Analysis of the Factors Influencing Intention to Purchase Sustainable Local Craft Products: A Structural Equation Modeling Approach

Melvin V. Moraga*
De La Salle University & Philippine Cultural College

Quisha Yssabelle S. Favila
De La Salle University

Carl Gabriel M. Magtibay
De La Salle University

Joseph Francis E. Palanca
De La Salle University

Margaret S. Yvanovich
De La Salle University

ABSTRACT

This study analyzes the factors influencing the intention to purchase sustainable local craft products in the fashion industry, specifically clothing and accessories. The study's independent variables are perceived quality, perceived value, price perception, innovation, and attitude. The dependent variable is purchasing intention. The study utilized a quantitative method with a total sample size of 400, comprising Gen Z and Millennial consumers of sustainable local fashion clothes and accessories products in NCR. The findings show that price perception, innovation, and attitude significantly influence purchase intention. However, perceived quality and value do not significantly influence purchase intention. The influence of perceived quality, perceived value, customer attitude, and innovation on purchase intention highlights the integration of sustainability into consumer behavior models. Traditional models often emphasize these factors but may not fully account for the unique dynamics of sustainable products. This study extends the understanding by showing how these variables interact in the context of sustainable fashion, emphasizing that sustainability adds a new dimension to how consumers evaluate products. It underscores that consumers of sustainable fashion products perceive quality through a broader lens, which includes the product's contribution to sustainability. This insight expands the concept of perceived quality in the literature, showing that it is not only about the tangible attributes but also the intangible ethical aspects. Customer attitude has been well-documented as a predictor of purchase intention, but this study adds nuance by focusing on sustainable fashion. It suggests that positive attitudes towards sustainability, driven by environmental consciousness and social responsibility, play a crucial role in shaping purchase intentions. This finding contributes to a deeper understanding of how attitudes specifically related to sustainability can influence consumer behavior, reinforcing the need to cultivate positive attitudes through education and awareness campaigns.

Keywords: purchase intention, perceived quality, perceived value, price perception, innovation, attitude.

1. BACKGROUND THE STUDY

The Philippines has an extensive and glittering tradition of producing natural-materials-based crafts. Crafts products that are sold today have traditionally played an important role in the culture of certain communities and tribes, shedding light on the exceptional and skilled workmanship for which the Philippines have become recognized (Loughran, 2019). Maharkhede (2023) disclosed that sustainability plays a significant role in a country's economy. In recent years, it was found that there has been an increased value in incorporating sustainability in the handmade industry or better known as the local craft industry incorporating sustainable business practices helps handmade industries produce goods that appeal to buyers looking for eco-friendly substitutes for mass-produced goods.

Petro (2021) found that there is active participation among Millennials and Generation Z shoppers with a strong preference for sustainable retail practices. De Jesus et al. (2024) also found that Gen Z consumers are concerned about the ethical and environmental issues prevalent today, which means that their environmental awareness is strong towards their consumption, specifically in the apparel industry. Currently, local handcrafts have garnered increased recognition due to their unique offerings that captivate consumers. Recognizing this paradigm shift, the study directed its focus toward the role of local crafts in the fashion industry, specifically focusing on clothing and accessories. With the growing creativity and renewed interest in handcrafted items, businesses today are strategically pursuing purchasing intention strategies aimed at augmenting profits through sustained growth and strengthened customer relationships (Giovanis, et al., 2013). This strategic shift is motivated by a keen awareness of the importance of understanding customer behavior, thereby prompting strategic adaptation.

Saepudin et al. (2023) claim that the existing research on purchase intention toward fashion handcrafted goods is deficient, particularly in terms of global perspectives and analysis of eco-friendly items. The purchase intention to acquire hand-crafted goods has not received much attention. The present study aims to narrow the gap by conducting a study on the purchase intention of Filipinos, specifically Millennials and Gen Zs, in terms of sustainable local craft products in the fashion industry. It examines whether factors such as perceived quality, perceived value, price perception, innovation, and attitudes influence the purchase intention of Gen Z and Millennials buyers of local craft products in the fashion industry. This study extends the understanding by showing how these variables interact in the context of sustainable fashion, emphasizing that sustainability adds a new dimension to how consumers evaluate products.

2. REVIEW OF RELATED LITERATURE

2.1 Sustainable Practice in the Local Craft Industry

The history and cultural significance of traditional handicrafts are extensive. However, models for sustainable development and design-oriented scientific thinking still need to be improved despite the recent strong effect on consumerism and globalization (Li, Ho, & Yang, 2019). In the past 10 years, shareholders and other stakeholders have put more pressure on businesses to extend their accountability to include sustainability, environmental performance, and just economic performance in which sustainable development goals are required for business sustainability. Although the amount of pollution a small business produces cannot be compared to that of large corporations, small businesses still contribute to overall pollution. Given that they can provide employment opportunities, particularly in rural areas, and since they can promote economic growth and environmental sustainability, the handicraft industries have

been identified as a potential solution for sustainable economic development (Oyekunle & Sirayi, 2018). Handicraft businesses are traditional and rely on the entrepreneurial skills of their owners. Most of them use simple production techniques, produce in small quantities, and concentrate their sales in regional and national markets.

2.2   Theory of Planned Behavior

According to Ajzen (1991), it is believed that intentions, which are indications of how much effort a person is willing to put forth to carry out the behavior, capture the motivational factors influencing an action. The theory of planned behavior (TPB) is frequently used as a behavioral model. It enlightens us about changes in human behavior. The model anticipates intentional activity since it considers that behavior is planned. TPB specifically encompasses and discusses the mindset of a person, especially a shopper, that influences their motivations and intention to engage in a particular product, this purchase intention is an important factor in understanding the consumption behavior of consumers (Malla & Yukongdi, 2020). This conceptual framework assesses the degree to which consumers' behavior impacts their purchase intentions, either positively or negatively (Ruangkanjanases et al., 2020). The theory of planned behavior makes three assumptions about the intentions that it uses to predict behavior: the attitude towards the behavior, the subjective norm, and the perception of behavioral control. A two-way arrow is drawn between these three factors to show how each set of assumptions affects the others. However, it is anticipated that the relative importance of these components in the intention prediction would vary between activities and contexts (Ajzen, 1991).

2.3   Perceived Quality

Zeithaml (1988) posited that perceived quality is characterized as a subjective evaluation by a customer of a product's overall quality in general. To attain perceived quality, the consumer first acquires the services of expectancies and cognition based on intrinsic and extrinsic qualities of the service and product. Perceived quality can also be seen as a consumer's internal evaluation resulting from personal attitudes (Rosillo-Diaz, et al., 2019). Positive perceived quality may also encourage consumer purchasing decisions. According to a previous study, a brand's competitive advantage would increase (Konuk, 1 2018) if the favorable perceived quality is high. High perceived quality is a sign of the brand's high perceived quality, which eventually persuades customers to purchase the brand. In the study by Wee et al. (2014), the relationship between perceptions of quality and purchase intentions is not significant. This finding opposed the research carried out by previous researchers, where the perceived quality of organic food by consumers becoming increasingly important to its rapid consumption (Magnusson et al, 2001).

2.4   Perceived Value

Zeithaml (1988) defines customer perceived value from a theoretical perspective as "the consumer's overall assessment of the utility of a product based on what is received and what is given. Moreover, it was emphasized that the perceived value of a good or service is what a consumer thinks or feels about it, and this perspective or feeling is typically influenced by how effectively the products and services meet the consumer's needs and expectations (Kopp, 2020).

2.5   Price Perception

Petrick (2004) asserted that price perception is described as worth of money (monetary) and sacrifice (non-monetary) in exchange for a product. Zhao et al. (2021) asserted that there are

several ways to determine a product's pricing, including fairness, competitiveness, discounts, store prices, and price appropriateness. The preferences of consumers for sustainable goods and their willingness to buy are significantly influenced by price (Park & Lin, 2020). Salamin et al. (2015) mentioned consumers frequently base their purchases on their perception of a product's pricing and overall assessment of that price.

2.6 Innovation

Bachmann & Frustos-Bencze (2022), asserted that a new product or procedure that is introduced for the first time and whose design significantly differs from current standards is typically referred to as an innovation. Ghazinoory (2020) averred that innovation is an essential strategy to help handicraft firms compete, grow, and survive in the market. The various characteristics of craft objects, such as authenticity, aesthetic value, artistic value, the origin of the craft, cultural worth, etc., have been found in earlier studies to favorably influence people's attitudes about handicrafts (Somoon & Moorapun, 2016). In the study by Ismanu & Kusmintarti (2019) it posited that innovation to create new value for customers and become a competitive advantage and innovation will have an impact on increasing sales. Innovation is an important function in strategy management, because innovation is related to firm performance.

2.7 Attitude

Eagly and Chaiken (1993) viewed attitude as a person's attitude as a mental state of disposition toward other people or things that significantly affects how they perceive the world and how they think and behave on a personal, social, and cultural level. Kim, N & Kim T. (2022) mentioned that attitude has a big role in deciding this trend as consumer aspirations and sales for handmade eco-friendly products have been rising recently. Numerous studies have demonstrated that attitudes are powerful predictors of purchase intention, particularly for sustainable fashion products. Leferink (2018) postulated that the more positive consumer attitudes toward sustainably and locally produced clothes, the higher the purchase intention of customers would be in buying these clothes. In the context of manufacturing hybrid and electric cars, Sharma et al, (2024) asserted that that awareness, attitude, perceived behavioral control, among others positively and especially impact the adoption of electric cars, which means consumers intend to buy electric vehicles.

2.8 Purchase Intention

According to Bagozzi and Burnkrant (1979), purchase intention, as opposed to merely desire, is the term used to describe consumers' inclination to pay for products or services. Spears & Singh (2004) argue that it involves a conscious effort by consumers to select products or services that align with their expectations and the impressions or attitudes presented to them. Li et al. (2022) highlights that recent scholarly work has investigated how behaviors and behavioral intentions are connected cognitively within the framework of the theory of planned behavior. They propose a potential cognitive mechanism called the implementation intention of behavior, which involves two stages during the occurrence of an action (Gollwitzer, 1999).

2.9 Research Model

Figure 1 presents the research model of the study. The model asserts that all independent variables, perceived quality, perceived value, price perception, innovation and attitude have significant effect on consumers' purchase intention as the dependent variable.
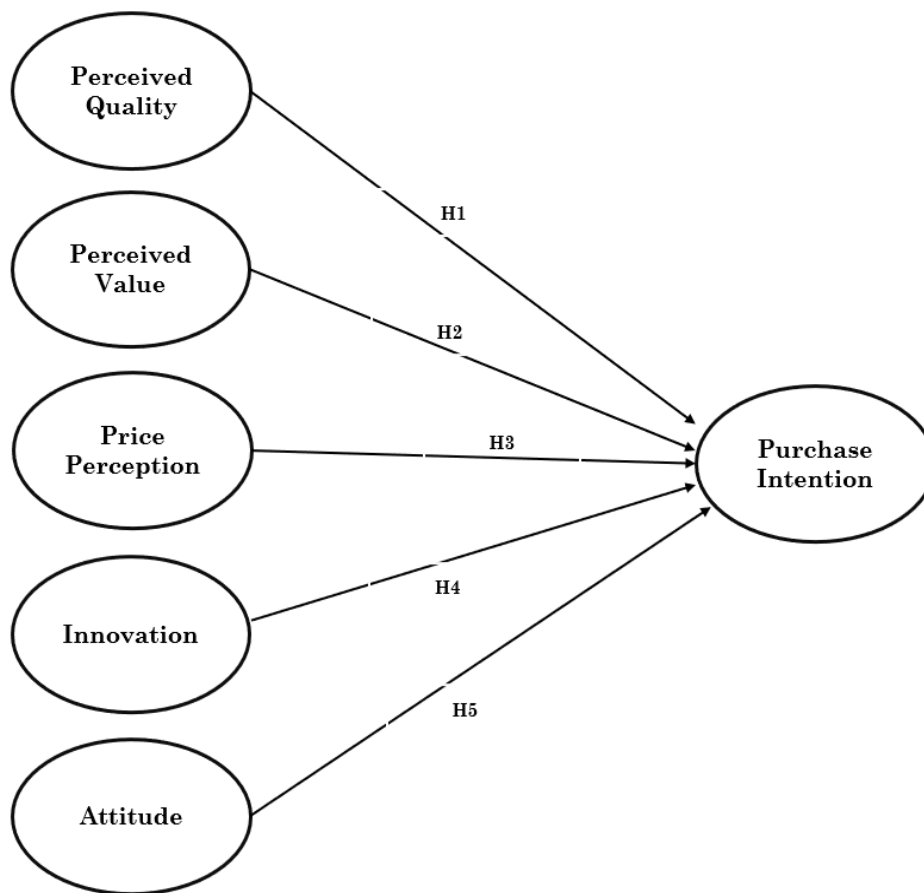

Figure 1: Research model

Note(s): Predictor variables: perceived quality (PC), perceived value (VL), price perception (PP) innovation (IN) and attitude (AT). Outcome variable: purchase intention (PI).

H1: Perceived quality has a positive and significant effect on consumers' purchase intention.

The perceived quality of the products has a direct impact on purchase intention. Customers form views about a product's quality, styles, and price before making a buy. Because there are direct connections between them that influence one another, purchase intent can alter after using a product. If the quality is good, the customer's intention to purchase is even higher (Rust and Oliver, 1994).

H2: Perceived value has a positive and significant effect on consumers' purchase intention.

According to the value-intention concept, a customer's purchase intent will be stronger if an item has a higher perceived value. (Chu & Lu, 2007). Moreover Paeng, Zhang, Wang & Liang (2019), numerous studies have demonstrated that perceived value positively influences customer purchases. It was also mentioned that high perceived value is associated with purchase intention and makes customers likely to make subsequent purchases.

H3: Price perception has a positive and significant effect on consumers' purchase intention.

Pricing is one of the most crucial attributes in consumer choices, but there may be instances where a consumer's perception of pricing can be imprecise. The existence of having clear price perception and interpretation can directly lead to an increase in purchase intentions, especially if consumers are made aware of price points (Munnukka, 2008). Price perception not only includes the consciousness of the value, but it deals with the consciousness of pricing as well as the proneness behavior of consumers (Septiani & Cherudin, 2020).

H4: Innovation has a positive and significant effect on consumers' purchase intention.

Product innovation spans a larger scope of presentation to consumers. Innovation can encapsulate promotion, prevention, and awareness as part of the main basis of the relationship between innovation and purchase intention (Lee et al., 2021). One of the biggest attributes of innovation that make consumers more inclined to purchase products with innovations is a high-risk propensity, which moderates the perceived benefit that consumers have with said innovations. Most studies present that perceived risks and gains are the biggest factors affecting the relationship between innovations and the purchase intentions of consumers (Shad et al., 2022).

H5: Attitude has a positive and significant effect on consumers' purchase intention.

Attitude towards specific brands and products is a pivotal construct commonly seen in most studies covering consumers' purchase intention. The biggest influence on attitudes is the presence of marketing and endorsement, as stated in Harrison (2015) and Patel (2016) study. Studies have also shown that attitude largely mediates relationships between purchasing intention and the like (Nazir & Tian, 2022).

H6: Perceived quality, perceived value, price perception, innovation and attitude altogether have a positive and significant effect on consumers' purchase intention.

3.   METHODOLOGY

3.1   Research Design

The study utilized a quantitative method approach with descriptive, correlational, causal research design using Partial Least Squares Structural Equation Modeling (PLS-SEM) as a method for data analysis.

3.2   Sampling Design

The study employed purposive sampling which involves the selection of respondents through their accumulated knowledge and experience (Frey, 2018). A purposive sampling design was utilized to collect the data. Participants comprised of Gen Z and Millennial consumers of sustainable local craft products, specifically clothing and accessories, all of which are residing in NCR.

3.3   Data Sources

This study utilized primary data through a survey consisting of 400 respondents with accumulated reasonable experience and knowledge in fast fashion clothing and accessories brands. The study focused on the three chosen social enterprises with their main offices and/or branches headquartered in the NCR, Philippines. An online observation through disseminating electronically distributed questionnaires was spread across among the social enterprises' consumers, specifically generations Gen Z and Millennials.

The measures employed to operationalize the variables in the research model are adapted from prior research (Table 1). The perceived quality consists of two dimensions, durability, and overall quality of a product. Perceived value was measured with three dimensions - social value, functional value, and emotional value. Price perception has the dimensions of price consciousness, value consciousness, and price-quality association. Innovation comprises of three dimensions - product features, packaging, and uniqueness. Attitude utilized two dimensions - hedonic and utilitarian. For the dependent variable, the dimensions used were electronic word-of-mouth band brand image. All items were recorded using the 5-point Liker scale.

Table 1: Source of Measure

Construct	No. of items	References
Perceived quality	5	Dhewi & Oktaviani (2023)
Perceived value	8	Sweeney & Soutar (2001)
Price perception	8	Dubey et al., 2019; Mandal et al., 2016
Innovation	6	Seng & Peng (2016)
Attitude	6	Boonsmsuk (2019)
Purchase intention	9	Ardhia & Mayangsari (2020)

3.4 Reliability Tests

A pre-test was conducted using a sample size of 20 to assess the reliability of the measurement items under project performance. The result registered Cronbach's alpha internal consistency of 0.950, which suggests that the questionnaire is reliable, consistent, and valid as it is higher than the acceptable level.

4. RESULTS AND DISCUSSION

4.1 Descriptive Analysis

Table 2: Frequency Distribution of Respondents by Age

Gender	Frequency	Percentage
Male	208	52%
Female	191	47.75%
Prefer not to say	1	0.25%
Total	400	100%

Table 3: Frequency Distribution of Respondents by Age

Birth Year	Frequency	Percentage
Gen Z (born 1997 - 2012)	246	61.5%
Millennial (born 1981-1996)	154	38.5%
Total	400	100%

Tables 2 & 3 show that 208 or 52% of the respondents are male; female respondents, on the other hand consists of 191 individuals or 47.75% with one respondent OR 0.25 preferred not

to say. Meanwhile, 246 out of 400 respondents were from Generation Z who were born between 1997 and 2012, which is 61.5% of the respondents, and those who were born between 1981 and 1996, known as the Millennial respondents comprise of 154 or 38.5% of the total participants.

Table 4. Summary of Descriptive Statistics of Each Variable

	PQ	**PV**	**PP**	**I**	**At**	**PI**	**Overall**
Mean	4.11	4.076	3.835	4.080	4.080	4.006	4.031
Standard Deviation	0.552	0.543	0.615	0.551	0.518	0.526	0.443
Sample Variance	0.305	0.295	0.379	0.304	0.268	0.277	0.196
Kurtosis	-0.280	-0.085	-0.781	-0.338	0.279	0.296	0.182
Skewness	-0.225	-0.250	-0.036	-0.178	-0.294	-0.350	-0.340

Note. PQ = Perceived Quality, PV = Perceived Value. PP = Price Perception, IN = Innovation, AT = Attitude, PI = Purchase Intention,

The descriptive statistics of each variable imply that the participants in the study have a generally positive perception of the product being evaluated, wherein the mean values of the variables, perceived quality, perceived value, innovation, attitude, and purchase intention are above 4, while price perception has a mean value of 3.835, all of which lies above midpoint of the Likert scale used in the survey. This indicates that most of the participants rated the product favorably. However, there is some variation in the mean values of the different variables. Perceived quality (M = 4.11, SD = 0.552) and overall (M = 4.031, SD = 0.443) have the highest mean value, while purchase intention (M = 4.006, SD = 0.526) has the lowest mean value. This suggests that participants are generally satisfied with the quality of the product (PQ: M = 4.11), but they may be somewhat not motivated enough to make a purchase (PI: M = 4.006).

Overall, the descriptive statistics suggest that the participants in the study have a generally positive perception of the product or service being evaluated (M = 4.031). However, there is some variation in the mean values and the data is slightly leptokurtic and skewed to the left. This suggests that some participants are less satisfied with the product or service than others. Further research is needed to explore the reasons for this variation and identify specific areas where the product could be improved. Additionally, it would be interesting to compare the results of this study to those of studies conducted on similar products or services in different markets.

4.2   Inferential Statistics

Prior to analyzing the data, the four assumptions of linear regression were tested and found to satisfy all conditions of linearity, normality, homoscedasticity, and independence

Measurement Model

The results (Tables 5-6) indicate acceptable values for both the Cronbach's α and the composite reliability. Specifically, all the variables have Cronbach's α value higher than the acceptable 0.6 (Hair, Tomas, Ringle, & Sarstedt, 2017). Similarly, the requirements for the composite reliability of 0.70 of all the variables have been established. The results also show

that the value of the average variance extracted from each variable is greater than the acceptable threshold 0.50 for convergent validity (Hair, Black, Babin, & Anderson, 2010). To ensure that each variable represents a distinct phenomenon, Fornell & Larcker (1981) criterion is used to evaluate the discriminant validity of the variables under study. The result shows that all the HTMT values are below 0.85. Only one HTMT value is above 0.85, which is 0.885 under the purchase intention since the HTMT value is below 0.90, it is still considered good. According to Henseler et al. (2015), indicating that the best discriminant validity is achieved when the HTMT ratio of correlations is below 0.85, and it is considered good if the HTMT value is below 0.90.

Table 5. Construct Reliability and Validity

Construct	Cronbach's Alpha	Composite Reliability (rho_a)	Composite Reliability (rho_c)	AVE
PQ	0.797	0.809	0.860	0.552
PV	0.860	0.864	0.891	0.506
PP	0.826	0.836	0.858	0.435
IN	0.825	0.830	0.873	0.534
AT	0.832	0.835	0.877	0.544
PI	0.871	0.876	0.897	0.493

Note(s): *Criteria Hair et al., 2019. Predictor variables: perceived quality (PQ), perceived value (PV), price perception (PP), innovation (IN) and attitude (AT). Outcome variable: purchase intention (PI). Others: average (AVE), composite reliability (CR)

Table 6. Discriminant Validity test

Dimensions	AT	IN	PQ	PV	PP	PI
AT	**0.738**					
IN	0.640	**0.730**				
PQ	0.586	0.531	**0.743**			
PV	0.671	0.619	0.740	**0.711**		
PP	0.533	0.499	0.580	0.647	**0.659**	
PI	0.762	0.649	0.554	0.615	0.600	**0.702**

Note(s): *Criteria Fornell & Larcker, 1981. Predictor variables: perceived quality (PQ), perceived value (PV), price perception (PP), innovation (IN) and attitude (AT). Outcome variable: purchase intention (PI).

Table 7. Discriminant Validity – Heterotrait Monotrait Ratio (HTMT)

Dimensions	AT	IN	PQ	PV	PP	PI
AT	1.000					
IN	0.763	1.00				
PQ	0.706	0.648	1.00			
PV	0.784	0.728	0.882	1.000		
PP	0.556	0.544	0.657	0.713	1.000	
PI	0.885	0.803	0.650	0.699	0.637	1.000

Table 8. Collinearity Statistics

Variable	VIF
Perceived Quality -> Purchase Intention	2.358
Perceived Value -> Purchase Intention	3.149
Price Perception -> Purchase Intention	1.845

Innovation -> Purchase Intention	1.933
Attitude -> Purchase Intention	2.201
Average	**2.297**

Table 6 shows the results of the collinearity statistics, and based on the results, PQ -> PI has a VIF of 2.358 while PV -> PI has a VIF of 3.149. PP -> PI has a VIF of 1.845, while I -> PI has VIF of 1.933. I -> PI has a VIF of 2.201, while the overall average VIF is 2.297. According to Kock (2020), the average block variance inflation factor and average full collinearity variance inflation factor should ideally be 3.3 or below, with five or below considered acceptable. That said, all results of the VIF are below 3.3 for the collinearity variance inflation factor, which all variables are considered acceptable.

Analysis of the Structural Model

Table 9. Path Coefficients – Mean, STDEV, T-value, p-values

Hypotheses	B	SM	STDEV	T	P	Decisions
H6: PQ -> PI	0.026	0.027	0.055	0.483	0.629	Not Supported
H7: PV -> PI	-0.044	-0.039	0.062	0.711	0.477	Not Supported
H8: PP -> PI	0.213	0.210	0.053	4.006	0.000	Supported
H9: I -> PI	0.299	0.301	0.052	5.729	0.000	Supported
H10: A -> PI	0.472	0.469	0.056	8.391	0.000	Supported

For hypothesis 1, the findings show that perceived quality has no significant influence on purchase intention (B = 0.026, t = 0.483, p = 0.629). Hence, H6 was not supported. Findings of numerous authors (Salamin et al., 2015; Chaerudim, 2020; Parathap & Sreelaksmi, 2020) show that perceived quality has a positive and significant influence on customer purchase intention. Although studies show that perceived quality has a positive and significant influence on purchase intention, the quantitative results of this study show a different case. Hence, hypothesis 1 was not rejected.

Hypothesis 2 results that perceived value has no significant influence on purchase intention (B = -0.044, t = 0.711, p = 0.477). Hence, the hypothesis was not supported. The results of this study are contrary to the results of the study conducted by Seaquidin et al. (2022), where perceived value influences purchase intention. However, the finding of Boonsomsuk (2019) is in line with this study, where the study's results revealed that perceived value does not influence purchase intention. These results indicate that the value perceived by consumers and customers for sustainable local products, specifically clothes and accessories, does not necessarily drive their purchase intentions. This can be due to other factors, such as the type of product that does not meet customer needs or misinterpreted value that other consumers perceive. With the result, the conclusion led to not rejecting the null hypothesis.

Hypothesis 3 results revealed that price perception has a significant influence on purchase intention (B = 0.213, t = 4.006, p<0.005). Hence, H8 was supported. The results of this study are contrary to the results of the study conducted by Ardhia & Mayangsari (2020) price perception does not influence the purchase intention of Indonesian consumers, which is toward local fashion products. However, the finding of Saepudin et al. (2023) is in line with this study, wherein price perception has a significant influence on the intention to purchase eco-friendly handcrafted fashion products. Price is a significant factor that affects consumers' preference for sustainable products and their willingness to purchase (Park & Lin, 2020). Consumers' purchasing decisions are commonly based on their perceived price and overall

opinion of the actual price of a product (Chiang & Jang, 2012). Rahman and Koszewska (2020) emphasized that price plays a crucial role in sustainable fashion, particularly in the evaluation of clothing by younger consumers and females. With the result, the conclusion led to rejecting the null hypothesis.

Hypothesis 4 results found that innovation has a significant influence on purchase intention (B = 0.299, t = 5.729, p<0.005). Hence, H9 was supported. The result of this study is in line with the study conducted by Boonsomsuk (2019) & Shafi et al. (2021), which states that innovation influences the purchase intention of consumers. Ghazinoory (2020), mentioned that innovation is regarded as one of the essential strategies to help handicraft firms to compete, grow, and survive in the market. It is necessary for a fashion company to have innovation as it is necessary to build the brand on an innovative concept for long-term success; otherwise, it requires much more effort to compete with its rivals (Muslu, 2012). The overall findings demonstrate that the majority of consumers are open to new developments in the local craft products in the fashion industry, and a variety of innovations have a favorable impact on consumers' intention to buy. With the result, the conclusion led to rejecting the null hypothesis.

Hypothesis 5 results revealed that attitude has a significant influence on purchase intention (B = 0.472, t = 8.391, p<0.005). Hence, H10 was supported. The result of this study is in line with the study conducted by Parados-Peña et al. (2022) & Pani & Pradhan (2021), wherein attitude has a positive and significant influence on the purchase intention. Kafernik (2018) mentioned that with more positive consumer attitudes toward sustainability and locally produced clothes, then the purchase intention of the customers would be higher in buying clothes. With the result, the conclusion led to rejecting the null hypothesis.

5. CONCLUSION

The factors of perceived quality, perceived value, price perception, innovation, and attitude have a strong and positive effect on whether consumers want to buy sustainable local craft products in the fashion industry. If the products are seen as being of good quality and offering value for money, consumers are more likely to consider buying them. Specifically, if the prices are perceived as fair and reasonable, and if the products are innovative and unique, consumers are more likely to be interested in purchasing them. Consumers' attitude towards the product also plays a role. If they have a positive perception of the brand and believe in the positive impact of supporting sustainable and local products, they are more likely to make a purchase. To summarize, these factors directly influence consumers' decision to buy sustainable local craft products in the fashion industry hence, businesses can focus on improving these aspects to encourage more consumers to purchase these types of products.

Integration of Sustainability in Consumer Behavior Models: The influence of perceived quality, perceived value, customer attitude, and innovation on purchase intention highlights the integration of sustainability into consumer behavior models. Traditional models often emphasize these factors but may not fully account for the unique dynamics of sustainable products. It extends the understanding by showing how these variables interact in the context of sustainable fashion, emphasizing that sustainability adds a new dimension to how consumers evaluate products.

Role of Customer Attitude in Sustainable Consumption: Customer attitude has been well-documented as a predictor of purchase intention, but this study adds nuance by focusing on

sustainable fashion. It suggests that positive attitudes towards sustainability, driven by environmental consciousness and social responsibility, play a crucial role in shaping purchase intentions. This finding contributes to a deeper understanding of how attitudes specifically related to sustainability can influence consumer behavior, reinforcing the need to cultivate positive attitudes through education and awareness campaigns.

Innovation as a Driver of Sustainable Consumption: Innovation in sustainable fashion is shown to positively influence purchase intention. This finding contributes to the innovation literature by emphasizing that in the context of sustainability, innovation is not just about novelty or technological advancement but also about aligning with ethical and environmental values. It suggests that innovative sustainable practices can differentiate brands and attract environmentally conscious consumers, thereby enhancing market competitiveness.

6. KEY RECOMMENDATION

Owners of local craft businesses, particularly those dealing with clothing and accessories, should focus on producing aesthetic, innovative, and trendy products. Emphasizing innovation practices is crucial to meeting consumer expectations when purchasing local products. Employing these practices not only ensures effective competition with other brands but also a sustained presence on the market and further increases the purchase intention of consumers and customers of sustainable local craft products. Care and caution must be exercised in assessing customers' perceptions of their prices. Foster positive attitudes among their target market to increase purchase intention as perceived money value and sacrifice value must be substantial when exchanged for a product, as consumer preferences for sustainable goods can often be heavily impacted by price (Park & Lin, 2020). Therefore, businesses can increase purchase intention by creating favorable trade-offs that meet consumers' needs. Raise awareness of how purchasing local craft products helps promote environmental sustainability and support local artisans and communities. It is crucial to ensure that when a customer purchases and uses a product, the experience leaves them feeling delighted and content.

As with all studies there are limitations to be acknowledged in this study. Since the study mainly focuses on Gen Z and Millennial Consumers, specifically in NCR, future researchers should collect more respondents from diverse age groups and geographical areas to better understand from different perspectives while improving the accuracy and dependability of the data. Future researchers may explore the intention of Gen Z and Millennial consumers to repurchase sustainable local craft products in the fashion industry, specifically clothing and accessories. Additionally, independent variables such as fashion motivation and altruistic motivation may also be explored.

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