

The Influence of Green Marketing Mix Strategy on Marketing Performance in Indonesian Food and Beverage SMEs

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ABSTRACT

The implementation of sustainable marketing strategies has become a crucial issue for MSMEs in the food and beverage sector as environmental sustainability and business competitiveness are increasingly being addressed. This study aims to analyze the influence of the Green Marketing Mix (7P) on the marketing performance of MSMEs in Indonesia from a Resource-Based View (RBV) perspective. The study employed a quantitative method through a survey of 136 MSMEs selected using a convenience sampling technique. Data were collected using a Likert-scale questionnaire, then analyzed using Structural Equation Modeling-Partial Least Squares SEM-PLS using SmartPLS. The results showed that green people, green processes, and green physical evidence had a positive and significant effect on marketing performance, while green products, green prices, green places, and green promotions did not show a significant direct effect. These findings indicate that MSMEs' internal operational capabilities based on human resources, processes, and environmentally friendly physical evidence, are more effective in improving marketing performance than other strategic elements. This research provides theoretical contributions in the development of RBV-based green marketing studies as well as practical implications for MSMEs and policymakers in designing sustainable marketing strategies oriented towards strengthening internal capabilities.

Keywords: *Green Marketing Mix, Marketing Performance*

INTRODUCTION

In recent years, increased global awareness of environmental sustainability issues has led to significant changes in business and marketing practices, including in the food and beverage industry. The shift in consumer consumption patterns toward environmentally friendly products reflects growing consumer concern about a product's ecological impact. This has encouraged companies to adopt marketing strategies that are more oriented toward social and environmental issues (Gomes et al., 2023; Mukonza & Swarts, 2020; Mogyoros, 2023). Companies are no longer only required to provide quality products, but also products that have a low environmental impact and can encourage sustainable consumption.

Micro, Small, and Medium Enterprises or MSMEs are one of the main pillars in the structure of the Indonesian economy which plays a significant role as a driver of national economic growth, as well as supporting socio-economic stability, especially for the lower middle class.(Tamin et al., 2024)Globally, MSMEs face significant challenges in the form of increasing competition, changing customer preferences, and limitations in managing integrated marketing strategies. International studies show that weak marketing mix management leads to low marketing performance and the

inability of MSMEs to maintain business sustainability (Zainob, 2022; Gao et al., 2023; Sudarman & Lailla, 2023). This condition is reinforced by the findings of Tamin et al. (2024) that marketing strategies that are not based on internal capabilities hinder MSMEs in creating superior value for customers.

A similar phenomenon also occurs among MSMEs in Indonesia, where their contribution to the national economy has not been fully accompanied by optimal marketing performance. Many MSMEs are still focused on production activities, while marketing management has not been implemented strategically and measurably. Recent research shows that the low marketing performance of MSMEs is caused by an imbalance in the management of marketing mix elements such as product, price, promotion, location, human resources, processes, and physical evidence (Zainob, 2022; Mogyoros, 2023; Szabo & Webster, 2021).

Marketing performance is a key indicator of a business organization's success in achieving strategic goals, particularly in increasing sales, market share, and business sustainability. Globally, changes in consumer behavior and post-pandemic competitive pressures require companies to optimize marketing performance based on superior internal resource management. Empirical research shows that marketing performance reflects a company's ability to effectively manage marketing strategies and resources (Nadanyiova et al., (2020); Pratama et al., 2024; Ramezani et al., 2024). The decline in marketing performance has been proven to have a direct impact on weakening competitiveness and decreasing sales volume, especially in small and medium-sized businesses (Muhammad Yusuf, 2023).

This study uses the Resource-Based View (RBV) as the main theoretical basis, explaining that competitive advantage and company performance are determined by the ability to manage internal resources that are valuable, rare, difficult to imitate, and irreplaceable (Barney, 1991). From the RBV perspective, the 7P marketing mix is seen as a strategic capability of MSMEs that reflects the utilization of internal resources (Barney, 1991). The 7P marketing mix supports customer experience to continuously improve marketing performance (Sudarman & Lailla, 2023; Nguyen et al., 2025; Braik et al., 2024).

In line with these changing consumer preferences, implementing sustainable marketing strategies through a green marketing mix approach is becoming increasingly relevant. The green marketing mix, which encompasses seven elements: green product, green price, green place, green promotion, green people, green process, and green physical evidence, enables companies to balance achieving marketing goals with environmental responsibility. Research by Mogyoros (2023) shows that the implementation of a green marketing mix can improve consumer perception, form a pro-environmental attitude, and create perceived value for consumers, which ultimately has an impact on improving marketing performance (han et al., 2024; Szabo & Webster, 2021).

From the Resource-Based View (RBV) perspective, the green marketing mix is seen as a strategic capability based on internal resources that are valuable, rare, difficult to imitate, and capable of creating sustainable competitive advantage

(Barney, 1991). Green marketing is not just a trend, but a core issue in product design, development, and marketing that is growing along with the increasing interaction between the economy and the environment, especially in developing countries (Nguyen et al., 2025; Braik et al., 2024).

Based on RBV Theory, competitive advantage is determined by the company's ability to manage sustainable marketing capabilities, which are supported by the 7P green marketing mix strategy, which includes Green Product (reducing environmental impact and waste), Green Price (forming product value perceptions), Green Place (environmentally friendly distribution), Green Promotion (consumer education regarding environmental issues), Green People (employees' role in sustainable services), Green Process (energy efficiency and emission reduction), and Green Physical Evidence (physical evidence that strengthens consumer perceptions and trust) (Barney, 1991).

Research by Erdiana & Farida (2021) found that green products had a positive and significant impact on marketing performance. Meanwhile, research by Su Siwen et al. (2024) found that green products had no significant impact on marketing performance.

In research Chang & Lin, (2022) revealed that there is a positive relationship between pricing strategy (green price) and marketing performance. In research Pratama et al., (2024) shows that the price factor does not influence marketing performance.

Study Pratama et al., (2024) confirmed that green places have a positive and significant impact on overall marketing performance. Meanwhile, research by Ahmad et al. (2023) showed that place has a negative and insignificant impact on marketing performance.

The results of testing promotional variables in Ningsih et al.'s (2021) research show that there is a positive influence of promotional variables (green promotion) on marketing performance. Meanwhile, the research results from Irsalina et al., (2023), show that the green promotion variable has a negative and insignificant effect.

Research from Chang & Lin, (2022) revealed that people who care about the environment (green people) and create an environmentally friendly atmosphere have a positive influence on marketing performance, especially in the F&B MSME sector. However, in the research Pratama et al., (2024), environmentally friendly people have not effect marketing performance.

Study Mogyoros, (2023) proves that environmentally friendly processes (green processes) have a positive and significant influence on the marketing performance of F&B MSMEs. Research result Wichmann et al., (2022) explains that process factors do not influence marketing performance.

Research result Dada, (2021) Green physical evidence has a positive and significant impact on marketing performance, which is an important component of the marketing performance of F&B MSMEs. Meanwhile, research by Zhang et al., (2022) shows negative and insignificant results between physical evidence and marketing performance.

The novelty of this research lies in the replication of the 7P marketing mix model on marketing performance, focusing on MSMEs as respondents, and the use of the Resource-Based View (RBV) to comprehensively explain the relationships between variables. This approach is expected to enrich the literature on MSME marketing based on internal capabilities (Barney et al., 2021; Nguyen et al., 2025; Pratama et al., 2024). Based on the above description, the purpose of this study is to analyze the influence of product, price, place, promotion, people, process, and physical evidence on the marketing performance of MSMEs. The implications of this research are expected to provide theoretical contributions in the development of RBV-based marketing studies as well as practical implications for MSMEs in designing effective and sustainable marketing strategies (Nguyen et al., 2025).

LITERATURE REVIEW

(RBV) Resource-Based View Theory

The Resource-Based View (RBV) is a strategic theory that explains that organizations can gain and maintain competitive advantage through the utilization of internal resources that are valuable, rare, difficult to imitate, and non-substitutable. (Barney, 1991). Systematic review of Yadav & Bansal, (2020), affirms the RBV as one of the perspectives used to explain how organizations improve performance through leveraging marketing resources and capabilities, and highlights the importance of examining the marketing mix strategy against performance. This, the use of the RBV makes the relationship between the 7P and marketing performance even more significant in this study (CV & Agrawal, 2024; Yadav & Bansal, 2020).

Green Marketing Mix Strategy and Marketing Performance

Green Marketing Mix Strategy plays an important role in improving marketing performance because it integrates marketing planning, implementation, and control that meet consumer needs and are in line with sustainability principles (Gomes et al., 2023). From the Resource-Based View perspective, this strategy is seen as the utilization of valuable and difficult-to-imitate internal capabilities and resources to create competitive advantages that impact marketing performance (Barney, 1991). Findings Pratama et al., (2024) show that the green marketing mix has a positive effect on marketing performance, and is able to strengthen the company's image and improve marketing performance. Study Gelderman et al., (2021) explains that the green marketing mix is not only about promoting environmentally friendly products and services, but rather emerges as a philosophy and a series of practices that contribute significantly to improving the marketing performance of F&B MSMEs.

Green Products emphasizes that products must consider environmental impacts from the selection of raw materials, production processes, and waste disposal (Gelderman et al., 2021). The implementation of green products helps MSMEs reduce their environmental footprint while strengthening consumer perceptions of value and trust (Acquah et al., 2021).

H1: Green Product has a positive influence on the marketing performance of food and beverage SMES in Indonesia.

Green Price is the pricing of environmentally friendly products which is often higher due to the use of quality and sustainable raw materials (Acquah et al., 2021). This high price is still acceptable if consumers perceive real environmental benefits (Nguyen et al., 2025).

H2 : Green Price has a positive influence on the marketing performance of food and beverage SMEs in Indonesia.

Green Place is related to the distribution of products that pay attention to sustainability aspects, starting from the procurement of raw materials to easy access (Huang & Rust, 2021). Findings from Braik et al., (2024) emphasized that easy access to environmentally friendly products can increase purchase intention, consumer loyalty, and contribute to overall marketing performance Saura et al., (2020) that it is very important to consider not only the source and location of product consumption, customer access to outdoor locations, but also to consider the proper definition of the location and method of how environmentally friendly products can be accessed indoors.

H3 : Green Place has a positive influence on the marketing performance of food and beverage SMEs in Indonesia.

Green Promotion includes communication and educational activities aimed at increasing consumer understanding and awareness regarding the benefits of environmentally friendly products. (Agustini et al., 2021). According to Shabbir & Wisdom, (2020) Green promotion can be done effectively through green advertising of products and services, because it is closely related to influencing consumer behavior towards preserving the natural environment.

H4 : Green Promotion has a positive influence on the marketing performance of food and beverage SMES in Indonesia.

Green People refers to the commitment and competence of employees in implementing sustainability principles which have an impact on consumer trust, service quality, and customer satisfaction (Mukonza & Swarts, 2020). Employees' environmentally friendly behavior can increase trust, purchase intention, and positive word-of-mouth to improve marketing performance (Chaudhary & Bisai, 2022). Research from Chang & Lin, (2022) revealed that people who care about the environment and create an eco-friendly atmosphere contribute to a positive customer experience.

H5 : Green People has a positive influence on the marketing performance of food and beverage SMEs in Indonesia.

Green Process involves company operational procedures that are focused on reducing waste and pollution (Mogyoros, 2023). The effectiveness of green processes creates a more positive corporate image and influences marketing performance. Meanwhile, research by Wichmann et al., (2022) explains that the process helps many business companies to know the factors of consumer satisfaction.

H6 : Green Process has a positive influence on the marketing performance of food and beverage SMEs in Indonesia.

Green Physical Evidence is an element of physical evidence that includes the design of facilities, packaging, and the visual appearance of environmentally friendly companies (Zhang et al., 2022). According to Dada, (2021) emphasized that green physical evidence is an important component in the marketing mix that can shape positive consumer perceptions and support improved marketing performance. Furthermore, research by Golob et al., (2022) revealed that physical evidence of brands that demonstrate their commitment to environmental sustainability increases consumer perception and recall of a company's brand, especially F&B MSMEs.

H7 : Green Physical Evidence has a positive influence on the marketing performance of food and beverage SMES in Indonesia.

Conceptual Structure

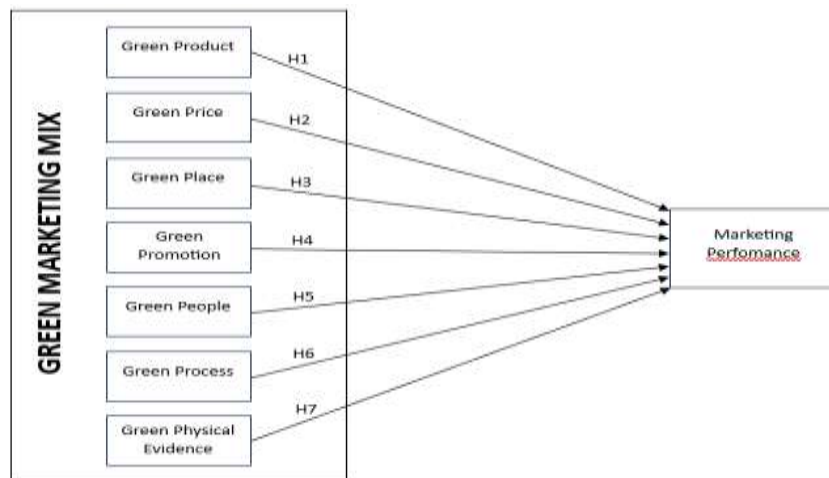


Figure 1. Conceptual Structure

RESEARCH METHODS

This research uses a quantitative approach and is a replication of previous research, namely (Pratama et al., 2024), This study uses a survey method to examine Green Marketing Mix on the marketing performance of MSMEs in the food and beverage sector in Indonesia. The population of this study is MSMEs in the food and beverage sector in Indonesia, including owners, store leaders, supervisors, service departments, production departments, and marketing departments. The purpose of this study is to determine the influence of green marketing on the marketing performance of MSMEs in the food and beverage sector in Indonesia (Pingali et al.,

2023; Eller et al., 2020). This research method used convenience sampling, with the criteria being businesses operating in the food or beverage sector. Respondent selection using convenience sampling was based on ease of access and geographical limitations. This technique helps researchers obtain data quickly and efficiently, especially when the study population is large and difficult to reach comprehensively.

The analysis technique of this research uses SEM-PLS data processing (Hair et al., 2021). The determination of the the number of samples in this study was based on data from the Ministry of SMEs and the Indonesian Central Statistics Agency, with a minimum sample size of 100 respondents from social research, resulting in 136 samples (Hair et al., 2021). The variables in this study are Green Marketing Mix X and Marketing Performance Y. Green Marketing Mix sub-dimensions: green product, green price, green place, green promotion, green people, green process, green physical evidence. Data collection was conducted online using Google Forms with the Partial Least Squares Structural Equation Modeling PLS-SEM approach, namely SmartPLS software. The statements in this study used a 5-factor Likert scale format, starting from 1 strongly disagree, 2 disagree, 3 neutral, 4 agree to 5 strongly agree.

RESULTS AND DISCUSSION

Results

This study uses Partial Least Squares (PLS), with the aim of reducing the variance of variables when estimating model parameters (Hair et al., 2021). All questionnaire data were prepared for analysis and collected with a 100% return rate.

Table 1. Respondent Demographics

Identity	Information	Frequency	Percentage
Gender	Man	56	41.2
	Woman	80	58.8
Age	18 years - 22 years	30	22.1
	>22 years - 26 years	35	25.7
	>26 years	71	52.2
last education	High School/Vocational School	52	38.2
	Diploma	19	14.0
	Bachelor	58	42.6
	Postgraduate	7	5.1
Business location	Village	20	14.7
	Subdistrict	21	15.4
	Regency	18	13.2
	City	67	49.3
	Province	10	7.4

Length of business in the area	<0.5 years	6	4.4
	0.5 - 1 year	24	17.6
	13 years old	38	27.9
	3 - 5 years	39	28.7
	>5 years	28	20.6
	9 years	1	.7
Length of work	>1 year - 3 years	62	45.6
	>3 years - 5 years	47	34.6
	>5 years - 10 years	21	15.4
	>10 years	6	4.4
Job position	Owner	82	60.3
	Store Leader	12	8.8
	Supervisor	8	5.9
	Service Section	13	9.6
	Production	13	9.6
	Department		
	Marketing	7	5.1
	Department		
Partner	1	.7	

Source: IBM SPSS 27 (2025)

The results of the respondent demographics show that, from the overall value of the respondents in this study, the gender of female respondents was dominated by 80 people (58.8%), while men were recorded at 56 people (41.2%). Judging from age, the majority of respondents were aged > 26 years, amounting to 71 respondents (52.2%), followed by ages > 22 - 26 years, amounting to 35 respondents (25.7%), indicating that many respondents were at the productive working age stage which generally had stable work experience. Judging from the length of business, the majority were dominated by 3 - 5 years (28.7%), with the long period of work dominated by respondents with experience > 1 - 3 years, amounting to 62 respondents (45.6%). The position of the respondents was dominated by Owner/Owner, amounting to 82 respondents (60.3%).

Data management in this study was conducted using the PLS version 4 approach. The PLS method aims to gain a more comprehensive understanding of the relationships between variables in the model. Furthermore, PLS analysis can provide additional information that can be interpreted through relatively simple analysis procedures (Hair et al., 2021).

Table 2. Outer Loading

	Statement Items	Outer Loading
GPD.1	Our business produces environmentally friendly food and beverages.	0.885
GPD.2	We are continuously striving to make our products more environmentally friendly.	0.883
GPD.3	Our product packaging and labels highlight eco-friendly aspects.	0.871
GPD.4	We choose raw materials that are safer for the environment.	0.849
GPR.1	We sell eco-friendly products at higher prices.	0.807
GPR.2	Consumers are satisfied with the prices of our environmentally friendly products.	0.837
GPR.3	Our business takes into account the high prices of environmentally friendly products.	0.905
GPL.1	Our business pays attention to environmentally friendly aspects.	0.810
GPL.2	Our business chooses distribution channels that reduce environmental impact.	0.877
GPL.3	We set clear directions and specifications for environmentally friendly product responsibility.	0.830
GPL.4	Our business premises have recycling bins.	0.727
GPM.1	We provide a lot of information about promoting environmentally friendly products.	0.861
GPM.2	We offer promotions for consumers who purchase environmentally friendly products.	0.902
GPM.3	Advertising on environmentally friendly products is very beneficial to our business and consumers.	0.883
GPO.1	We recruit employees who care about the environment.	0.821
GPO.2	Our business provides consumers with insight into environmentally friendly products.	0.885
GPO.3	Our employees educate customers about environmentally friendly aspects.	0.875
GPS.1	Our business implements waste disposal procedures after the production process.	0.877
GPS.2	Our business uses environmentally safe materials.	0.829
GPS.3	We regularly evaluate and improve our production processes for post-production cleanliness.	0.834
GPE.1	Our business has recycling bins for plastic cups and paper.	0.831
GPE.2	Our efforts include providing recycling symbols and environmental labels on product packaging.	0.881

GPE.3	Our business provides legal proof and sales permits on product packaging.	0.870
MP.1	Green marketing has a positive impact on our business and consumers.	0.823
MP.2	Our business sales have increased in the last 1–2 years.	0.854
MP.3	Green marketing strategies have increased our business revenue.	0.860
MP.4	Our number of consumers has increased in the last 1–2 years.	0.855
MP.5	Green marketing increases the interaction between our business and consumers.	0.837

Source : Green Product (Nguyen et al., 2025), Green Price (Braik et al., 2024), Green Place (Pratama et al., 2024), Green Promotion (Braik et al., 2024), Green People (Pratama et al., 2024), Green Process (Nguyen et al., 2025), Green Physical Evidence (Nguyen et al., 2025), Marketing Performance (Zahara et al., 2023).

The outer loading values in the first round showed that there were 9 values below 0.5. Therefore, in the second round, low outer loading values were rejected to increase the consistency of the variable construct. With these results, the green marketing mix and marketing performance variables had outer loading values above 0.5 (Nguyen et al., 2025).

Referring to the results of Construct Reliability and Validity based on the source of SmartPLS 4 data processing results, all research variables have a Cronbach's Alpha value of more than 0.70, so they can be declared reliable. The Green Product (0.895) and Marketing Performance (0.884) variables show a very good level of internal consistency, while other variables such as Green Promotion (0.857), Green Place (0.827), Green Physical Evidence (0.825), Green Process (0.806), Green Price (0.797), and Green People (0.721) also meet the reliability criteria. In addition, the Average Variance Extracted (AVE) value of all constructs is above 0.50, which indicates that each variable is able to explain the variance of its indicators well. Thus, all constructs in this study have met the reliability and convergent validity criteria and are suitable for further analysis.

Table 3. Discriminant

VARIABLES	GPD.	GPE.	GPL.	GPM.	GPO.	GPR.	GPS.	MP
GPD.	0.872							
GPE.	0.723	0.861						
GPL.	0.869	0.733	0.813					
GPM.	0.797	0.779	0.809	0.882				
GPO.	0.788	0.629	0.786	0.680	0.884			
GPR.	0.743	0.598	0.732	0.714	0.657	0.911		
GPS.	0.801	0.680	0.783	0.705	0.719	0.680	0.849	
MP	0.795	0.820	0.786	0.759	0.761	0.669	0.794	0.861

Source: SmartPLS 4 data processing results (2025)

Discriminant validity testing in this study was analyzed using the Fornell-Larcker criteria. This approach was used to ensure that each construct in the model was clearly distinct and did not overlap with one another (Hair et al., 2021). A construct is said to have good discriminant validity if the square root of the AVE value is higher than the correlation value of the construct with other constructs. Based on the evaluation results in the table, it can be seen that the AVE value of each variable Green Product (GDP) is 0.872, Green Physical Evidence (GPE) is 0.861, Green Place (GPL) is 0.813, and Green Promotion (GPM) is 0.882, Green People (GPO) is 0.884, Green Price (GPR) is 0.911, Green Process (GPS) is 0.849, and Marketing Performance MP is 0.861 has a square root value of AVE that is greater than the correlation value between variables. This, these results indicate that all constructs in the study have met the criteria for discriminant validity. This proves that each variable, Green Marketing Mix and Marketing Performance, has different conceptual characteristics and can stand alone without overlapping measurements between constructs.

Table 4.R Square

Variables	R-square	R-square adjusted
Marketing Performance	0.810	0.800

Source: SmartPLS 4 data processing results (2025)

The adjusted R-squared value for marketing performance is 0.800. This value indicates that the green marketing mix is able to explain 80.0% of the marketing mix variables. Therefore, it can be concluded that the adjusted R-squared value is quite adequate.

Table 5.Fit Model

	Saturated model	Estimated model
SRMR	0.067	0.067
d_ULS	1,453	1,453
Chi-square	768,119	768,119

Source: SmartPLS 4 data processing results (2025)

Based on Table 4, the results of the mode suitability test show an SRMR value of 0.067. This result is lower than the threshold of 0.80 recommended by (Hair et al., 2021). This, it can be concluded that this research model generally has a good level of model suitability and is suitable for use in future analyses.

Table 6.Path Coefficients

	Original sample O	Sample mean M	Standard deviation STDEV	T statistics O/STDEV	P values	Results
GPD > MP	0.068	0.075	0.110	0.619	0.268	H1 Rejected
GPR > MP	0.028	0.029	0.062	0.459	0.323	H2 Rejected
GPL > MP	0.006	0.026	0.124	0.051	0.480	H3 Rejected

GPM > MP	0.024	0.063	0.121	0.195	0.423	H4 Rejected
GPO > MP	0.222	0.218	0.082	2,690	0.004	H5 Accepted
GPS > MP	0.256	0.242	0.088	2,903	0.002	H6 Accepted
GPE > MP	0.417	0.369	0.171	2,433	0.007	H7 Accepted

Source: SmartPLS 4 data processing results (2025)

Meaning from the variables summarized in the table sections, including, GPD (Green Product), GPR (Green Price), GPL (Green Place), GPM (Green Promotion), GPO (Green People), GPS (Green Process), GPE (Green Physical Evidence), MP (Marketing Performance).

Based on the test results in the path coefficients table, the acceptance and rejection of the hypothesis are determined by the p-value. If the p-value < 0.05 , then the hypothesis is accepted, whereas if the p-value > 0.05 the hypothesis is rejected. The results of the first hypothesis test show that green products have a path coefficient value of 0.068 with a p-value of 0.268 (> 0.05). This finding indicates that green products do not have a significant effect on the marketing performance of food and beverage MSMEs, so the first hypothesis is rejected. In the second hypothesis, green prices have a path coefficient value of 0.028 with a p-value of 0.323 (> 0.05). These results indicate that green prices do not have a significant effect on marketing performance, so the second hypothesis is rejected. The results of the third hypothesis test show that green places have a path coefficient value of 0.006 with a p-value of 0.480 (> 0.05). Thus, it can be concluded that green places do not have a significant effect on marketing performance, so the third hypothesis is rejected. Furthermore, the fourth hypothesis shows that green promotion has a path coefficient value of 0.024 with a p-value of 0.423 (> 0.05). This finding indicates that green promotion does not have a significant effect on MSME marketing performance, so the fourth hypothesis is rejected. In contrast to the previous findings, the fifth hypothesis shows that green people have a positive and significant influence on marketing performance with a path coefficient value of 0.222 and a p-value of 0.004 (< 0.05). Thus, the fifth hypothesis is accepted. The results of testing the sixth hypothesis show that green processes have a positive and significant effect on marketing performance with a path coefficient value of 0.256 and a p-value of 0.002 (< 0.05). Therefore, the sixth hypothesis is accepted. In the seventh hypothesis, green physical evidence has a positive and significant influence on marketing performance with a path coefficient value of 0.417 and a p-value of 0.007 (< 0.05). This finding indicates that the seventh hypothesis is accepted.

Discussion

The Influence of Green Products on Marketing Performance

The results of the study show that green products do not have a significant effect on the marketing performance of food and beverage MSMEs, which indicates that environmentally friendly products in products have not become a major factor in improving marketing performance. From the RBV perspective, green products have the potential to become an internal capability that creates competitive advantage if they are valuable and difficult to imitate. However, in the context of MSMEs, the differentiation of environmentally friendly products is still low and less recognized by consumers. This finding is in line with Acquah et al., (2021), but different from Nguyen et al., (2025) which found a significant influence. The research gap in this hypothesis lies in the inconsistency of empirical findings regarding the influence of green products on the marketing performance of food and beverage MSMEs in developing countries.

The Influence of Green Price on Marketing Performance

This study shows that green pricing does not significantly impact the marketing performance of MSMEs, reflecting that consumers are still more sensitive to price than to sustainability values. Within the RBV framework, green pricing is a source of advantage in shaping strong value perceptions. Previous research has shown inconsistent findings, where Ahmed et al., (2022) and Pratama et al., (2024) found a positive influence, while Acquah et al., (2021) found a weak effect. The research gap lies in the limited empirical evidence on green pricing in MSMEs, as the majority of studies focus on large companies or consumers with high environmental awareness.

The Influence of Green Place on Marketing Performance

The results of the study show that green places do not have a significant effect on the marketing performance of food and beverage MSMEs, indicating that environmentally friendly places are not yet a primary consideration for consumers. From an RBV perspective, green places have the potential to become a strategic capability if they can increase the efficiency and value of services, but in MSMEs, green place practices are generally internal and less visible to consumers. This finding is in line with some MSME studies, although it differs from Huang & Rust, (2021) which found a positive effect. The research gap in this hypothesis lies in the lack of research that specifically examines green places on the marketing performance of food and beverage MSMEs.

The Influence of Green Promotion on Marketing Performance

This study found that green promotion had no significant effect on the marketing performance of MSMEs, indicating that environmentally friendly marketing communications are not yet fully effective. Within the RBV framework, green promotion will have strategic value if it can build differentiation and a strong

image. This finding is inconsistent with several previous studies, such as Agustini et al., (2021) but in line with Nadanyiova et al., (2020) which states that green promotion does not always have a direct impact on performance. The research gap lies in the differences in empirical results of green promotion, particularly in the context of food and beverage MSMEs.

The Influence of Green People on Marketing Performance

The results of the study indicate that green people have a positive and significant influence on the marketing performance of MSMEs, which emphasizes the importance of employees' role in implementing sustainability values directly to consumers. From the RBV perspective, green people are an internal resource that is difficult to imitate because it is based on individual competencies, attitudes, and behaviors. This finding is in line with Mukonza & Swarts, (2020) as well as Chang & Lin, (2022) Although some MSME studies have shown weaker results, the research gap in this hypothesis lies in the limited empirical research on green people in direct-service food and beverage MSMEs.

The Influence of Green Process on Marketing Performance

This study shows that green processes have a positive and significant effect on the marketing performance of MSMEs, indicating that efficient, environmentally friendly operational processes can improve perceived quality and customer satisfaction. Within the RBV framework, green processes are viewed as valuable operational capabilities that contribute directly to marketing performance. This finding aligns with Mogyoros, (2023) although several MSME studies have shown inconsistent results, the research gap lies in the inconsistency of empirical findings on the green process's impact on the marketing performance of food and beverage MSMEs in developing countries.

The Influence of Green Physical Evidence on Marketing Performance

The results of the study indicate that green physical evidence has a positive and significant effect on the marketing performance of food and beverage MSMEs, which confirms that physical evidence of environmental friendliness is easily observed and directly influences consumer perceptions. From the RBV perspective, green physical evidence is a tangible asset that can create visual differentiation and a business image, this finding is in line with Zhang et al., (2022) although several MSME studies have not shown consistent results, the research gap in this hypothesis lies in the limited research that explicitly tests green physical evidence on the marketing performance of food and beverage MSMEs.

CONCLUSION AND SUGGESTIONS

Conclusion

This study concludes that the implementation of a green marketing mix strategy in MSMEs in the food and beverage sector shows an uneven effect on

marketing performance. The dimensions of green product, green price, green place, and green promotion were not proven to have a significant effect on marketing performance, indicating that sustainability aspects in products, prices, distribution, and promotions have not been a major factor in driving improved MSME performance. In contrast, green people, green processes, and green physical evidence were proven to have a positive and significant effect on marketing performance, indicating that human resources, environmentally friendly operational processes, and physical evidence reflecting a commitment to sustainability are internal capabilities that are more effective in increasing consumer perceptions of value, trust, and satisfaction. This finding confirms the relevance of the Resource-Based View (RBV) that the competitive advantage of MSMEs is more determined by internal capabilities that are operational and easily perceived by consumers directly.

Suggestion

Based on the research findings, MSMEs in the food and beverage sector are advised to focus their green marketing strategies on strengthening green people through improving employee competency and environmental awareness, optimizing green processes to be more efficient and environmentally friendly, and developing green physical evidence that is easily observed by consumers as a form of business differentiation. The government and stakeholders are expected to provide support in the form of training, mentoring, and policies that encourage the implementation of green marketing practices based on MSMEs' internal capabilities. Meanwhile, further research is recommended to expand the research objects and contexts, and consider additional variables such as consumer environmental awareness to gain a more comprehensive understanding of the influence of green marketing on MSME marketing performance.

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