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ANALYSIS OF CONSUMER BEHAVIOUR AND MARKET SEGMENTATION ON SALES GROWTH AND ENVIRONMENTAL SUITABILITY*

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Abstract

Environmentally-sustainable consumer behavior is a crucial factor of environmental conservation, which ultimately aids society. The current study supplies a proper concept of consumer Behaviour and Market Segmentation to comprehend better and encourage environmentally responsible consumer behavior. The study would inspect customer behavior, market segmentation, and behaviour related to watching online video commercials on YouTube affected environmental suitability, and sales growth, using consumer satisfaction as an intervening variable. This study uses a quantitative descriptive method. This study involved 172 people who are online business people in Lamongan Regency, East Java. Data was obtained using interviews, observation and documentation. Data analysis using the SEM-PLS model and processed with SmartPLS 3. Hypothesis measurement in the SEM test is determined if the P-Value value is less than 0.05, then it has a significant effect, and the hypothesis can be accepted. The results demonstrate that consumer satisfaction mediates the effect of consumer attitudes on sales growth and consumer behaviour on the environment. Sales growth is influenced by consumer satisfaction. Furthermore, consumer behavior influence the environment positively.

Keywords: consumer attitudes, consumer behavior, environmental conservation, market segmentation, sales growth, sustainable environment

1. Introduction

In the digital era, all human activities are separated from technology. However, technology has also replaced many human activities in the business world (Bogachov et al., 2021). This can be seen from the number of SMEs and online shop businesses we often encounter in the internet world.

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Today's online shop business is no longer something foreign to the people of Indonesia, whether they use the internet in their daily lives or not. Thanks to information technology, this can be an excellent opportunity for online shop business people to achieve business goals (Makhmudova et al., 2021).

This also applies to online shop business people in the Lamongan district. To facilitate online business, one of which is needed is sales growth (Gozaly, 2017). According to (Kalinić et al., 2021), sales growth is the difference between the total sales of this period and the previous period compared to the sales of the previous period. Therefore, it can be concluded that good sales growth is indicated by an increase in the sales graph from the previous period (Mathur et al., 2020). There are several factors to get sales growth, one of which is customer satisfaction. This must be prioritized in every business, including online shop businesses (Kim et al., 2018). There are so many business people who make customer satisfaction a slogan because, without consumers, the goals of a business will be challenging to achieve. Furthermore, a high level of consumer satisfaction for online transactions increases consumer commitment, considering that satisfaction and commitment are two interactive factors (Saito and Kusakawa, 2018). From this statement, it can be concluded that if consumers are satisfied with the purchase, they will return to transact again so that sales growth will increase.

Sales growth and consumer satisfaction will also be influenced by consumer behaviour. According to Boca (2021), Consumer behaviour is defined as using, evaluating, and disposing of products and services that they expect will satisfy their needs. There are many stages of consumer behaviour: information seeking in decision-making (Skavronska, 2017). Consumers obtain information from various sources, including advertisements. They stated that one factor influencing buying interest is the intensity of watching advertisements (Nadeem et al., 2020). Meanwhile, YouTube is one of the media that offers digital-based advertising impressions (Matzembacher et al., 2020). So it can be concluded that watching online video ads on YouTube affects sales growth and consumer satisfaction.

Attitudes have four functions: the function of adjustment, the function of self-defence, the function of expression, and the function of knowledge. Consumer attitudes, there are three components, namely a cognitive component (brand trust), an affective component (brand evaluation), and a conative component (intention to buy). Mentions the factors that influence consumer attitudes towards objects, including personal experience, essential people, culture, mass media, educational institutions, religious institutions, and emotional factors (Batat, 2019).

Market segmentation divides the market into small groups with different needs, characteristics, or behaviours that may require separate products or marketing mixes. Geographic, demographic, psychographic, and behavioural are the most important segmentation variables (Barzamini and Ghassemian, 2019). In addition, the market segment must meet several requirements, namely; the segment must be measurable with a certain level of size, the segment must be accessible and served effectively (accessible), the segment size is large enough or profitable enough (substantial), segments respond differently to the marketing mix (differentiation), and segments can be acted upon.

Consumer behaviour is defined as the use, evaluation, and disposal of products and services they anticipate will meet their needs (Khakpour et al., 2018). Defines consumer behaviour as a dynamic interaction between affective and cognition, behaviour, and the environment in which humans carry out exchange activities in their lives. Consumer behaviour is influenced by factors that include; culture, social, personality, and psychology.

Five stages in consumer decision-making: problem recognition, information search, alternative evaluation, purchase, and post-purchase evaluation (Boca, 2021). The problem recognition stage is when consumers begin to realize that there are unfulfilled needs and desires in consumers' personalities and then try to fulfil their needs (Abramov and Saponov, 2019). Next, explain the information search stage, where consumers seek information related to unmet needs

1 (Yegina et al., 2020). Consumers obtain information from various sources of information, namely private sources (family and friends), commercial sources (advertising, mediators, salespeople, product packaging, storefronts), public sources (organizations, mass media), and experience sources (Jamaludin et al., 2019). Finally, the alternative evaluation stage is the alternative product to choose, adjusted to the purchase objective. With the development of information technology, the internet can also be used for advertising. There are six types of online ads: Floating ads, Expanding ads, Wallpaper ads, Trick Banners, Pop-ups, and Pop-under (Mensah, 2019; Minnegalieva et al., 2020).

Consumer satisfaction is a person's feelings of pleasure or disappointment that come from comparing his impression of a product's performance (or results) and his expectations. Consumer satisfaction is the perceived benefits of a product expected by consumers. In product quality lower than expectations, consumers will feel dissatisfied. However, if the higher quality is the same as the expectations, consumers will feel satisfied. When consumers feel dissatisfied, consumers will no longer use the product (Sergeevna et al., 2021). Consumers will tend to look for other products that they perceive will offer the expected level of satisfaction (Kalinić et al., 2021). Alternatively, in other words, if the level of perceived satisfaction is low, it will affect the intention to move (Abduvakhidov et al., 2021). Meanwhile, satisfied consumers will tend to use the company's products more often, affecting the intention to repurchase and become loyal customers. Customer satisfaction indicators fulfil consumer expectations, attitudes, or desires to use the product, recommend to other parties, service quality, loyalty, good reputation, and location (Prashar and Verma, 2020).

Sales growth is the change in the company's total sales. In financial management, sales growth is measured based on changes in sales and how much growth should be (Sustainable Growth Rate) by examining the alignment of investment and financing decisions (Sousa et al., 2020). In addition, sales growth will increase investment in company assets and ultimately require funds to purchase assets (Lu et al., 2021). Therefore, sales growth is a component to assess the company's prospects, and financial management is measured based on changes in total sales growth.

In addition, market segmentation also has an important role in sales growth and customer satisfaction. By understanding the condition of market segmentation, the online shop business is expected to develop an effective marketing strategy to continue to attract as many consumers as possible so that it can positively impact the performance of the business (Sumadi et al., 2020). The market segmentation strategy used is based on geographic location, namely market grouping (Reinsberg et al., 2019). Its marketing area by focusing sales on certain areas considering that the broad reach of the target or target market is the consumer market. If the market segmentation is right on target, it can be ascertained by consumer satisfaction and increased sales growth (Ponkratov et al., 2019). In addition to market segmentation, consumer attitudes also have an important role in sales growth and customer satisfaction.

Attitude is a comprehensive evaluation and allows a person to respond to the object being assessed favourably or unfavourably. The attitude comprises three parts: 1) Cognitive component: Consumer confidence and knowledge of the object are cognitive components. Objects are product attributes. The greater the positive belief in a product's brand, the more the overall cognitive component will support the overall attitude 2) Affective component: emotional expression of one's feelings toward an object, whether desired or disliked. 3) Behavioral component: reflects the actual tendency and behaviour toward an object, indicating the proclivity to act. The cognitive component is brand belief, the affective component is brand evaluation, and the conative component is purchase intention. At the same time, external factors come from outside, especially from producers, to stimulate consumers to use the goods or services they offer.

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2. Research hypothesis

The study aimed to see how consumer attitudes, market segmentation, and behaviour of watching online video ads on YouTube affected sales growth, with consumer satisfaction as an intervening variable. The following is an example of a hypothesis formulation in the study:

- H1: Consumer attitudes have an influence on customer satisfaction
- H2: Market segmentation has an influence on consumer satisfaction
- H3: Consumer behaviour has an influence on customer satisfaction
- H4: Consumer satisfaction has an influence on sales growth
- H5: Consumer attitudes have an influence on sales growth
- H6: Market segmentation has an influence on sales growth
- H7: Consumer behaviour has an influence on sales growth

3. Research method

This research is descriptive quantitative research. Respondents are consumers who have shopped at business entrepreneurs (online shop) in Lamongan Regency. The sampling technique refers to the Slovin technique with a tolerance of 5%. The number of respondents is 172 respondents. Table 1 shows the indicators studied in detail for each variable.

Table 1. Research indicator variables

No	Indicators
1	Consumer Attitude (SK)
	SK1: Brand Trust
	SK2: Brand Evaluation
	SK3: Intent To Buy
2	Market Segmentation (SP)
	SP1: Geographic Segmentation
	SP2: Demographic Segmentation
	SP3: Psychographic Segmentation
3	Consumer Behavior (PK)
	PK1: Culture
	PK2: Social Factor
	PK3: Personality
4	Consumer Satisfaction (KK)
	KK1: Fulfillment of Consumer Expectations
	KK2: Attitude or Desire to Use Products
	KK3: Recommending to Other Parties
	KK4: Service Quality
	KK5: Loyal
	KK6: Good Reputation
KK7: Location	
5	Sales Growth (PP)
PP1: Seller's Conditions and Abilities	

	PP2: Market Conditions
	PP3: Capital
	PP4: Company Organizational Condition
	PP5: Other Factors

Data validity is obtained utilizing convergent validity in the measurement model through cross-loading values. A measurement item is valid if it has a cross-loading value of more than 0.7 and that value is greater than the cross-loading of other constructs. The composite reliability test phase, Cronbach's alpha, and AVE were used to perform basic testing before further testing. If the composite reliability value, Cronbach's alpha, is more significant than 0.70 and AVE is greater than 50, proceed with the next test. Data analysis using the EM-PLS model and processed with SmartPLS 3. Hypothesis measurement in the SEM test is determined if the P-Value value is less than 0.05, then it has a significant effect, and the hypothesis can be accepted.

4. Results and discussion

4.1. The cross-loading value

Table 2 shows the impact of cross-loading on the study's findings.

Table 2. Cross loading value

	<i>Consumer satisfaction</i>	<i>Consumer behaviour</i>	<i>Sales growth</i>	<i>Market segmentation</i>	<i>Consumer attitude</i>
X1.1	0.401	0.431	0.454	0.388	0.791
X1.2	0.361	0.382	0.440	0.370	0.809
X1.3	0.327	0.377	0.423	0.423	0.777
X2.1	0.379	0.533	0.467	0.928	0.446
X2.2	0.352	0.481	0.466	0.905	0.415
X2.3	0.365	0.486	0.459	0.913	0.478
X2.4	0.301	0.395	0.404	0.853	0.448
X3.1	0.482	0.845	0.509	0.501	0.482
X3.2	0.384	0.850	0.331	0.416	0.398
X3.3	0.302	0.813	0.324	0.389	0.359
X3.4	0.477	0.845	0.580	0.442	0.419
Y.1	0.460	0.532	0.914	0.466	0.492
Y.2	0.413	0.514	0.877	0.411	0.482
Y.3	0.426	0.422	0.815	0.364	0.468
Y.4	0.525	0.474	0.873	0.434	0.471
Y.5	0.528	0.440	0.874	0.494	0.504
Z.1	0.742	0.545	0.408	0.408	0.419
Z.2	0.802	0.403	0.385	0.326	0.444
Z.3	0.791	0.356	0.449	0.301	0.355
Z.4	0.847	0.369	0.420	0.251	0.341
Z.5	0.777	0.361	0.374	0.294	0.340
Z.6	0.812	0.393	0.509	0.276	0.382
Z.7	0.705	0.321	0.411	0.256	0.199

Based on Table 2, convergent validity results obtained in the measurement model can be seen through the cross-loading value. The analysis results show that the cross-loading value is more

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than 0.7, more significant than the cross-loading value in other constructs. As a result, all sub-variables in this study have good convergent validity.

4.2. Composite reliability, Cronbach's Alpha, and AVE

The results of the measurement of the composite reliability, Cronbach's alpha, and Average Variance Extracted (AVE) values can be seen in Table 3.

Table 3. Results of construct reliability

	<i>Cronbach's Alpha</i>	<i>Composite Reliability</i>	<i>Average Variance Extracted (AVE)</i>
Consumer Satisfaction	0.895	0.917	0.614
Consumer behaviour	0.864	0.904	0.703
Sales Growth	0.920	0.940	0.759
Market segmentation	0.922	0.945	0.811
Consumer Attitude	0.704	0.835	0.628

Based on Table 3, the composite reliability value, Cronbach's alpha value, and AVE also show that composite reliability and Cronbach's alpha on all latent variables show a value of more than 0.70. The AVE on all variables shows more than 0.50. Therefore, the model is used to measure the level of accuracy of the model in the research by being formed through several variables and question items, which consists of the value of R-Square (R²) Q-Square predictive relevance.

4.3. R-Square Results

R-Square (R²) can indicate a strong or weak effect caused by endogenous variables. In addition, R-Square can also show the strengths and weaknesses of a research model. The results of the measurement of R-Square can be seen in Table 4.

Table 4. Value of R-Square (R²)

<i>Indicators</i>	<i>R Square</i>
Consumer Satisfaction	0.319
Sales Growth	0.474

According to Table 4, the R-Square value in performance is 0.319. This value can be interpreted to mean that consumer attitudes and market segmentation can explain 31.9% of consumer satisfaction and behaviour. In contrast, the remaining 68.1 per cent is explained by variables outside the model studied. The R-Square value for sales growth is 0.474. This value can be interpreted to mean that consumer attitudes can explain 47.4% of sales growth, market segmentation, consumer behaviour, and consumer satisfaction. The remaining 52.6% is explained by other variables outside the model studied. From the results of the Q-Square predictive relevance is used to measure how well the value of the observations made to give results to the research model of 0.642. This value indicates that the diversity of data generated from the structural model studied in this study is very good because it is close to 1.

4.4. Hypothesis testing

The significance test in this study was carried out by comparing the t-statistic value on the bootstrapping test results with the t-Table (1.96). If the t-statistics value exceeds the t-Table, the

1 hypothesis is accepted, and vice versa. On the other hand, if the t-statistics are smaller than the t-table, the hypothesis is rejected. It can also make use of the p-value. The hypothesis is accepted if the p-value is less than 0.05 and vice versa. Table 5 shows these findings.

Table 5. Results of direct effect hypothesis testing

Hypothesis	Original sample	Sample mean	Standard deviation	T statistics	P-values
H1	0.246	0.250	0.098	2.523	0.012
H2	0.089	0.088	0.084	1.062	0.289**
H3	0.337	0.337	0.077	4.361	0.000
H4	0.258	0.255	0.087	2.962	0.003
H5	0.252	0.259	0.072	3.522	0.000
H6	0.169	0.170	0.074	2.278	0.023
H7	0.200	0.197	0.077	2.589	0.010

** = not significant

Table 5 shows that the hypothesis in the study has a significant effect, except H2, which has a P-value greater than 0.05. The results of the measurement of the hypothesis are developed and explained in Fig. 1.

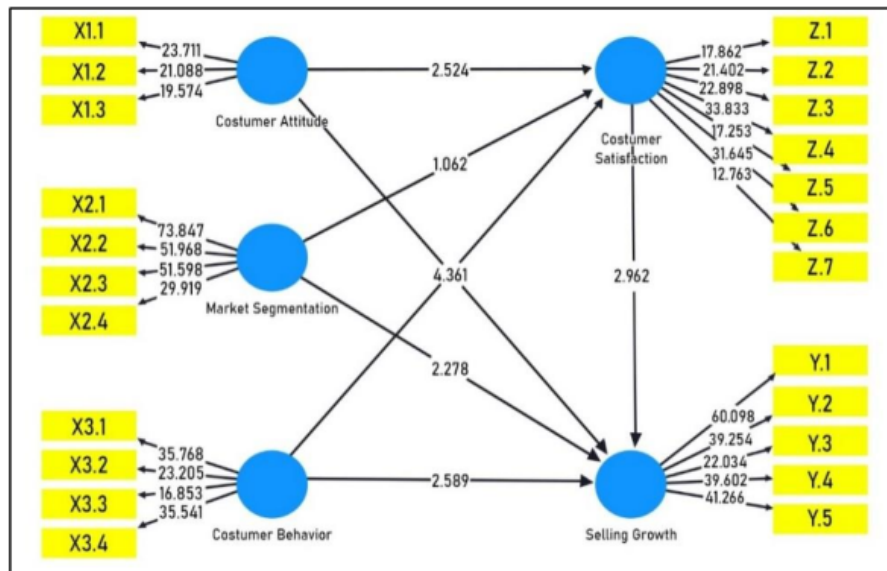


Fig. 1. Hypothesis test results

Based on the results of research using the SEM-PLS model and processed with SmartPLS 3, to evaluate the research model. The measurement model (outer model) and structural model of the PLS model are evaluated (inner model). The outer model method depicts the relationship between the study's manifest variables or measurement items and the latent variables.

5. Conclusions

Consumer satisfaction mediates the effect of consumer attitudes on sales growth and consumer behaviour on sales growth. Consumer attitudes have a positive and significant impact on consumer satisfaction, whereas market segmentation has no impact.

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Consumer behaviour influences consumer satisfaction positively. Sales growth is influenced positively by consumer satisfaction. Consumer attitudes have a positive effect on sales growth. Market segmentation has a positive effect on sales growth. Consumer behaviour influences sales growth positively. Consumer satisfaction does not affect sales growth when it comes to market segmentation. This study's findings are expected to provide an overview of consumer satisfaction and attitudes toward sales growth. So that it can provide an overview of increasing sales of a business's products.

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