



**Developing a Green  
Corporate Image:  
An Achievement for  
Competitive Advantage  
through Organizational  
Culture and Green  
Marketing Strategy**



**DEVELOPING A GREEN CORPORATE IMAGE: AN ACHIEVEMENT FOR  
COMPETITIVE ADVANTAGE THROUGH ORGANIZATIONAL CULTURE AND  
GREEN MARKETING STRATEGY**

**DESARROLLO DE UNA IMAGEN CORPORATIVA VERDE: UN LOGRO PARA LA  
VENTAJA COMPETITIVA A TRAVÉS DE LA CULTURA ORGANIZACIONAL Y LA  
ESTRATEGIA DE MARKETING VERDE**

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**Abstract**

This study aims to provide an analysis on the development of green marketing strategy and its relationship towards organizational culture and competitive advantage. An insight into the importance of green corporate image, green marketing strategy and their effect on the company's competitive advantage will also be investigated. Nowadays, society desires business corporations to contribute more on green issues and offer solutions on the environmental problems facing by local community. Previous studies have found that business corporations that able to integrate strategic action between economic objective and green/environmental friendly action will survive and gain competitive advantage. Self-administered survey questionnaires were distributed to employees in manufacturing and service industry. Then, statistical analyses were carried out to answer research objectives of this study. The results indicate that green marketing strategy and organizational culture give a positive green corporate image and create greater competitive advantage in the industry.

**Keywords:** Green corporate image, green marketing, competitive advantage, organizational culture, Indonesia.



## Resumen

Este estudio tiene como objetivo proporcionar un análisis sobre el desarrollo de la estrategia de marketing verde y su relación con la cultura organizacional y la ventaja competitiva. También se investigará una idea de la importancia de la imagen corporativa verde, la estrategia de marketing verde y su efecto sobre la ventaja competitiva de la empresa. Hoy en día, la sociedad desea que las corporaciones comerciales contribuyan más en temas ecológicos y ofrezcan soluciones a los problemas ambientales que enfrenta la comunidad local. Estudios anteriores han encontrado que las corporaciones comerciales que puedan integrar la acción estratégica entre el objetivo económico y la acción ecológica / ambiental sobrevivirán y obtendrán una ventaja competitiva. Los cuestionarios de encuesta autoadministrados se distribuyeron a los empleados de la industria manufacturera y de servicios. Luego, se llevaron a cabo análisis estadísticos para responder a los objetivos de investigación de este estudio. Los resultados indican que la estrategia de marketing verde y la cultura organizacional dan una imagen corporativa verde positiva y crean una mayor ventaja competitiva en la industria.

**Palabras clave:** imagen corporativa verde, marketing verde, ventaja competitiva, cultura organizacional, Indonesia.

## Introduction

In today's competitive business world, companies have started to adopt to adopt green marketing concept and engage in local environmental issues to fulfill the demand from environmental awareness customers. However, it is assumed that the green oriented company has not been able to appear as a company with green image. Green company image is created from the employees that also follow and change the paradigm of company point of view, marketer and consumer to contribute to the change for the goodness of nature itself. Marketing as the other business function has an important role to give solution on the environmental problems faced by the world today and to create the company excellence. The company's survival is conditioned on competitive performance, if the company is able to combine strategic actions that are socially responsible, more caring and engaged with stakeholders, it will contribute to enhancing the competitiveness of the organization (Jesús et al., 2016).

The concept of environmentally friendly is a 'must' in every aspect of life. In business, this demand is met through the company's commitment to running a green business upstream to downstream. In the banking business BNI 46 focuses on supporting the conservation of nature and environment through its sponsorships of the BiRu/Home Bio-gas program), the Ciliwung river clean-up Program, the OBIT/One Billion Indonesian Trees program (reforestation) and of Earth Hour. Through these efforts, BNI successfully received the Indonesia Green Banking Award 2010, the Indonesia Green Award 2011 and the Indonesian CSR Award 2011. Aqua contributes to reducing the impact of damage on earth through conservation of water resources and integration of waste management. It managed to achieve the Indonesia Green Awards 2014. The cosmetic industry which uses a



lot of natural ingredients is also not exempt from the demand to implement an environmentally friendly concept as a foundation for a sustainable business.

Finding from Polonsky and Ottman (1998) stated that green marketing is all activities designed to generate and facilitate any exchanges to meet human needs or wants, so that the satisfaction of the needs met, which has minimal impact on the natural environment damage. Ottman et al. (2006) suggested that the dimensions of green marketing, to integrate environmental concerns into all aspects of the marketing of new product development (green product) and communication (green communication). Chen (2008), in his study, explored the positive effect of green intellectual capital on the competitive advantage of the firms. The green culture environment is established in an organization by interpreting environmental issue in the organization symbolically. Therefore, the antecedent of the green organization identity came from two symbol context sources that are: environment organization culture and environment leadership (Awatara and Wahjudin, 2010). But the company still often overlook the importance of implementing a green marketing strategy and the establishment of the corporate culture that is environmentally sound, companies do not realize is that it can form a green corporate image and be able to encourage corporate excellence.

This research is helpful to the development of green marketing strategies to build a green corporate image. In addition, it also provides insights and views to the management of the company, in particular for the establishment of an organizational culture in environmentally friendly. Creation the company that cares about the green environment driven by the desire of the stakeholders, namely employees are also customers and society. Based on the explanation, the aim of this study was to analyze the organizational culture environment and the environmentally sound application of green marketing strategies that will be able to create a positive corporate image and be able to achieve a green company are superior in

## **Literature Review**

### **Cultural Environment in Organization**

The role of institutions is as a mean for holding society together, giving it sense and purpose and enabling it to adapt. Ruiz-Jiménez and Fuentes-Fuentes (2016) stated that to better understand the factors that explain how management capabilities translate into greater achievements of the organization and confirmed that management capabilities affect both product and process innovation positively. In general, countries with well-developed social institutions are considered to have greater adaptive capacity than those with less effective institutional arrangements-commonly, developing nations and those in transition (Smith and Lenhart, 1996; O’Riordan and Jordan, 1999). The increasing environmental awareness in business circle was more real as it is supported by the appearance of several regulations, rules and policies to overcome various industrial effects on the environment.

Many in the business world recognize the need for long term sustainability and seek collaboration on useful strategies. Moreover, it is part of growing interest in sustainable investing, social entrepreneurialism, and finding business opportunity through addressing social problems. It is also linked with increasing interest in jobs with social impact. Effective environment management involved all elements in the organization (Lee, 2009). Davies et al. (2011) indicated that consumers’ propensity to consider ethics is significantly



lower in luxury purchases when compared to commoditized purchases and explores some of the potential reasons for this reduced propensity to identify or act upon ethical issues in luxury consumption.

Green organization culture that positively relates with organization identity can develop if the top manager can interpret various issues because the manager is expected to be able to identify threats, formulate strategies, communicate with the group and able to deal with the conflict. Therefore, organization identity is formed by the interpretation of a leader and the faith that leads and support the behavior of the organization (Foreman, and Whetten, 2002). The leadership strategic theory perspective believes that certain aspects of transformational leadership will positively correlated with the company's tendency to have social responsibility, for the leader that will do the activity of the company social responsibility (Waldman et al., 2004).

Then, the company applied the business strategy that will not only prioritize the profit, but also ensure the continuation of business growth by balancing the company growth with social welfare and environmental protection with the ethical business principles. Marketing literature on green products firms builds on both the societal and social marketing research. Society marketing implies that organizations (governments, businesses and nonprofits) need to determine the needs of target markets and to deliver the desired satisfactions in a way that enhances the consumer's and the society's well being (Prakash, 2002; Kotler and Keller, 2012). Social marketing focused on designing and implementing programs that increase the acceptability of a social idea, cause, or practice in (a) target group(s). Traditionally, marketers focus on individual needs for designing/marketing products to best serve these needs.

### **Green Marketing Strategy**

Ethical decision making in marketing gives important confession of the manager to realize ethical problem is important in facilitating personal moral reflection of the marketing professionals (Chitakornkijsil, 2012). Green marketing internalizes the company reputation and it makes the possibility to be applied by giving the benefits to the environment or environment attribute of their product (Prakash, 2002). Many companies see green marketing only as a minor marketing strategy, in fact it is only as a niche strategy in market (Haryadi, 2009). Rezai et al. (2013) determined the relationship between the socio-demographic variables towards the consumers' perception towards the green concept recommendation, to establish a positive perception of the green concept for the consumers. The five factors as the dimensions of the green marketing orientation namely: greening the process, green supply chain management, green strategic policy initiative, proactive energy conservation and green innovation have positive and significant impacts on the performance of the firms (Hardeep et al., 2014).

Furthermore, the transfer from the purchase of conventional product to the environmentally friendly product is influenced by the convincing message from the advertisement to raise up action and commitment of green purchasing (Tan, 2011). The challenge for the marketer is used 4P innovatively if they want to adopt the policy of green marketing (Sharma, 2011). Hamid et al. (2012) concluded that the ecological awareness of the consumers is found on lower level than it is hoped for so that it does not significantly influence their behavior on green purchase. According to Sharma and Bagori (2012), there are many concerns about commercial survival on the green product. Organic label that



creates prominent environmentally friendly attribute will have a positive impact on perceptual quality (Fabrice, 2011).

### **Green Corporate Image**

The creation of corporate image as a result of the actions and behavior of the company (Francisco and Jaime, 2016). Customers give more importance to social quality brand compared with the values of the technical and functional product. Corporate identity is important for a company's brand has played an important role in consumer product evaluation (Subrat and Suwendu, 2015). Most of the buyers are influenced by the advertisement that reflects the company's commitment to the environment (Polonsky and Ottman, 1998). Company that applies green advertisement and tends to reflect environmentally friendly image, influences their consumers' purchase decision. Consumers love to associate themselves with an environment-protecting company. When a company communicate this through their advertisement, promotion, publication and social responsibility of the company, they are sure to get many loyal customers. Isabel et al. (2016) required organizations to give special attention to the company's brand identity, considering its influence on employees' commitment to their organizations, as well as brand performance and satisfaction.

Consumers are ready to rely on their purchase decision on buying a product that is not harmful to the environment. In fact, there is a green segment consumer in the different sample that significantly influences in several aspects of other market segments (Do Paço and Raposo, 2009). Consumers want to identify themselves with the company that has green compliance and are willing to pay the fee for greener lifestyle. Because of that, green marketing was not only a tool in environment protection but also a marketing strategy (Yazdanifard and Erdo, 2011). Chen (2008) explored for his study that the positive effect of green intellectual capital on the competitive advantage of the firms.

This study can give implication on green marketing by the use of effective advertisement attraction and price strategy to increase the consumer perception and purchase intention on the green product (Wei, et al., 2012). Chen (2008) concluded that there is a relationship between green brand image and green brand equity is partially mediated by green satisfaction and green trust. The combination of brand character variables such as sincerity, competency and sophistication influence the creation of customer intention in buying organic fast food (Othman and Rahman, 2014). In the context of green marketing, this study hypothesizes that:

H1: Organization culture with environment concept and green marketing strategy influences the green corporate image.

H2: Green marketing strategy influences the green corporate image.

#### **Green Competitive Advantage**

The environmental instability does not give any choice to the company but to start applying continuous green management (Rajput et al., 2013). The sustainable development of the company can be modeled by integrating social, economy and environment development dimension (Chow and Chen, 2012). Thus, green logo on product or service of the company shows that their product or service has competitive excellence. As a result, most of the purchasing decision of the customer is influenced by the green product label



(Yazdanifard and Erdo, 2011). Business institution has a responsibility to be involved in certain social issues that are beyond their control (Chitakornkijasil, 2012). The finding from Mei et al. (2012) stated that government initiative has the most significant influence on the green purchase intention in Malay consumers.

There are needs that develop and shift to green product and service by marketers or consumers. Though consumer change to green purchase will be costly for consumers or business, it can be beneficial in the long term (Cherian and Jolly, 2012). The effectiveness of green marketing strategies to help generate competitive advantages in an ecologically sustainable way. Organizations can achieve successful competitive advantage while contributing to environmental sustainability for the common good of society (Valerie, 2009). Fraj-Andrés et al. (2008) said that environmental marketing positively affects firms' operational and commercial performance and this improvement will influence their economic results. Moreover, environmental marketing is an excellent strategy to obtain competitive advantages. The company feels becoming green will help them in gaining the competitive advantage and will support them in sustainable growth and for succeeding in today's highly challenging and dynamic global markets (Ravindra and Pradeep, 2012). That green product innovation mediates the positive relationship between corporate environmental ethics and competitive advantage. Therefore, corporate environmental ethics can not only affect competitive advantage directly but also influence it indirectly via green product innovation (ching, 2011). Chen (2008) concluded that the positive relationship between green intellectual capital: green human capital, green structural capital, and green relational capital had positive effects on competitive advantages of firms.

In the context of green competitive advantage, this study hypothesizes that:

H3: Green corporate image influences the green competitive advantage.

H4: Organization culture with environmental concept and green marketing strategy influence the green competitive advantage.

H5: Organization culture with environmental concept and green marketing strategy influence the green competitive advantage through the green corporate image.

## **Research Methodology**

### **Research Design**

This study is the exploratory study that uses survey method. Data analysis method used is the multi analysis that is on the first stage, it uses descriptive analysis and on the next stage, there will be verification analysis to see the correlation of organization culture with environmentally variable with the green marketing strategy. Furthermore, to see the marketing policy model with environment concept to create the green corporate image and then to achieving the green competitive advantage. The investigation types used in this study are correlation and causality study because they state the correlation between independent and dependent variable based on cause and effect relation.

### **Sampling Procedures**

Analysis unit of this study is the employees of manufacture/service company. Time dimension used is cross sectional that reflects an image of a situation on a certain time.



Sampling technique that will be used in this study is sample selection method by purposive sampling where in this study. Employees as samples have already worked over 5 years that work in a manufacturing and service company in Jakarta, Bogor, Depok, Tangerang, and Bekasi.

**Research Variables**

In the interest of consistency, we used a five-point Likert type scale for responses to all survey items.

*Dependent variable.* We measured organization culture with environmental (OCE) using the 12-item scale developed by Foreman and Whetten (2002), Prakash (2002) and Kotler and Keller (2012) stated that the organization culture with environmental consists of organizational identity, leadership perspectives, institutional perspective and resource-based perspective. We measured green marketing strategy (GMS) using the 12-item scale developed by Prakash (2002) and Sharma (2011) clarified that the green marketing strategy consists of 4-P’s perspective namely Product, Price, Place, and Promotion. Furthermore, the intervening variable is green corporate image (GCI) using the 12-item referring to Polonsky and Ottman (1998) and Subrat and Suwendu (2012) where the dimensions of green corporate image consists of four indicators are elaborated in the study are image awareness, company reputation, quality impression and brand association.

*Independent variables.* We measured the green corporate advantage (GCA) using the 12-item following the findings of Chen (2008), Fraj-Andrés et al. (2008) and Chow and Chen (2012) in the elements: benefits excellence, cost advantages and profitability.

The study instrument validity test is done by using the Pearson correlation formula for N = 281 with significance level 5% it is gained r table of 0.361 (degree of freedom/ df = 28), so all questions or indicators are valid. Validity test is done by using the product moment. The result is all statements are valid since r test is higher than r table.

Table 1. Internal Consistency of The Scales

Variables	Cronbach’s Alpha
Organization Culture with Environment (X <sub>1</sub> )	.887
Green Marketing Strategy (X <sub>2</sub> )	.904
Green Corporate Image (Y)	.869
Green Competitive Advantage (Z)	.849

Reliability test in this study is done by using cronbach alpha method. From the data processing it has cronbach alpha more than 0.6, so all question items in the instruments are assumed reliable or can be relied on. Reliability test result shows that cronbach alpha value of each variable organization culture with environment (X1) is 0.887. Green marketing strategy (X2) is 0.904, green corporate image (Y) is 0.869 and green competitive advantage (Z) is 0.849, so it can be concluded that the value is higher than 0.80. Therefore, all statements are stated as reliable with the criteria and can be used in the study.



## Data Analysis

We applied Ringle et al. [40] two-step, partial least squares structural equation modeling (PLS-SEM), using SmartPLS, to test the hypotheses. This approach has been used across a broad set of business research domains, including. Descriptive analysis descriptive analysis by using mean and verification hypothesis test is done through the relation of study variable by using SEM (Structural Equation Modeling) approach.

## Results Analysis

Based on the data collected through questionnaire distribution to the employees, it will be explained the employee profiles that can be explained based on the education background, age, working period, that will be explained in detail below:

Table 2. Employees Profiles

Customer Profile	Criteria	%
Last Education	< High school	5.3
	High school	45.9
	Diploma	31
	Bachelor	16.7
	Master	1.1
Age	20-30 years old	74
	Above 30-40 years old	16.7
	Above 40-50 years old	7.1
	Above 50-60 years old	2.1
Working Period	Less than 5 years	61.9
	Above 5- 10 years	22.1
	Above 10 years	16

From the table above it is shown that employees that have the highest education of high school are 45.9%, followed by the diploma of 31%, the rest of it are bachelor with 16.7% and less than high school of 5.3%. It shows that the quality of human resources in the company is not optimum. Supported by social function, an organization can provide scholarship for the employees. This will give many views to the employees regarding the green environment issue that becomes the company policy. While the age of the employees of 20-30 years old are 74%, productive age for the organization. They become the valuable assets for the company in order to reach business and environment welfare goal and also the society use. Most of the employees has not work for long (less than 5 years), that is 61.9%, It is shown that their loyalty to the company still needs to be improved. They must understand more and commit to the company culture, together in developing the company continuously through the business growth by balancing company growth with the society welfare and environment protection with the ethical principle.

Table 3. Organization Profile



Company Business Field		%
Services	Banking	43%
	Restaurant	13%
	Contractor	2%
Manufacturer	Pharmacy	24%
	Food & Beverage	15%
	Electronics	13%

The table above shows that organization/business field where the employees work is banking service company with the most number of 43% and for the organization/pharmacy business field about 24%.

**Descriptive Analysis**

Environment issue as an integral part of organization identity based on internal economy focus or wider company social responsibility. Organization identity concept relates with collective and motivator identity that influence someone’s action in an organization. A social reality or essence and metaphor to describe organization or actual phenomenon. It grows organization culture to run the environmentally friendly business. Organizational culture is shown through organization identity indicator, leadership perspective, and organization perspective as well as resource perspective.

Organization identity is shown through the commitment in running an ethical business, employs that said quite agree is 72.5%. For the statement that employees pay attention to their social welfare, the employees that states agree are 55%. Company is easy to adjust in facing environment change, employees that quite agree is 77.5%. Based on the findings, it is shown that organization identity is not optimum in growing organization culture to run the environmental concept business. On the leadership perspective where the employees are gradually given guidelines on target achievement with organization vision and mission, 40% of employees agree. In working report that is coordinated for about 57.5% employs state quite agree. About 65% employees quite agree on the implementation of tight supervising. It shows the leadership perspective is not optimum to be understood by the employees.

Organization perspective explains that company prepares the basic rules that are stated in the employee ethical code used for supervising and controlling the employees’ behavior in doing their duty, about 45.2% employees stat agree and 31.3% states really agree. Communication with the superior is not limited by the hierarchy of the formal authority, 62,5% employees state quite agree. Promotion and the increase of income (salary, and extra work allowance) are based on the working achievement, 47.7% employees are agree and 96% states totally agree. In this organization perspective, employees have understood the rules and authority that gives chance to improve the work achievement. Perspective of resources is shown by smoking in working place, 39.9% employees said agree and 39.1% states totally agree. About 40.2% employees state totally agree for saving paper material. In the indicator of save water, electricity and phone consumption, the employees agree of about 37.4%. In this organization perspective, employees have understood the efficiency of resource use is important for company;



however, from the identity, organization shows organization culture with environment concept has not optimally been created the high motivation to love the environment. According to Foreman and Whetten (2002) stated that an organization culture formed by leader interpretation with the faith that support the organization behavior.

Furthermore, from the variable of green marketing strategy, it can be seen from the perspective of product, price, distribution and promotion. In the product aspect it can be explained from the simple product packaging and can be recycled and also prepare the refill product, about 41.6% employees agree and 33.8% totally agree. Product needs to have the certificate of ISO 14000 on environments about 43% employees agree and 32% totally agree. The improvement of environmentally friendly product value because of the interesting performance, function, design and product shape are totally agree 43.1%. Price perspective can be seen from the willingness of the customers to pay more for the environmentally friendly product about 37.4% employees agree. About 46.6% employees agree that consumers are interested in exchanging empty bottle with souvenir. The benefit from the environment side is an extra bonus. However, it becomes the determination of the quality and value of the product. It is evaluated by the employees by agreeing 50.2%. Distribution perspective shows that the intensity of the product/service selling stands has been easy to reach for as much as 49.5% employees agree. About 43.8% employees totally agree and 37.7% agree that the easiness to get the product/service will increase customer's satisfaction

Next is from the promotion perspective that promotion of environmentally friendly product does not take an advantage that cheats the consumers, about 45.6% totally agree but there are some who disagree about 0.4%. About 38.4% of employees agree with the environment messages with social issue care / environment love campaign. Green environment strategy that is run by the company can create optimum motivation of the employees in understanding the importance of green marketing. Based on the finding of Fabrice et al. (2011), organic label has a positive effect on quality perception and the challenge for the marketer is by using marketing combination in innovative way by adopting the green marketing policy (Sharma, 2011).

The corporate image is seen from the indicators of image awareness, company reputation and brand association. On image awareness indicator of commitment in increasing the welfare of the employees and society, about 42.3% agree. The company commits to the care of visual aspect of the facility and operation of the green company, about 45.6% employees agree and 30.6% totally agree. Company commits to action of the need to funding local people initiative about 43.4% employees agree. Company reputation is explained in company factor reacts in decreasing the environment effect of product/service about 47% employees agree and 25.3% totally agree. Employees state that company transparently communicates the company environment effect and the risk to the public about 43.8% employees agree. Employees state that company obeys the government rules to protect stakeholders interests, about 43.8% employees agree. Quality sense explained by the environmentally friendly product/service of the company gives higher quality sense, about 43.8% agree. About 44.5% employees agree that company is known by the society daily among other companies. Company reacts to handle the environment effect by building partnership 47.5% employees agree.



In association brand indicator, employees who agree is 49.8% that the company has a close emotional relationship with stakeholders in business activity. Employees agree that company has specialty in decreasing the environment effect of the product/service, about 44.5%. Company is famous in doing an action to audit the environment and revelation to the public about 42.3% of employees agree. Therefore, company has faith of having been able to build a positive green corporate image.

The excellence in green competition is stated in the benefit excellence indicator, expense and profitable excellence. About 44.5% employees agree that company gives main product/service benefits that is environmental-oriented. Company gives support benefit of various additional facilities with environment oriented, about 45.6% employees agree. Company gives service benefit with the environment-view employees, about 45.6% agree. Company gives benefit of hope suitability with the acquired green image, 42.7% of employees agree. The excellence expense is shown from how the company considers the expense needed while using the green product/service, about 46.6% of employees agree. Company considers the time used in consuming green product/service, about 50.5% employees agree. Company considers the energy in consuming green product/service about 37.5% employees agree. Company considers the psychological aspect (moral/mental) sacrificed in consuming green product/service, about 47.7% of employees agree.

The profitable indicator is explained by how company builds the creativity through investment on green product/service that is profitable to win the competition, 44.5% of employees agree. Company creates a beneficial technology and is able to be applied in other business sectors, about 42% of employees agree. Company results in the profit from green environment, about 42% of employees agree. Company gains profit of the green environment knowledge owned by the management and employees, about 52% of employees agree. Based on the indicator of beneficial excellence, expense and profitable excellence, the company has an excellent ability as green company. According to Chow and Chen (2012) the sustainable development of the company be modeled by integrating the dimensions of social economy and environment development so that green logo on the product or service gained by the company shows that their product or service has competitive excellence (Yazdanifard and Erdo, 2011).

**Verification Analysis**

By using the LISREL 8.80 program, all fitness measurement gained has all fitness measurement model of Goodness of Fit Statistics. The result is Chi-Square=28.66 with Degree of Freedom=2, p-value=0.0000, Root Mean Square Error of Approximation (RMSEA) = 0.02, Goodness of Fit Index (GFI) = 0.95, Adjusted Goodness of Fit Index (AGFI) = 0.96. Non-Normed Fit Index (NNFI) = 0.85, Normed Fit Index (NFI) = 0.95, Relative Fit Index (RFI) = 0.84, Incremental Fit Index (IFI) = 0.95, and Comparative Fit Index (CFI) = 0.95.

Table 3. Model suitability measurement

Indicator	Expected Measurement	Estimation Result	Conclusion
GOF			
Measurement <i>Absolute Fit</i>			
GFI	GFI > 0.90	0.95	Good Fit



RMSEA	RMSEA < 0.08	0.02	Good Fit
<i>Incremental Fit Measurement</i>			
NNFI	NNFI > 0.90	0.85	Good Fit
NFI	NFI > 0.90	0.95	Good Fit
AGFI	AGFI > 0.90	0.96	Good Fit
RFI	RFI > 0.90	0.84	Good Fit
IFI	IFI > 0.90	0.95	Good Fit
CFI	CFI > 0.90	0.95	Good Fit

Refer to the test of H1 hypothesis: Organization culture with environment concept and green marketing strategy influence the green corporate image with the equation below:

$$GCI = 0.44 * OCE + 0.52 * GMS, \zeta = 29.05, R^2 = 0.46 \quad (1)$$

(0.065)	(0.060)	(0.0013)
6.70	8.68	53.56

Based on the equation structural 1 shows the influence of organization culture with environment concept to green corporate image is 19.36%. Partially, organization culture with environment concept positively influences the green corporate image built and significant  $\alpha=0.05$  with value t count bigger than t table ( $6.70 > 1.96$ ), which means organization culture with environment concept can support more to the success of the company in building its green image. Green marketing strategy variable directly influences the green corporate image 27.04%. Partially, green marketing strategy positively influences the green corporate image built and significant in  $\alpha=0.05$  with value t count higher than t table ( $8.68 > 1.96$ ), which means green marketing strategy applied by the company can support the success in building green corporate image. Simultaneously both of them have positive influence and significant where F count 53.56 more than 3.05 (F table) and by the influence of  $R^2$  about 46%, the remains are influenced by other factors excluded in this study. Similar to the study of Waldman et al. (2004), certain aspects of transformational leadership will positively correlate the tendency of the company to have social responsibility. Prakash (2002) stated that green marketing internalizes company reputation that gives benefit to the environment awareness. Sharma (2011) stated that marketing combination in innovative way by adopting green marketing policy.

The test of H2 hypothesis: company green image influences the green competition excellence with the equation below:

$$GCA = 0.71 * GCI, \zeta = 28.25, R^2 = 0.49 \quad (2)$$

(0.043)	(2.40)
16.32	11.79

Based on the equation structural 2 shows the number of direct influence of green corporate image to green competition excellence is about 0.49%. Green corporate image



has positive influence in reaching green competition excellence and significant in  $\alpha=0.05$  with value t count more than t table ( $16.32 > 1.96$ ), which means green corporate image built has been able to reach the success of green company that is excellent in competing.

The test of H3 hypothesis: organization culture with environment concept and green marketing strategy influence in the excellence of green competition with the equation as below:

$$GCA = 0.31 \cdot OCE + 0.37 \cdot GMS, \zeta = 42.78, R^2 = 0.23 \quad (3)$$

(0.050)	(0.048)
6.19	7.67

Based on the equation structural 3 shows that the number of organization culture with environment concept variable is about 9.61%. Partially, organization culture with environment concept positively influences the green company image built and significant in  $\alpha=0,05$  with value t count higher than t table ( $6.19 > 1.96$ ), which means organization culture with environment concept can support more to the success of the company in reaching the green competition excellence. Green marketing strategy variable influences the excellence of green competition about 13.69%. Partially, green marketing strategy positively influences the green competition excellence reach and significant in  $\alpha=0,05$  with value t count higher than t table ( $7.67 > 1.96$ ), which means green marketing strategy applied by the company can support the success in building green corporate image. Simultaneously both have positive influence and significant in 23%, the rest is influenced by other factors excluded in this study. The finding of Chitakornkijasil (2012) states that business institution has responsibility to be involved in the certain social issues out of their operation.

The test of H4 hypothesis: organization culture with environment concept and green marketing strategy influence the green competition excellence through the green corporate image with the equation as below:

$$GCA = 0.34 \cdot OCE + 0.44 \cdot GMS + 0.71 \cdot GCI, \zeta = 42.78, R^2 = 0.49 \quad (4)$$

(0.050)	(0.048)	(2.40)
6.70	8.68	16.32

The equation 4 shows the indirect influence of organization culture with environment concept to green competition excellence through green corporate image is about  $(0.44 \times 0.70 \times 100) = 30.8\%$  and the indirect green marketing strategy to the green competition excellence through the brand image is  $(0.52 \times 0.70 \times 100) = 36.4\%$ . It shows that green corporate image is a mediation partial variable since the variable of organization culture with environment concept and green marketing strategy that will influence more in reaching company green competition excellence in Jabodetabek through green corporate image. The green corporate image also shows as partial intervening. This study shows that the companies evaluated show each of their influence is still below 50%. It informs that organization culture with environment concept and green marketing strategy can support the company to reach the strong green competition excellence if it is able to build positive brand image. It shows the culture. Sharma (2011) stated that marketing combination



strategy is innovatively applied by adopting the green marketing policy. Similarly, Oertwig et al. (2017) stated that company sustainable development can be modeled by integrating social, economic, and environment dimensions. By having green logo on the product/service resulted, company shows that their product or service has competitive excellence.

### **Discussions, Conclusions and Limitations**

The purpose of the present study was to identify and disclose the fact of organizational culture with environmentally and green marketing strategy can develop a green corporate image that influenced the green competitive advantage. The creation of the image of a company that cares about the community especially cares for the creation of a green environment driven by the desire of stakeholders, internal employees and community. Based on that explanation, the objective of this study is to get analysis on organization culture with environment concept that is created to build optimum motivation and able to create a positive company image and able to reach the excellence green company benefit. The findings confirm the relevance of this construct, given its ability to develop the green corporate image, through organization culture with environmentally and green marketing strategy which in turn influences on achieving green competitive advantage. From this study, it is shown that evaluated companies show the influence of each variable is still below 50%. It informs that organization culture with an environmental concept and green marketing strategy can support the company to achieve green competitive excellence, though it is still not optimum. In this institutional perspective, employees have understood the efficiency of resource utilization is important for the company; however, from the identity organization, it shows organization culture with environment concept created is not optimum in understanding the importance of green marketing. Referring to Rajput et al. (2013) that the environmental instability does not give any choice to the company but to start applying continuous green management.

The green-marketing strategy, run by the company, can create optimum employee's motivation in understanding the importance of green marketing. Company has the conviction to build positive green corporate image. However, if the organization culture with environment concept is getting better, it can develop a positive brand image. Based on the indicator benefit excellence, expense and profitable excellence have had excellent ability as a green company. Isabel et al. (2016) required organizations to give special attention to the company's brand identity, considering its influence on employees' commitment to their organizations, as well as brand performance and satisfaction. Customers give more importance to social quality brand companies' compared with the values of the technical and functional product. Corporate identity is important for a company's brand has played an important role in consumer product evaluation. Referring to Fraj-Andrés (2008) that environmental marketing positively affects firms' operational and commercial performance and this improvement will influence their economic results. Moreover, environmental marketing is an excellent strategy to obtain competitive advantages.

There are several limitations to this study that suggest directions for further research. First, the study was conducted in the manufacture and service sector. This sector has many characteristics. Thus, the generalizability of the results is limited to this context. Further research should, therefore, consider the applicability of findings in specific sectors,



countries, and cultures. Despite these limitations, this study is a step towards a fuller understanding of the importance of the green corporate image management and its effects on the green competitive advantage. It is hoped that the findings presented in this research to guide managers' decisions about the corporate image are an important intangible asset for achieving the green corporate advantage for the manufacture or service business area.

Likewise, future studies could include additional outcomes related for Chen's (2008) study that the positive effect of green intellectual capital on the competitive advantage of the firms. In this sense, a possible extension would be to adopt a perspective that includes both employees and customers. The study object will be developed wider by involving the customers and society as the respondents. Madueño et al. (2016) noted that, if the company is able to combine strategic actions that are socially responsible, more caring and engaged with stakeholders, it will contribute to increasing the competitiveness of the organization. Further research could add Corporate Social Responsibility (CSR) variables that can provide a positive corporate image enhancement. The CSR will be added to know the effect of green competition excellence in relation to corporate social responsibility.

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