara et al. (2023) and Murrar et al. (2024) also found a significant positive relationship between perceived customer value and willingness to pay.

The study by Rachmawaty & Hasbi (2020) found that green marketing and brand image influence consumer purchase intentions for bottled drinking water, highlighting the importance of these factors in shaping consumer preferences. These findings align with research by Desliana et al. (2016), which showed that green marketing programs could increase the willingness of environmentally conscious consumers to pay a premium for environmentally friendly products and services. However, Fuadil (2020) found that green marketing practices do not affect willingness to pay.

Based on the background described above, it is necessary to prove or analyze further within the context of a tourist village which attributes cause consumers to be willing to pay more for the offered products. Additionally, it is essential to identify which attributes need performance improvement as part of preparing the right strategies for future competition.

LITERATURE REVIEW

Consumer behaviour is the study of how individuals, organisations, and groups make decisions regarding the purchase, selection, and use of products or services to fulfil their needs and desires (Kotler & Keller, 2016). This concept emphasises the importance of customer orientation for marketers, focusing on pre-purchase evaluation, purchase decision, and post-purchase evaluation (Assael, 2014; Schiffman & Kanuk, 2014). The consumer behaviour model according to Kotler & Keller (2016) explains how product information, pricing, and promotion influence consumer decisions through economic, cultural, and psychological factors to determine product choice, brand, and purchase timing. Marketers need to understand factors such as cultural, social, personal, and psychological influences on consumer behaviour (Kotler & Armstrong, 2018).

The perception that a company is environmentally friendly can enhance its value in the eyes of customers and influence their intent to interact again in the future (Koller et al., 2011). Research indicates that these benefits apply regardless of the company's environmental orientation (Borin et al., 2013). Cross-country studies by Dinh et al. (2021) suggest that companies should not only popularize their brands with eco-friendly claims but also consider other brand image or attitude factors, such as brand appeal, which can mediate the effects of a brand's perceived coolness. Several studies comparing consumer responses to eco-friendly marketing in Asia indicate that companies with strong environmental claims tend to receive higher purchase intentions and willingness to pay from consumers (Ghazali et al., 2017; X. Zhang et al., 2018; L. Zhang et al., 2018; Y. Zhang et al., 2020), with effects influenced by attitudes and perceptions towards the brand. Research by Guerreiro et al. (2023) found that green marketing has a significant positive impact on willingness to pay. Therefore, the second hypothesis is as follows:

H1: Green marketing has a positive impact on willingness to pay.

Manget et al. (2009) stated that the perceived value of eco-friendly products by consumers can motivate them to purchase these products as they offer added value compared to non-eco-friendly products. The study by Tirtayani et al. (2016) at Carefour Shopping Centre and Hardy's Denpasar showed that green marketing positively affects perceived customer value. Kampani (2014) also found that green marketing has a positive influence on perceived customer value at PT. Astra International Tbk. Wu & Chen (2014) research confirmed that green marketing has a partial positive impact on perceived customer value. Wu & Chen (2014) added that green marketing products have high value for consumers, thus positively influencing consumers' perceived value. Thus, the first hypothesis is as follows:



H2: Green marketing has a positive impact on perceived customer value.

Perceived value reflects the overall evaluation by consumers of a product or service, creating a sense of novelty, curiosity, and fulfilling knowledge needs. Kung et al. (2021) categorized customer value into functional, emotional, social, and conditional values, which influence consumer decisions based on the consumption situation. Willingness to pay is defined as the maximum amount consumers are willing to pay for goods or services (Franke & Schreier, 2008). Consumers tend to pay more for goods or services they perceive as offering value. Krystallis & Chryssohoidis (2005) showed that consumers are willing to pay more for organic food as it is perceived to be healthier than conventional food. The study by Tj & Widjaja (2024) found that perceived customer value significantly positively impacts willingness to pay in fast food restaurants. Li et al. (2012) also identified that perceived social/emotional, utilitarian, and economic values influence Chinese consumers' willingness to pay for luxury fashion brands. Research by Bushara et al. (2023), Murrar et al. (2024) confirmed that perceived customer value has a positive and significant impact on willingness to pay. Therefore, the third hypothesis is as follows:

H3: Perceived customer value affects willingness to pay.

The perception that a company is environmentally friendly can enhance its value in the eyes of customers and influence their intent to interact again in the future (Koller et al., 2011). Research indicates that the benefits of eco-friendly marketing are not influenced by the type of company's environmental orientation (Borin et al., 2013). The study by Rachmawaty & Hasbi (2020) highlighted the impact of green marketing and brand image on consumers' purchasing intentions of bottled drinking water, which aligns with Desliana et al. (2016), findings on the impact of green marketing programs on consumer behaviour, emphasizing that environmentally conscious consumers are willing to pay more for eco-friendly products. Therefore, the fourth hypothesis is as follows:

H4: Perceived customer value mediates the impact of green marketing on willingness to pay.

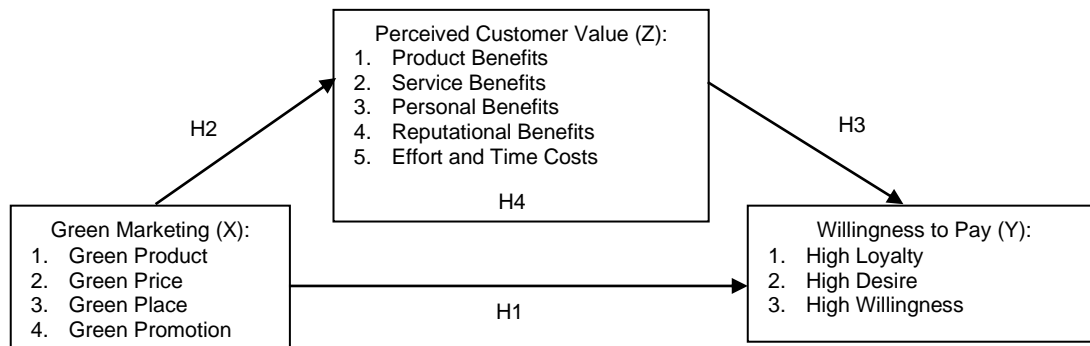


Figure 1 – Conceptual Framework

METHODS OF RESEARCH

This study employs a quantitative associative approach aimed at examining the relationships between independent and dependent variables, focusing on the impact of perceived customer value in mediating the effect of green marketing on the willingness to pay for organic products at the Desa Wisata Hijau Bilebante. Data were collected through a sample survey and documentation, with the population consisting of all respondents who visit and purchase organic products at Desa Wisata Hijau Bilebante, the exact number of which is unknown. The sample size for this study is 97 respondents. Sampling was conducted using a non-probability sampling method with purposive sampling technique. Data collection involved the use of a questionnaire with a Likert scale. The collected data were analyzed using path analysis techniques with SmartPLS software, which includes evaluating the measurement model (outer model) through convergent validity (AVE value > 0.5), discriminant validity, and composite reliability (value > 0.7), as well as evaluating the structural model (inner model)



using R-Square (R^2), Q^2 Predictive Relevance, and Quality Index to assess the model's predictive power and goodness of fit.

RESULTS OF STUDY

Data analysis from 97 respondents at Desa Wisata Hijau Bilebante shows that the majority of organic product buyers are female (53.6%). The primary age group is 27 to 36 years old (44%), followed by the 37 to 46 years old group (28%). Most respondents have a Bachelor's degree (43%), followed by High School/Equivalent (32%) and Diploma (25%). In terms of occupation, employees dominate (52%), with students/scholars (30%) and entrepreneurs (19%) being other significant groups. Regarding income, the largest group earns between Rp 5,000,000 and Rp 10,000,000 (35%), followed by those earning below Rp 5,000,000 (34%), with higher income groups (Rp 11,000,000 to Rp 15,000,000 and above Rp 15,000,000) contributing 19% and 12%, respectively.

Table 1 – Respondent Characteristics

Characteristic	Frequency	Percentage (%)
Gender		
Male	45	46,4%
Female	52	53,6%
Age		
17 - 26 Years	13	13%
27 - 36 Years	43	44%
37 - 46 Years	27	28%
> 47 Years	14	14%
Years		
High School/Equivalent	31	32%
Diploma	24	25%
Bachelor's Degree	42	43%
Occupation		
Student/Scholar	29	30%
Entrepreneur	18	19%
Employee	50	52%
Income		
< Rp 5.000.000	33	34%
Rp 5.000.000 - Rp 10.000.000	34	35%
Rp 11.000.000 - Rp 15.000.000	18	19%
> Rp. 15.000.000	12	12%

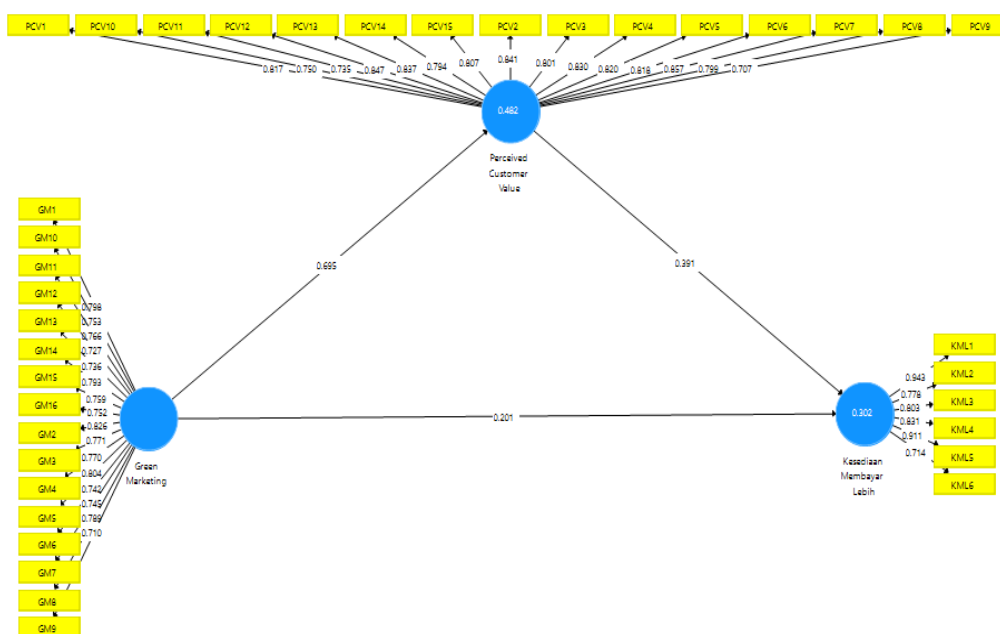


Figure 2 – Outer Loading



Based on the results of the outer loading measurement for reflective indicators, it is observed that the research indicators meet the criteria for use as measurement indicators because they have outer loading values greater than 0.7 (outer loading > 0.7) (Hair et al., 2019; Henseler & Schuberth, 2020). Therefore, all indicators are deemed suitable and valid for further research analysis.

Discriminant validity in this study is assessed using the Heterotrait-Monotrait Ratio (HTMT), with the standard that an HTMT value < 0.90 indicates good discriminant validity (Sarstedt et al., 2017). The HTMT ratio for all variables is less than 0.9 (HTMT < 0.9), indicating that all construct variables have good discriminant validity.

Table 2 – Average Variant Extracted (AVE)

n/n	AVE	Description
Green Marketing	0,586	Valid
Willingness to Pay	0,695	Valid
Perceived Customer Value	0,648	Valid

Discriminant validity is also measured using the square root of Average Variance Extracted (AVE), with values recommended to be above 0.5 (Ghozali, 2018). Based on the table above, all research variables show AVE values greater than 0.5 (AVE > 0.5), indicating that each variable meets the standard for discriminant validity. Thus, the variables in this study can be clearly distinguished from one another, showing that the constructs measured are valid and reliable, and the research results possess good validity and can be relied upon for accurate conclusions. A construct is considered reliable if the composite reliability value is above 0.70 (Ghozali, 2015). Reliability testing can be reinforced using Cronbach's alpha. A variable is deemed reliable or meets Cronbach's alpha if it has a Cronbach's alpha value > 0.7 (Ghozali, 2018).

Table 3 – Composite Reliability

n/n	Composite Reliability	Cronbach's Alpha	Description
Green Marketing	0,958	0,953	Reliable
Willingness to Pay	0,931	0,910	Reliable
Perceived Customer Value	0,965	0,961	Reliable

According to the table above, the results show that the composite reliability and Cronbach's alpha values for all variables are greater than 0.7. Thus, this indicates that each research variable meets the Cronbach's alpha requirements, and it can be concluded that all variables have a high level of reliability.

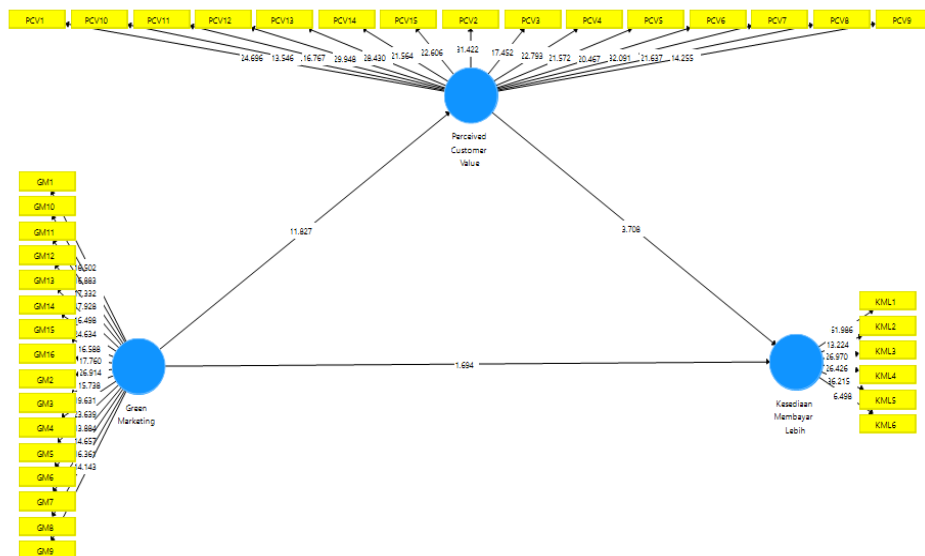


Figure 3 – Inner Model Resampling Bootstrap



Table 4 – Path Coefficient

	Original Sample (O)	Direction of Relationship
Green Marketing -> Willingness to Pay	0,201	Positive
Green Marketing -> Perceived Customer Value	0,695	Positive
Perceived Customer Value -> Willingness to Pay	0,391	Positive

Based on the results described, it is evident that there is a positive relationship in all the tested paths. Green marketing influences willingness to pay with a coefficient of 0.201, and perceived customer value with a coefficient of 0.695. Additionally, perceived customer value influences willingness to pay with a coefficient of 0.391. All relationships indicate that an increase in the exogenous variables contributes to an increase in the related endogenous variables.

Table 5 – R Square Values

n/n	R Square	R Square Adjusted
Willingness to Pay	0,302	0,287
Perceived Customer Value	0,482	0,477

According to the data presented in the table above, the R-Square value for the willingness to pay variable is 0.302. This value indicates that 30.2% of the variation in willingness to pay can be explained by green marketing. Meanwhile, the R-Square value for the perceived customer value variable is 0.482. This value indicates that perceived customer value can be explained by green marketing by 48.2%.

$$Q^2 = 1 - \{(1 - R_1^2) \times (1 - R_2^2)\} = 0,302$$

Based on the above calculation, the Q-Square value is 0.302. This indicates that the amount of variance in the research data that can be explained by the research model is 30.2%, while the remaining 69.8% is explained by other factors outside of this research model. Thus, based on these results, it can be stated that the research model has a good goodness of fit.

The f-square value for the influence of green marketing on willingness to pay is 0.030, which is below 0.15, indicating a small or weak effect. The influence of green marketing on perceived customer value has an f-square value of 0.932, which is above 0.35, indicating a large or strong effect. The influence of perceived customer value on willingness to pay has an f-square value of 0.113, which is below 0.15, indicating a small effect.

Table 6 – Hypothesis Testing

Hypothesis	Influence	T Statistics (O/STDEV)	P Values
H1	Green Marketing -> Willingness to Pay	1,694	0,091
H2	Green Marketing -> Perceived Customer Value	11,827	0,000
H3	Perceived Customer Value -> Willingness to Pay	3,708	0,000
H4	Green Marketing -> Perceived Customer Value -> Willingness to Pay	3,146	0,002

Hypothesis H1: The first hypothesis (H1), which suggests that improved green marketing would increase willingness to pay, is rejected.

Hypothesis H2: The second hypothesis (H2), which states that improved green marketing will increase perceived customer value, is accepted.

Hypothesis H3: The third hypothesis (H3), which suggests that there is a positive and significant influence of perceived customer value on willingness to pay, is accepted.

Hypothesis H4: The fourth hypothesis (H4), which suggests that good perceived customer value can support green marketing to increase willingness to pay, is accepted.

DISCUSSION OF RESULTS

The Influence of Green Marketing on Willingness to Pay. The hypothesis testing results indicate that there is no significant influence of green marketing on the willingness to pay.



Therefore, it can be concluded that improved green marketing does not significantly increase consumers' willingness to pay. This suggests that although green marketing adds value, not all consumers are willing to pay a premium for products or services marketed using this approach. This finding contrasts with the research conducted by Guerreiro et al. (2023) which found that green marketing has a significant positive impact on the willingness to pay.

Green marketing, which focuses on environmental values and sustainability, aims to attract environmentally conscious consumers by promoting eco-friendly products (Ottman, 2017). Although this strategy can increase consumer awareness and potentially their willingness to pay, its impact is not always significant or consistent. Other factors such as price, product quality, and perceived environmental benefits also influence consumer decisions (Peattie, 2001). The level of knowledge and awareness regarding environmental issues is also crucial, with better-informed consumers being more likely to support sustainable products and willing to pay more (Young et al., 2010). Additionally, the credibility of environmental claims is vital; distrust in green claims can reduce the effectiveness of green marketing (Chen & Chang, 2013).

While there is a positive relationship between green marketing and the willingness to pay, this relationship is not always significant. This is due to factors such as the majority of respondents being women who prioritize household budgets, and the age group of 27 to 36 years focusing on financial stability. Respondents with a bachelor's degree have better knowledge but are critical of less credible claims. Most respondents are employees with a fixed income between IDR 5,000,000 and IDR 10,000,000, who tend to be cautious with their spending, explaining their unwillingness to pay.

The Influence of Green Marketing on Perceived Customer Value. The hypothesis testing results indicate that there is a significant positive influence of green marketing on perceived customer value. In other words, improved green marketing can enhance perceived customer value. This finding is consistent with the research by Kampani (2014) and Johari (2019) which showed that green marketing positively affects perceived customer value. Wu & Chen (2014) also stated that green marketing products are perceived to have high value by consumers.

Green marketing, which emphasises environmental values and sustainability, aims to increase customers' perceived value by promoting eco-friendly products. This strategy is effective in attracting environmentally conscious consumers and enhancing their evaluation of products, as seen in organic products in the Green Tourism Village of Bilebante, which offer durable quality at a balanced price, easy access, and the use of eco-friendly shopping bags (Ottman, 2017). Studies have shown that green marketing not only strengthens product value perception (Chen & Chang, 2012) but also increases consumer loyalty and repurchase intentions (Cronin et al., 2011). However, to ensure its effectiveness, companies must ensure that their green marketing claims are credible and transparent, avoiding greenwashing, which can damage consumer trust and reduce perceived value (Delmas & Burbano, 2011).

Thus, the research findings suggest that improved green marketing can significantly enhance perceived customer value. Companies that successfully implement effective green marketing strategies can enhance their products' perceived value, which in turn can increase customer loyalty and repurchase intentions.

The Influence of Perceived Customer Value on Willingness to Pay. The hypothesis testing results indicate that perceived customer value has a significant positive influence on willingness to pay. In other words, improved perceived customer value can increase the willingness to pay. This finding aligns with Krystallis & Chryssohoidis (2005), who showed that consumers are willing to pay more for organic food perceived as healthier. Tj & Widjaja (2024) found that perceived customer value has a significant positive influence on the willingness to pay in fast-food restaurants. Research by Li et al. (2012) also showed that various perceived values influence Chinese consumers' willingness to pay for luxury fashion brands. Similarly, Bushara et al. (2023), Murrar et al. (2024) confirmed that perceived customer value has a significant positive impact on the willingness to pay.

Perceived customer value refers to customers' perceptions of the benefits of a product or service compared to the costs incurred, and it is a key factor in determining how much



more customers are willing to pay (Zeithaml, 1988). Research shows that perceived value significantly impacts the willingness to pay, with consumers tending to appreciate products that offer greater value in terms of quality, function, or additional benefits (Hoseason, 2003). Factors such as product quality, customer service, and brand image also influence perceived value (Holbrook, 1994). Green marketing, by emphasizing environmental values, can increase perceived customer value and motivate consumers to pay more, particularly for those concerned with sustainability (Ottman, 2017). However, uncredible green claims or greenwashing can diminish perceived value and reduce customers' willingness to pay (Chen & Chang, 2013).

Thus, the research findings suggest that improved perceived customer value can significantly increase the willingness to pay. Companies that focus on enhancing perceived customer value through various strategies, including green marketing, will be more successful in increasing customers' willingness to pay.

The Influence of Green Marketing on Willingness to Pay Mediated by Perceived Customer Value. The hypothesis testing results indicate that perceived customer value can mediate the relationship between green marketing and willingness to pay. In other words, good perceived customer value can support green marketing to increase the willingness to pay. This finding is consistent with Rachmawaty & Hasbi (2020) who showed that green marketing and brand image influence consumers' purchase intentions for bottled drinking water. These findings are also consistent with Desliana et al. (2016), who emphasized that environmentally conscious consumers are willing to pay more for eco-friendly products.

Green marketing is a strategy that promotes eco-friendly products to attract environmentally conscious consumers and enhance perceived customer value by demonstrating a commitment to sustainable practices (Ottman, 2017). Perceived customer value, which is customers' perception of the benefits of a product compared to the costs, can be influenced by the environmental value of the product (Zeithaml, 1988). Research shows that perceived customer value mediates the relationship between green marketing and willingness to pay, with customers who perceive high value from a product or service being more willing to pay more (Chen & Chang, 2012).

Thus, the research findings suggest that good perceived customer value can significantly support green marketing in increasing the willingness to pay. Companies that successfully implement effective green marketing strategies and enhance perceived customer value will be more successful in increasing customers' willingness to pay.

CONCLUSION

Based on the research findings, it can be concluded that green marketing has a positive but not significant impact on willingness to pay more, indicating that this strategy does not sufficiently influence respondents' intentions to pay more for organic products in Bilebante Tourism Village. However, green marketing significantly enhances perceived customer value, and perceived customer value also has a positive and significant impact on willingness to pay more. Additionally, perceived customer value mediates the influence of green marketing on willingness to pay more, confirming its role in linking green marketing strategies with increased consumer willingness to pay a premium.

Theoretically, this research indicates that green marketing significantly affects customers' perceived value and their willingness to pay more, despite the inconsistency in the direct influence on willingness to pay more. These findings support the theory that perceived value plays a key role in purchasing decisions and can strengthen customer loyalty and competitive advantage. Managerially, it is recommended that Bilebante Green Tourism Village strengthens its green marketing strategy by improving transparency, accountability, and effective communication regarding the environmental benefits of their products, in order to enhance customer perceived value and willingness to pay a premium.

This research has several limitations, including the use of a limited questionnaire consisting only of closed-ended questions, which restricts the exploration of aspects outside the established framework; an imbalance in the number of male and female respondents,



making the sample less proportional; and a low R-Square value, namely 0.302 for willingness to pay more and 0.482 for perceived customer value, indicating that green marketing only explains a small portion of the variance in these two variables, and there may be other more dominant factors influencing the research outcomes.

Based on the research findings, the following recommendations can be made: (1) Managerial Recommendations: (a) Although green marketing does not significantly influence willingness to pay more, the strategy should be strengthened by focusing on transparency and accountability, as well as continuous integration into all operational aspects; (b) Enhance customer perceived value by improving product quality, customer service, and overall consumer experience; (c) Increase communication about sustainable practices to potential consumers to improve brand image; (d) Integrate green marketing with a holistic marketing strategy to build customer loyalty and sustainable differentiation; (e) Conduct regular evaluations of green marketing strategies and customer perceived value to maximize effectiveness. (2) Recommendations for Future Research: (a) Add open-ended questions for more in-depth insights; (b) Research with male and female respondents aged 20-40 from the middle to upper economic class; (c) Expand research to other tourism villages with green marketing concepts; (d) Add relevant variables to enhance the model's ability to explain the factors influencing willingness to pay more.

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