

Perceived Green Marketing and Perceived Msme Sustainability Impact: The Role of Consumer Behavior and Market Disruption

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Abstract

Purpose : This study examines how perceived green marketing influences consumer perceptions and behavior in thrift-store consumption, with particular attention to perceived environmental value, perceived market disruption, consumer switching behavior, and perceived impact on MSME sustainability.

Design/methodology/approach: A quantitative survey design was employed using data from 500 consumers across five major Indonesian cities: Jakarta, Bandung, Surabaya, Yogyakarta, and Makassar. Respondents were selected using purposive sampling and had prior experience purchasing thrift products. Data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS.

Findings/results: The results demonstrate that perceived green marketing positively influences perceived environmental value ($\beta = 0.771$, $p < 0.001$). Perceived environmental value significantly influences perceived market disruption ($\beta = 0.782$, $p < 0.001$), which subsequently influences consumer switching behavior ($\beta = 0.738$, $p < 0.001$). Consumer switching behavior significantly affects perceived impact on MSME sustainability ($\beta = 0.912$, $p < 0.001$). The findings further reveal significant sequential indirect effects from perceived green marketing to perceived MSME sustainability through environmental value, market disruption, and switching behavior ($\beta = 0.406$, $p < 0.001$).

Practical implications and Originality/value: The findings suggest that MSMEs should respond to sustainability-driven market disruption through green branding, circular practices, product differentiation, and digital engagement. The study contributes by integrating green marketing, consumer perceptions, market disruption, and perceived MSME sustainability into a sequential consumer-based framework.

JEL Classification

M31; Q56; L26; D12

1. INTRODUCTION

The rapid growth of the fashion industry has significantly influenced consumer lifestyles, particularly in urban areas. In Indonesia, increasing digital exposure and evolving consumption patterns have made consumers more responsive to trends, including those related to sustainability and environmental awareness (Kotler et al., 2019). As a result, consumption decisions are no longer driven solely by functional needs but also by perceived values and symbolic meanings attached to products.

Recent studies suggest that sustainable consumption has evolved beyond environmentally conscious purchasing into a broader lifestyle orientation closely associated with the principles of the circular economy. In the textile and apparel industry, consumers increasingly evaluate products not only based on functional and economic benefits but also on environmental responsibility, product life extension, and resource efficiency. Consequently, green marketing has become a strategic approach that enables firms

to communicate sustainability values while encouraging consumers to participate in circular consumption practices, including the growing acceptance of second-hand and thrift products. Furthermore, recent evidence indicates that consumers' environmental knowledge and perceptions of green branding have become critical determinants of the effectiveness of green marketing strategies in promoting sustainable purchasing behaviour (Cui et al., 2025).

In recent years, the concept of green consumption has gained considerable attention, referring to consumer behavior that incorporates environmental considerations into purchasing decisions (Joshi & Rahman, 2015). One emerging phenomenon within this trend is the growing popularity of thrift stores, which consumers often perceive as environmentally friendly alternatives to new fashion products. Through various marketing messages emphasizing sustainability, reuse, and waste reduction, thrift stores have positioned themselves as part of a sustainable lifestyle.

From a consumer perspective, these marketing messages play a crucial role in shaping perceptions. Green marketing is not only about what firms communicate but also about how consumers interpret and internalize these messages (Peattie, 2001). Recent studies further argue that the effectiveness of green marketing increasingly depends on the authenticity, transparency, and credibility of environmental claims. As consumers become more environmentally conscious, they are also more capable of distinguishing genuine sustainability initiatives from symbolic or misleading environmental messages. Consequently, consumers' perceptions of green marketing are formed not merely by exposure to environmental communication but also by the degree to which they perceive such communication as trustworthy and consistent with firms' actual sustainability practices (Fang, 2024; Cui et al., 2025). In the context of thrift stores, consumers may perceive secondhand products as contributing to environmental sustainability, regardless of the actual environmental impact. This perception becomes a key driver in influencing consumer attitudes and behavior.

Perceived environmental value is one of the most important factors explaining this process. It refers to consumers' evaluation of a product's environmental benefits (Chen & Chang, 2012). When consumers perceive that purchasing thrift products benefits the environment, they are more likely to develop favorable attitudes and engage in pro-environmental consumption behavior (Wang et al., 2021). This perceived value is often reinforced by moral satisfaction, where consumers feel ethically responsible for making environmentally friendly choices (Hartmann & Apaolaza-Ibáñez, 2012).

These perceptions can lead to changes in consumer behavior, particularly in the form of switching behavior. Consumer switching behavior refers to consumers' tendency to shift their purchasing preferences from one product type to another (Ajzen, 1991). In this case, consumers may shift from purchasing newly produced fashion items to thrift products, which are perceived as both environmentally beneficial and economically attractive. Previous studies have shown that environmental perceptions significantly influence switching behavior and sustainable consumption patterns (Joshi & Rahman, 2021; Wang et al., 2021).

As consumer switching behavior becomes more widespread, it may influence broader market dynamics. From a perception-based perspective, consumers may begin to observe changes in the fashion market, such as lower price expectations, shifting demand patterns, and increased competition. This phenomenon can be understood as a perceived market disruption, in which consumers recognize changes in market structure driven by evolving consumption trends (Christensen, 1997; Porter, 1980).

Importantly, these perceived changes in the market may also extend to how consumers view the condition of local businesses. In Indonesia, Micro, Small, and Medium Enterprises (MSMEs) play a vital role in the fashion industry. However, as consumers increasingly engage in thrift consumption, they may perceive that local MSMEs face greater challenges in maintaining competitiveness and long-term sustainability. These perceptions, whether fully accurate or not, are important because they reflect how consumers interpret the broader impact of their consumption choices.

Despite the growing interest in green marketing and sustainable consumption, most existing studies have primarily focused on the direct relationship between green marketing and consumer behavior, particularly purchase intention, loyalty, and green buying decisions (Joshi & Rahman, 2015; Wang et al., 2021). More recent literature has broadened this perspective by highlighting the roles of sustainable branding, consumer trust, and circular economy practices in shaping environmentally responsible consumption. However, these studies generally examine green marketing, circular economy, consumer trust, or sustainable branding as separate research streams rather than as an integrated behavioural process.

Therefore, a significant research gap remains regarding how consumers' perceptions of green marketing generate behavioural changes that subsequently reshape market dynamics and perceptions of MSME sustainability. Although recent studies have acknowledged the importance of circular economy practices and sustainability-oriented marketing, limited attention has been devoted to understanding the sequential mechanism linking perceived green marketing, perceived environmental value, consumer switching behavior, perceived market disruption, and perceived MSME sustainability within a single serial mediation framework. Existing research continues to investigate these constructs largely in isolation, resulting in a fragmented understanding of how sustainability-oriented marketing influences broader economic and market outcomes.

Moreover, recent systematic evidence emphasizes that future research should move beyond examining green purchase intention alone and investigate how sustainability-oriented marketing influences broader market outcomes, including competitive dynamics, business resilience, and organizational sustainability under the circular economy paradigm. Responding to this recommendation, the present study integrates green marketing, environmental value, consumer switching behavior, market disruption, and MSME sustainability into a comprehensive perception-based framework that captures the broader consequences of sustainability-oriented consumer behaviour.

To address this gap, this study adopts a consumer-based perspective. It proposes an integrated framework that links perceived green marketing, perceived environmental value, consumer switching

behavior, perceived market disruption, and perceived impact on MSME sustainability. This approach emphasizes that market changes are not only driven by objective conditions but also by how consumers perceive and respond to sustainability-related messages.

The novelty of this study lies in its integration of green consumption and market disruption within a single perception-based framework. Additionally, this research introduces the concept of a perceived sustainability trade-off, in which consumers recognize that environmentally driven consumption may also affect local economic actors. By focusing on perception rather than objective performance, this study provides a new perspective on understanding the broader consequences of green marketing practices.

Although previous studies have examined the relationship between green marketing, sustainable consumption, and business sustainability, many of them implicitly interpret consumer evaluations as evidence of actual business performance. However, consumer perception does not necessarily reflect objective organizational outcomes. Consumers form subjective judgments regarding how their purchasing behaviour may influence local MSMEs, even though they typically do not possess complete information about firms' financial or operational conditions. Therefore, this study deliberately conceptualises MSME sustainability as consumers' perceived impact on MSME sustainability rather than actual MSME performance. This distinction provides a more theoretically appropriate framework for analysing behavioural responses within the context of thrift-store consumption.

From a practical perspective, this study offers important implications for policymakers in Indonesia. Understanding how consumers perceive the impact of thrift consumption on local businesses can help policymakers design more balanced strategies that consider both environmental and economic sustainability. Moreover, the findings can provide insights for local MSMEs in adapting to changing consumer perceptions and market trends.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

2.1. Perceived Green Marketing and Perceived Environmental Value

Green marketing refers to marketing activities that incorporate environmental considerations into the development, communication, and promotion of products and services (Peattie, 2001). In the context of sustainable consumption, green marketing enables firms to communicate environmental attributes and encourage consumers to recognize the environmental consequences of their consumption choices. However, the effectiveness of green marketing is not determined solely by the environmental practices implemented by firms. Rather, it also depends on how consumers perceive, interpret, and evaluate environmental messages (Testa et al., 2020).

In the context of thrift stores, green marketing can be communicated through messages emphasizing reuse, waste reduction, product life extension, and sustainable lifestyles. Such communication may lead consumers to perceive thrift products as environmentally preferable alternatives to newly produced

fashion products. Recent research also suggests that green marketing has increasingly become an important mechanism for promoting sustainable consumption in the textile and apparel industry by strengthening consumers' environmental awareness and perceptions of environmental value (Cui et al., 2025).

Perceived environmental value refers to consumers' subjective evaluation of the environmental benefits associated with a product or consumption choice (Chen & Chang, 2012). According to value perception theory, consumers evaluate products based on the benefits they perceive relative to the attributes and consequences associated with consumption (Zeithaml, 1988). Therefore, when consumers receive credible and convincing environmental information through green marketing, they may attach greater environmental value to the promoted products.

For thrift consumption, environmental messages concerning the reduction of textile waste, reuse of existing clothing, and sustainable consumption may strengthen consumers' beliefs that purchasing secondhand products contributes to environmental protection. Previous research has demonstrated that green marketing and environmental communication can enhance consumers' perceptions of the environmental value of products and subsequently encourage more sustainable consumption evaluations (Wang et al., 2021). Furthermore, consumers increasingly assess environmental claims according to their authenticity, credibility, and consistency with sustainability practices (Fang, 2024).

Therefore, consumers who perceive thrift stores as actively communicating environmental benefits are expected to assign greater environmental value to thrift consumption. Accordingly, the following hypothesis is proposed:

Perceived green marketing positively influences perceived environmental value.

2.2. Perceived Environmental Value and Perceived Market Disruption

Perceived environmental value represents consumers' evaluation of the environmental benefits associated with a consumption alternative. While previous studies have primarily examined environmental value in relation to green purchase intention and sustainable consumption behavior, environmental evaluations may also influence consumers' perceptions of broader changes occurring within a market.

In the fashion industry, the increasing acceptance of secondhand and thrift products represents a shift in how consumers evaluate fashion products. Consumers may perceive that environmental benefits associated with thrift consumption provide an alternative value proposition to conventional fashion products. Consequently, environmental value may extend beyond an individual product evaluation and influence consumers' perceptions of changes in market demand, competition, pricing, and consumption patterns.

From a market perspective, disruption occurs when established market structures, competitive relationships, or consumption patterns are challenged by alternative products or business models

(Christensen, 1997). The expansion of circular economy practices has created alternative consumption systems that challenge conventional linear production and consumption models. In fashion, secondhand consumption can represent such an alternative because it extends product life and reduces dependence on newly produced products (Bocken et al., 2016).

From the consumer perspective adopted in this study, perceived market disruption does not represent an objective measurement of market performance. Instead, it reflects consumers' perceptions that changes in consumption values are altering market dynamics. Consumers who strongly recognize the environmental value of thrift products may therefore become more aware of changes in the fashion market, including increasing competition from thrift stores, changes in consumer demand, and shifts in fashion consumption patterns.

This argument is consistent with research emphasizing that sustainability-oriented consumption and circular economy practices can influence competitive dynamics and encourage changes in market structures (Dangelico et al., 2020; Bocken et al., 2021). Thus, stronger perceptions of environmental value are expected to increase consumers' perceptions that the fashion market is undergoing disruption.

Accordingly, the following hypothesis is proposed:

Perceived environmental value positively influences perceived market disruption.

2.3. Perceived Market Disruption and Consumer Switching Behavior

Market disruption can alter consumers' perceptions of available alternatives and encourage changes in established consumption patterns. Disruption is not necessarily limited to technological innovation; changes in consumer preferences and the emergence of alternative consumption models can also contribute to transformations in market dynamics (Christensen, 1997).

In the fashion industry, the growth of thrift consumption provides consumers with an alternative to newly produced fashion products. The increasing availability and visibility of thrift products may change consumers' perceptions of price, product value, sustainability, and consumption alternatives. When consumers perceive that the fashion market is changing because of the growing presence of thrift stores, they may become more willing to reconsider their established purchasing behavior.

Consumer switching behavior refers to a change in consumers' purchasing preferences from one product or provider to another. In this study, switching behavior specifically refers to consumers' tendency to move from newly produced fashion products toward thrifted or secondhand alternatives. Such switching can reflect changes in consumers' evaluations of product value and the attractiveness of alternative consumption choices.

The Theory of Planned Behavior suggests that consumers' perceptions and evaluations can influence behavioral tendencies and subsequent actions (Ajzen, 1991). In the context of sustainable consumption, consumers may respond to perceived changes in the market by adapting their purchasing behavior

toward alternatives that they consider more attractive or consistent with their environmental values. Previous research has similarly demonstrated that changes in consumer preferences and sustainability-oriented market conditions can influence green consumption and purchasing behavior (Joshi & Rahman, 2021; Wang et al., 2021).

Accordingly, when consumers perceive stronger disruption in the fashion market caused by the growing presence of thrift stores, they are expected to be more likely to switch from newly produced fashion products to thrift alternatives. Therefore, the following hypothesis is proposed:

Perceived market disruption positively influences consumer switching behavior.

2.4. Consumer Switching Behavior and Perceived Impact on MSME Sustainability

Consumer switching behavior can have consequences beyond individual purchasing decisions because aggregate changes in consumer preferences may influence demand and competitive conditions faced by businesses. When consumers increasingly switch from newly produced fashion products to thrift alternatives, local fashion MSMEs may be perceived as facing changes in demand, pricing pressure, and competitive intensity.

MSMEs are particularly relevant in this context because their limited resources and capabilities may make them more vulnerable to changes in competitive environments. The resource-based view argues that sustained competitive advantage depends on firms' ability to possess and deploy valuable resources and capabilities (Barney, 1991). When market conditions change rapidly, firms with limited resources may experience greater difficulty in maintaining their competitive position.

In this study, **perceived impact on MSME sustainability** refers specifically to consumers' perceptions regarding how the expansion of thrift consumption may affect the revenue, growth, competitiveness, and long-term sustainability of local MSMEs. Importantly, this construct does not represent an objective measure of MSME financial or operational performance. Rather, it captures consumers' subjective assessments of the potential consequences of changing consumption behavior for local businesses.

Consumer switching from newly produced fashion products to thrift alternatives may lead consumers to perceive that local fashion MSMEs face greater competitive pressure. Thrift products may provide consumers with relatively affordable alternatives while simultaneously being associated with environmental and sustainability benefits. Consequently, increasing switching behavior may be perceived as reducing the attractiveness of conventional fashion products and creating challenges for MSMEs that primarily depend on newly produced fashion goods.

Previous research has emphasized that changing market conditions, competitive pressures, and external disruptions can create significant challenges for SMEs (Eggers, 2020; Kraus et al., 2020). At the same time, MSMEs may respond to such changes by developing new capabilities, differentiating their products, and adopting sustainability-oriented strategies.

Therefore, greater consumer switching toward thrift products is expected to increase consumers' perceptions that local MSMEs face challenges to their sustainability. Accordingly, the following hypothesis is proposed:

Consumer switching behavior positively influences perceived impact on MSME sustainability.

2.5. Mediation Mechanisms

The relationships among perceived green marketing, environmental value, market disruption, switching behavior, and perceived MSME sustainability may not occur solely through direct relationships. Instead, consumer perceptions may develop through a sequence in which environmental marketing communication shapes environmental value perceptions, environmental value shapes perceptions of market change, and perceptions of market change influence behavioral responses.

The mediation framework is therefore developed based on the empirical sequence:

Perceived Green Marketing → Perceived Environmental Value → Perceived Market Disruption → Consumer Switching Behavior → Perceived Impact on MSME Sustainability

This sequence is consistent with the broader argument that sustainability-oriented marketing can influence consumers through cognitive evaluations before producing behavioral and market-level consequences.

2.5.1. The Mediating Role of Perceived Environmental Value

Green marketing communication provides environmental information that consumers use to evaluate the benefits of a product or consumption practice. When consumers perceive green marketing positively, they are more likely to assign greater environmental value to the promoted alternative (Chen & Chang, 2012; Wang et al., 2021).

In the present context, perceived environmental value serves as the cognitive mechanism through which perceived green marketing may influence consumers' perceptions of market changes. The significant indirect effect reported in the study for **PG → PE → PM ($\beta = 0.603$, $t = 16.103$, $p < 0.001$)** supports this mediated relationship.

Thus:

Perceived environmental value mediates the relationship between perceived green marketing and perceived market disruption.

2.5.2. The Mediating Role of Perceived Market Disruption

Perceived environmental value may subsequently influence consumer switching behavior through consumers' perceptions that the market is changing. When consumers recognize strong environmental

value in thrift consumption, they may perceive increasing disruption in conventional fashion markets, which can encourage them to reconsider their existing purchasing patterns.

Therefore:

Perceived market disruption mediates the relationship between perceived environmental value and consumer switching behavior.

2.5.3. The Mediating Role of Consumer Switching Behavior

Perceived market disruption may ultimately affect consumers' perceptions of MSME sustainability through changes in their own purchasing behavior. When consumers switch from newly produced fashion products toward thrift alternatives, they may perceive that local fashion MSMEs face greater competitive pressure and challenges in maintaining their market position.

Accordingly:

Consumer switching behavior mediates the relationship between perceived market disruption and perceived impact on MSME sustainability.

2.6. Sequential Mediation Mechanism

Beyond the individual mediation relationships, the findings indicate a broader sequential mechanism connecting perceived green marketing with perceived impact on MSME sustainability. Specifically, the indirect effect follows the sequence:

PG → PE → PM → CS → PI

Thus, the following hypothesis is proposed:

Perceived green marketing of thrift stores positively influences perceived environmental value.

Table 1. Variables, Indicators, and Sources

Variable	Indicators	Source
Perceived Green Marketing (Thrift Store)	I perceive that thrift stores communicate environmentally friendly messages.	(Peattie, 2001; Testa et al., 2020)
	I perceive thrift stores as having an eco-friendly image	(Kotler & Keller, 2016; Nguyen et al., 2022)
	I received information that thrift stores help reduce fashion waste	(Kotler & Keller, 2016; Sun et al., 2021)
	I perceive that thrift stores promote a sustainable lifestyle	(Peattie, 2001; Dangelico et al., 2020)
Perceived Environmental Value	I believe that purchasing thrift products helps reduce textile waste	(Zeithaml, 1988; Chen & Chang, 2012)
	I consider thrift products more environmentally friendly than new ones.	(Sweeney & Soutar, 2001; Wang et al., 2021)
	I believe thrift consumption supports a sustainable lifestyle	(Zeithaml, 1988; Confente & Scarpi, 2021)
	I feel morally satisfied when purchasing thrift products	(Holbrook, 1999; Pagiaslis & Krontalis, 2020)
Consumer Switching Behavior	I tend to switch from buying new fashion products to thrifted products	(Ajzen, 1991; Han et al., 2020)
	I reduce my purchases of new fashion products	(Kotler & Keller, 2016; Joshi & Rahman, 2021)
	I prefer thrift products over newly produced fashion items	(Kotler & Keller, 2016; Sun et al., 2021)
	I frequently purchase thrift products.	(Ajzen, 1991; Joshi & Rahman, 2021)
Perceived Market Disruption	I perceive that thrift stores lower the overall price of fashion products	(Porter, 1980; Kraus et al., 2020)
	I observe a shift in demand from new products to thrift products	(Kotler et al., 2019; Bocken et al., 2021)
	I perceive increased competition in the fashion industry due to thrift stores.	(Porter, 1980; Dangelico et al., 2020)
	I observe changes in fashion consumption patterns due to thrift stores	(Christensen, 1997; Bocken et al., 2021)
Perceived Impact on MSME Sustainability	I perceive that thrift stores affect the revenue of local MSMEs	(Venkatraman & Ramanujam, 1986; Eggers, 2020)
	I perceive that thrift stores make it more difficult for local MSMEs to grow.	(Wiklund & Shepherd, 2005; Kraus et al., 2020)

I perceive that local MSMEs face stronger competition due to thrift stores.	(Barney, 1991; Agyabeng-Mensah et al., 2020)
I perceive that thrift stores affect the long-term sustainability of MSMEs.	(Elkington, 1997; Amankwah-Amoah et al., 2021)

Source: Data Collected article (2026)

The conceptual framework of this study illustrates the sequential relationship between perceived green marketing of thrift stores and the perceived impact on MSME sustainability from a consumer perspective. Specifically, perceived green marketing influences perceived environmental value, which subsequently drives consumer switching behavior. This behavioral shift then leads to perceived market disruption, ultimately shaping consumers' perceptions of the impact on MSME sustainability. The model emphasizes a fully mediated relationship, indicating that the effect of green marketing on MSMEs does not occur directly but through a chain of cognitive and behavioral processes. This framework highlights the importance of consumer perception as a key mechanism in understanding how sustainability-oriented marketing practices can influence broader market dynamics and the perceived condition of local businesses.

3. METHODS

This study adopts a quantitative research approach using a survey method to examine the relationships among perceived green marketing, perceived environmental value, consumer switching behavior, perceived market disruption, and perceived impact on MSME sustainability (Sekaran & Bougie, 2016). The unit of analysis is individual consumers, as the study focuses on consumer perception. Data were collected through a structured questionnaire using a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The respondents were selected using purposive sampling, with the criteria that participants must have prior experience purchasing thrift products and be at least 17 years old. The study involved 500 respondents distributed across five major cities in Indonesia—Jakarta, Bandung, Surabaya, Yogyakarta, and Makassar—with 100 respondents from each city to ensure broader representation of urban consumer behavior.

The collected data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS software. The analysis consists of two main stages: the measurement model (outer model) and the structural model (inner model). The measurement model was assessed through validity and reliability tests, including indicator loadings, composite reliability, Cronbach's alpha, and average variance extracted (AVE). Meanwhile, the structural model was evaluated by examining path coefficients, coefficient of determination (R^2), and hypothesis testing using bootstrapping procedures. This approach allows examination of both direct and indirect effects, particularly sequential mediation among variables, to provide a comprehensive understanding of how perceived green marketing influences consumer behavior and perceived market outcomes (Hair et al., 2019; Henseler et al., 2009).

4. RESULTS

4.1. Characteristic Respondent

This section presents the demographic characteristics of the respondents involved in this study. The analysis aims to provide an overview of the respondents' profiles, including gender, age, education level, monthly income, frequency of purchasing thrift products, and city of residence. A total of 500 respondents participated in this study, with an equal distribution of 100 respondents from each of the five major cities in Indonesia, namely Jakarta, Bandung, Surabaya, Yogyakarta, and Makassar. The demographic information is important to ensure that the sample adequately represents urban consumers who are familiar with thrift consumption.

Table 2
Respondent Characteristics

No	Characteristics	Category	Frequency	Percentage (%)
1	Gender	Male	220	44%
		Female	280	56%
2	Age	17–25 years	260	52%
		26–35 years	150	30%
		36–45 years	60	12%
		> 45 years	30	6%
3	Education Level	High School	120	24%
		Diploma	80	16%
		Bachelor	250	50%
		Postgraduate	50	10%
4	Monthly Income	< IDR 3,000,000	180	36%
		IDR 3–6 million	170	34%
		IDR 6–10 million	100	20%
		> IDR 10 million	50	10%
5	Frequency of Buying Thrift Products	Rarely	90	18%
		Occasionally	210	42%
		Frequently	150	30%
		Very Frequently	50	10%
6	City	Jakarta	100	20%
		Bandung	100	20%
		Surabaya	100	20%
		Yogyakarta	100	20%
		Makassar	100	20%
		Total	500	100%
Source: Data Processed (2026)				

Based on Table 4.1, the respondent profile shows that the majority of participants are female (56%), while male respondents account for 44%. In terms of age, most respondents are between 17 and 25

years old (52%), followed by those aged 26 and 35 years (30%), indicating that thrift consumption is more dominant among younger generations. Regarding education level, the majority of respondents hold bachelor's degrees (50%), suggesting a relatively high level of education among participants. In terms of income, most respondents earn below IDR 6 million per month, with 36% earning less than IDR 3 million and 34% earning between IDR 3–6 million, which reflects a middle-income consumer segment that is typically sensitive to price and value.

Furthermore, the frequency of purchasing thrift products indicates that most respondents buy thrift items occasionally (42%) and frequently (30%), demonstrating a relatively high level of engagement with thrift consumption. Only a small proportion of respondents purchase thrift products very frequently (10%), suggesting that while thrift is popular, it is not yet the primary consumption choice for all consumers. In terms of geographical distribution, the respondents are evenly distributed across five major cities in Indonesia—Jakarta, Bandung, Surabaya, Yogyakarta, and Makassar—with each city contributing 20% of the total sample. This balanced distribution ensures that the study captures diverse consumer perspectives from different urban areas. Overall, these characteristics indicate that the sample is appropriate for analyzing consumer perceptions of green marketing and its impact on thrift consumption and MSME sustainability.

This section presents the assessment of the measurement model, which aims to evaluate the reliability and convergent validity of the constructs used in this study. Reliability is assessed using Cronbach's alpha and composite reliability (rho_a and rho_c), while convergent validity is evaluated through the average variance extracted (AVE). According to Hair et al. (2019), a construct is considered reliable if Cronbach's alpha and composite reliability exceed 0.70, and convergent validity is established when the AVE exceeds 0.50. The results of the measurement model evaluation are presented in Table 3.

Table 3
Measurement Model Evaluation (Reliability and Convergent Validity)

CS	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Average variance extracted (AVE)
	0.814	0.821	0.877	0.640
PE	0.750	0.764	0.839	0.566
PG	0.834	0.837	0.889	0.668
PI	0.785	0.803	0.860	0.607
PM	0.792	0.803	0.864	0.615
Source: Data Processed (2026)				

Based on Table 3, all constructs demonstrate satisfactory levels of reliability and convergent validity. The Cronbach's alpha values range from 0.750 to 0.834, indicating acceptable internal consistency across all constructs. Similarly, the composite reliability values (rho_c) range from 0.839 to 0.889, exceeding the

recommended threshold of 0.70, which confirms the reliability of the measurement model. In addition, the AVE values for all constructs are above 0.50, ranging from 0.566 to 0.668, indicating that each construct explains more than half of the variance of its indicators. Overall, these results confirm that the measurement model meets the required criteria for reliability and convergent validity, and is therefore suitable for further structural model analysis.

This section presents the evaluation of the structural model using the coefficient of determination (R^2). The R^2 value indicates the proportion of variance in the endogenous constructs explained by the exogenous variables in the model. According to Hair et al. (2019), R^2 values of 0.75, 0.50, and 0.25 can be considered substantial, moderate, and weak, respectively. The results of the R^2 and adjusted R^2 values for each endogenous construct are shown in Table 4.

Table 4		
Coefficient of Determination (R^2) Results		
CS	R-square	R-square adjusted
	0.545	0.544
PE	0.594	0.594
PI	0.831	0.831
PM	0.612	0.611
Source: Data Processed (2026)		

Based on Table X, the R^2 values indicate that the model has moderate to substantial explanatory power. The perceived impact on MSME sustainability (PI) has the highest R^2 value of 0.831, indicating that 83.1% of its variance is explained by the model's predictor variables, which is substantial. Meanwhile, perceived market disruption (PM) has an R^2 value of 0.612, and perceived environmental value (PE) has an R^2 value of 0.594, both indicating moderate explanatory power. Consumer switching behavior (CS) has an R^2 value of 0.545, which is also considered moderate. Overall, these results suggest that the model has strong predictive capability in explaining consumer perceptions and behavioral outcomes related to thrift store consumption. Based on Table 4, the R^2 values indicate that the model has moderate to substantial explanatory power. The perceived impact on MSME sustainability (PI) has the highest R^2 value of 0.831, indicating that 83.1% of its variance is explained by the model's predictor variables, which is substantial. Meanwhile, perceived market disruption (PM) has an R^2 value of 0.612, and perceived environmental value (PE) has an R^2 value of 0.594, both indicating moderate explanatory power. Consumer switching behavior (CS) has an R^2 value of 0.545, which is also considered moderate. Overall, these results suggest that the model has strong predictive capability in explaining consumer perceptions and behavioral outcomes related to thrift store consumption.

This section presents the results of hypothesis testing based on the structural model evaluation using bootstrapping procedures in PLS-SEM. The significance of the relationships between constructs is

assessed using path coefficients, t-statistics, and p-values. According to Hair et al. (2019), a hypothesis is supported if the t-statistic exceeds 1.96 and the p-value is less than 0.05. The results of the hypothesis testing are presented in Table 4.

Table 5
Results Direct Effects

CS -> PI	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
	0.912	0.912	0.007	133.973	0.000
PE -> PM	0.782	0.783	0.023	34.325	0.000
PG -> PE	0.771	0.770	0.029	26.486	0.000
PM -> CS	0.738	0.738	0.028	26.240	0.000
Source: Data Processed (2026)					

Based on Table 4 and Fig. 2, all hypothesized relationships are statistically significant, as indicated by t-statistic values greater than 1.96 and p-values below 0.05. The results show that consumer switching behavior has a strong positive effect on perceived impact on MSME sustainability ($\beta = 0.912$, $t = 133.973$, $p < 0.001$), indicating that changes in consumer behavior significantly influence perceptions of MSME sustainability. Furthermore, perceived environmental value has a significant positive effect on perceived market disruption ($\beta = 0.782$, $t = 34.325$, $p < 0.001$), suggesting that higher environmental value perception leads to greater perceived changes in market dynamics.

In addition, perceived green marketing significantly influences perceived environmental value ($\beta = 0.771$, $t = 26.486$, $p < 0.001$), confirming that consumers' perceptions of green marketing play a crucial role in shaping environmental value. Lastly, perceived market disruption has a significant positive effect on consumer switching behavior ($\beta = 0.738$, $t = 26.240$, $p < 0.001$), indicating that perceived changes in the market encourage consumers to shift their purchasing behavior. Overall, these findings support all proposed hypotheses and demonstrate the strong relationships among the constructs in the model.

This section presents the results of additional path analysis to examine further the direct and extended relationships among the constructs in the structural model. The analysis includes estimating path coefficients, standard deviations, t-statistics, and p-values using a bootstrapping procedure in PLS-SEM. These results provide a deeper understanding of how perceived green marketing and perceived environmental value influence consumer behavior, perceived market disruption, and ultimately the perceived impact on MSME sustainability. The results are summarized in Table 5.

Table 6
Results Indirect Effects

PE -> CS	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
	0.577	0.578	0.036	16.096	0.000
PE -> PI	0.526	0.528	0.035	14.879	0.000
PG -> CS	0.445	0.446	0.042	10.695	0.000
PG -> PI	0.406	0.407	0.040	10.137	0.000
PG -> PM	0.603	0.604	0.037	16.103	0.000
PM -> PI	0.673	0.673	0.029	23.244	0.000
Source: Data Processed (2026)					

Based on Table X, all relationships are statistically significant, as indicated by t-statistic values exceeding 1.96 and p-values below 0.05. The results show that perceived environmental value has a significant positive effect on consumer switching behavior ($\beta = 0.577$, $t = 16.096$, $p < 0.001$) and on perceived MSME impact ($\beta = 0.526$, $t = 14.879$, $p < 0.001$). Similarly, perceived green marketing significantly influences consumer switching behavior ($\beta = 0.445$, $t = 10.695$, $p < 0.001$), perceived MSME impact ($\beta = 0.406$, $t = 10.137$, $p < 0.001$), and perceived market disruption ($\beta = 0.603$, $t = 16.103$, $p < 0.001$). Furthermore, perceived market disruption has a strong positive effect on perceived MSME sustainability impact ($\beta = 0.673$, $t = 23.244$, $p < 0.001$).

These findings indicate that both perceived green marketing and perceived environmental value not only influence consumer behavior but also directly and indirectly shape consumers' perceptions of market changes and MSME sustainability. The results reinforce the importance of consumer perception as a key driver of the link between sustainability-oriented marketing practices and broader market-level outcomes.

5. DISCUSSION

5.1. The Effect of Perceived Green Marketing on Perceived Environmental Value (H1)

The findings show that perceived green marketing positively and significantly influences perceived environmental value ($\beta = 0.771$, $t = 26.486$, $p < 0.001$). This result indicates that consumers who perceive thrift stores as communicating strong environmental messages are more likely to recognize the

environmental benefits of thrift consumption. Messages concerning reuse, waste reduction, sustainable fashion, and product life extension can therefore strengthen consumers' environmental evaluations.

This finding is consistent with Peattie (2001) and Testa et al. (2020), who emphasize the importance of environmental communication and consumers' interpretation of green marketing. It also supports perceived value theory (Zeithaml, 1988), which suggests that consumers evaluate products according to the benefits they perceive. In the thrift context, environmental benefits become an important component of perceived product value. The finding is further consistent with Chen and Chang (2012), Wang et al. (2021), and recent evidence that green marketing can strengthen environmental awareness in sustainable fashion consumption (Cui et al., 2025). Thus, H1 is supported.

5.2. The Effect of Perceived Environmental Value on Perceived Market Disruption (H2)

Perceived environmental value has a positive and significant effect on perceived market disruption ($\beta = 0.782$, $t = 34.325$, $p < 0.001$). This finding suggests that consumers who perceive greater environmental value in thrift products are also more likely to perceive changes in fashion-market dynamics, including changes in demand, competition, pricing, and consumption patterns.

This result extends the conventional green-consumption literature, which commonly focuses on environmental value as a determinant of purchase intention or sustainable behavior. The present finding indicates that environmental value may also shape consumers' perceptions of broader market transformation. From a circular economy perspective, secondhand consumption represents an alternative to conventional linear fashion consumption by extending product life and encouraging reuse (Bocken et al., 2016). Accordingly, consumers who recognize these environmental benefits may increasingly perceive thrift consumption as a force changing the conventional fashion market. H2 is therefore supported.

5.3. The Effect of Perceived Market Disruption on Consumer Switching Behavior (H3)

The results demonstrate that perceived market disruption positively and significantly influences consumer switching behavior ($\beta = 0.738$, $t = 26.240$, $p < 0.001$). This finding indicates that consumers who perceive greater changes in the fashion market are more likely to shift from newly produced fashion products toward thrift alternatives.

The result can be understood through the Theory of Planned Behavior (Ajzen, 1991), which emphasizes the role of perceptions and evaluations in shaping behavioral responses. As consumers observe the increasing visibility and acceptance of thrift products, they may reconsider established consumption patterns and perceive secondhand products as increasingly attractive alternatives. The finding also complements research showing that changing consumer preferences and sustainability considerations can encourage sustainable purchasing behavior (Joshi & Rahman, 2021; Wang et al., 2021).

Importantly, the finding positions consumers as active participants in market transformation. Market disruption is therefore not only an external phenomenon but can also be reflected in consumers' recognition of changing consumption alternatives. H3 is supported.

5.4. The Effect of Consumer Switching Behavior on Perceived Impact on MSME Sustainability (H4)

Consumer switching behavior has a strong positive and significant effect on perceived impact on MSME sustainability ($\beta = 0.912$, $t = 133.973$, $p < 0.001$). This is the strongest direct relationship in the model, indicating that consumers' switching behavior is strongly associated with their perceptions of consequences for local MSMEs.

The result suggests that when consumers increasingly move from newly produced fashion products to thrift alternatives, they are more likely to perceive that local MSMEs experience greater competitive pressure, difficulties in growth, and potential effects on revenue and long-term sustainability. This interpretation is consistent with the resource-based view, which emphasizes that firms with limited resources may be more vulnerable to changes in competitive environments (Barney, 1991). It is also consistent with research highlighting the challenges faced by SMEs under changing and disruptive market conditions (Eggers, 2020; Kraus et al., 2020).

However, the construct represents perceived impact, rather than objectively measured MSME performance. Therefore, the finding should be interpreted as consumers' subjective assessment of the consequences of changing consumption behavior, rather than evidence that thrift consumption has objectively reduced MSME performance. H4 is supported.

5.5. Mediation and Sequential Mechanism

The indirect-effect results provide further support for the proposed mechanism. Perceived environmental value significantly mediates the relationship between perceived green marketing and perceived market disruption ($\beta = 0.603$, $t = 16.103$, $p < 0.001$). This indicates that green marketing is associated with market perceptions through consumers' recognition of environmental value.

Furthermore, perceived market disruption significantly mediates the relationship between perceived environmental value and consumer switching behavior ($\beta = 0.577$, $t = 16.096$, $p < 0.001$). This suggests that environmental value becomes behaviorally relevant through consumers' perceptions that the fashion market is changing.

Consumer switching behavior also significantly mediates the relationship between perceived market disruption and perceived impact on MSME sustainability ($\beta = 0.673$, $t = 23.244$, $p < 0.001$). Thus, perceived market changes are associated with perceived MSME consequences through actual changes in consumers' purchasing preferences.

Most importantly, the complete sequential indirect effect from perceived green marketing → perceived environmental value → perceived market disruption → consumer switching behavior → perceived impact on MSME sustainability is significant ($\beta = 0.406$, $t = 10.137$, $p < 0.001$). This represents the central contribution of the study. It demonstrates that the perceived consequences of green marketing extend beyond environmental evaluations and individual consumption decisions to perceptions of market transformation and MSME sustainability.

Overall, the findings reveal a potential sustainability trade-off. Thrift consumption may be perceived as environmentally beneficial while simultaneously being associated with competitive challenges for local MSMEs. However, this does not necessarily mean that thrift consumption objectively harms MSMEs. Instead, the findings highlight the importance of MSMEs adapting through green branding, circular practices, product differentiation, and digital engagement. Such strategies can help local businesses respond to changing sustainability expectations while maintaining competitiveness.

6. CONCLUSION

This study concludes that perceived green marketing plays an important role in shaping consumers' perceptions and behavioral responses in the context of thrift-store consumption. The findings demonstrate that perceived green marketing significantly increases perceived environmental value, which subsequently strengthens perceived market disruption and encourages consumer switching behavior from newly produced fashion products toward thrift alternatives. Consumer switching behavior, in turn, significantly influences consumers' perceived impact on MSME sustainability. The significant sequential indirect effect further confirms that the relationship between perceived green marketing and perceived MSME sustainability operates through a chain of environmental value, market disruption, and consumer switching behavior ($\beta = 0.406$, $t = 10.137$, $p < 0.001$). These findings highlight a potential sustainability trade-off in which environmentally oriented consumption may be perceived as beneficial for environmental objectives while simultaneously creating competitive pressures for local MSMEs. However, such market disruption should not necessarily be viewed solely as a threat, as MSMEs can respond through sustainable product development, circular business practices, green branding, product differentiation, and digital engagement. The study therefore contributes a consumer-based perspective by demonstrating how sustainability-oriented marketing can extend beyond individual consumption decisions to shape perceptions of broader market transformation and MSME sustainability.

Declarations

Author Contribution

Muhammad Fiqih Oktavian Hattah: Conceptualization, Methodology, Formal analysis, Investigation, Data curation, Writing – original draft, Writing – review and editing, and Project administration. Muhammad

Asdar: Conceptualization, Methodology, Supervision, and Writing – review and editing. Mahlia Muis: Conceptualization, Supervision, Validation, and Writing – review and editing. Al Kausar: Data curation, Formal analysis, Visualization, and Writing – review and editing. All authors contributed to the interpretation of the results, critically reviewed the manuscript, and approved the final version for publication.

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Figures

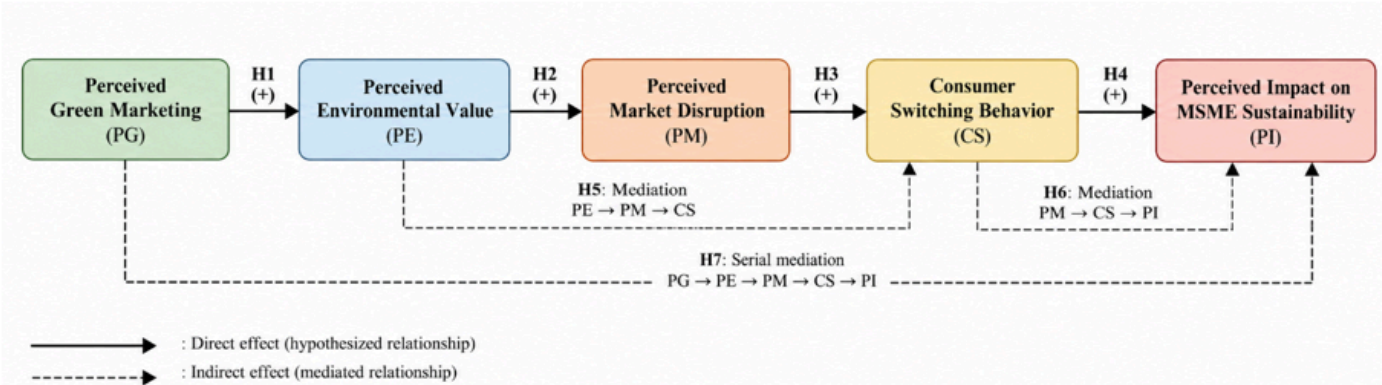


Figure 1

Conceptual Framework

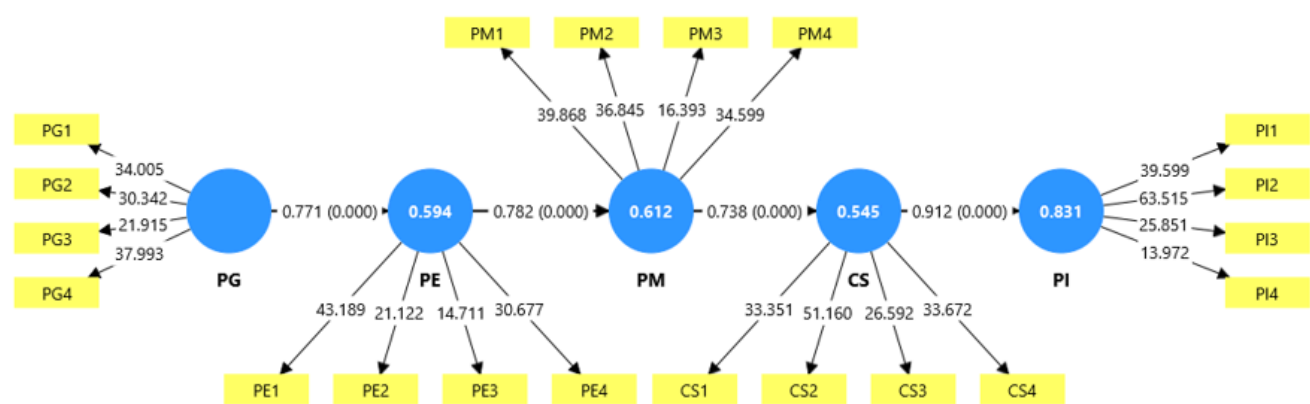


Figure 2

Structural Model Results (PLS-SEM)