

The Role of Consumer Trust in Mediating the Effect of Green Marketing on the Willingness to Pay a Premium Among Wardah Product Consumers in Surabaya

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ABSTRACT

Growing concern for environmental issues is prompting consumers to consider sustainability factors in their purchasing decisions. On the other hand, the prevalence of greenwashing practices has cast doubt on companies' eco-friendly claims, making consumer trust a critical factor in determining the effectiveness of green marketing. This study aims to analyse the influence of green marketing on the willingness to pay a premium, with consumer trust mediating this relationship among Wardah product users in Surabaya. The study employs a quantitative approach using purposive sampling. Data were collected via a questionnaire and analysed using SEM-PLS. The results indicate that green marketing has a positive and significant effect on willingness to pay a premium and on consumer trust. Furthermore, consumer trust has a positive and significant effect on willingness to pay a premium and serves as a partial mediator of the relationship between green marketing and willingness to pay a premium.

ABSTRAK

Meningkatnya perhatian terhadap isu lingkungan mendorong konsumen untuk mempertimbangkan aspek keberlanjutan dalam keputusan pembelian. Di sisi lain, maraknya praktik greenwashing menimbulkan keraguan terhadap klaim ramah lingkungan perusahaan sehingga kepercayaan konsumen menjadi faktor penting dalam menentukan efektivitas pemasaran hijau. Penelitian ini bertujuan menganalisis pengaruh pemasaran hijau terhadap kesediaan membayar harga premium dengan peran mediasi kepercayaan konsumen pada pengguna produk Wardah di Kota Surabaya. Penelitian menggunakan pendekatan kuantitatif dengan teknik purposive sampling. Data dikumpulkan melalui kuesioner dan dianalisis menggunakan SEM-PLS. Hasil penelitian menunjukkan bahwa pemasaran hijau berpengaruh positif dan signifikan terhadap kesediaan membayar harga premium serta kepercayaan konsumen. Selain itu, kepercayaan konsumen berpengaruh positif dan signifikan terhadap kesediaan membayar harga premium dan terbukti memediasi secara parsial pengaruh pemasaran hijau terhadap kesediaan membayar harga premium.



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1. INTRODUCTION

The beauty industry in Indonesia has experienced rapid growth in recent years. Rising public awareness of personal care, skin health, and appearance has driven significant expansion in the cosmetics market. The Indonesian Food and Drug Administration (BPOM) notes that as of 2024, there are approximately 1,249 cosmetic companies within the national beauty industry ecosystem, with the number of products holding marketing authorisation exceeding 283,391 (Badan Pengawas Obat dan Makanan, 2024). Additionally, Nawiyah et al. (2023) report that Indonesia's beauty industry market has experienced an average annual growth rate of 5.91%. This indicates that the beauty industry is a sector with high growth potential yet increasingly intense competition.

On the other hand, growing public concern over environmental issues has also influenced consumer spending patterns. Various problems, such as climate change, environmental pollution, and the growing volume of plastic waste, have heightened awareness of the importance of sustainable consumption. Indonesia is even listed among the world's largest

producers of plastic waste, with an annual volume of approximately 3.4 million metric tons (Cottom et al., 2024). Additionally, the PwC Global Consumer Insights Survey (2024) reveals that around 85% of global consumers have experienced the impacts of climate change in their daily lives. This awareness is driving consumers to not only consider product quality and price but also to pay attention to the social and environmental impacts of the products they consume. Consumers International (2022) reports that 62% of consumers are willing to change their purchasing behaviour to reduce environmental impact, while 77% consider sustainability a key factor in their consumption activities.

These shifts in consumer behaviour are driving companies to adopt more sustainability-oriented marketing strategies, including green marketing. In the beauty industry, the adoption of green marketing is gaining increasing attention due to rising demand for products considered safer for both the environment and consumer health. Limbu and Ahamed (2023) state that consumers tend to choose beauty products with eco-friendly attributes because they are perceived as supporting more sustainable consumption practices.

Nevertheless, implementing green practices often entails higher costs than conventional practices. The use of eco-friendly raw materials, cleaner production technologies, and green packaging increases production costs, potentially affecting the product's selling price. As a result, many products that incorporate green concepts are priced higher than conventional products. According to Kotler et al. (2021), consumers are, in principle, willing to pay a premium price if they perceive added value, whether in the form of product quality, brand image, emotional benefits, or the social value inherent in the product. Therefore, willingness to pay a premium is a key indicator of the success of green marketing strategies, as it reflects the extent to which consumers are willing to make financial sacrifices to obtain products with greater environmental value.

However, growing interest in eco-friendly products is not always accompanied by successful green marketing strategies. The prevalence of greenwashing has led consumers to become increasingly critical of companies' green claims. In the beauty industry, terms such as natural, eco-friendly, and sustainable are frequently used in marketing communication strategies. However, the lack of clear standards for green beauty products in Indonesia means these claims may create ambiguous perceptions among consumers (Fakhrunissa et al., 2020). This situation means that consumers no longer automatically accept environmental claims, but instead, they evaluate the credibility of the information companies provide before making a purchasing decision.

In this context, consumer trust has become an increasingly important factor in determining the effectiveness of green marketing strategies. Consumer trust shapes the belief that a company genuinely engages in business practices consistent with its environmental claims. Conversely, if consumers perceive that these claims are not supported by actual practices, trust may decline, potentially hindering a positive response to the company's marketing activities. Adjani and Hakim (2025) explain that a mismatch between environmental claims and corporate practices can lead to a loss of consumer trust and result in rejection of the relevant products or brands.

Wardah is one of the local beauty brands that actively integrates green values into its marketing strategy. Various initiatives, such as the development of cruelty-free products, the use of more eco-friendly materials, and the green campaigns #PakaiSampaiHabis and #BeautyMovesYou, demonstrate Wardah's commitment to green business practices (Wardah Beauty, 2021; Wardah Beauty 2023).

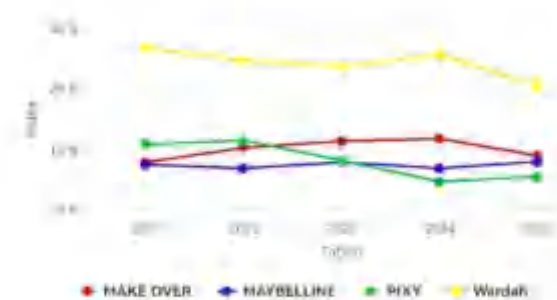


Figure 1. Top Personal Care Category Index for 2025

Source: Top Brand Award, 2025

According to the Top Brand Index data for the 2021–2025 period, Wardah holds a strong competitive position compared to Make Over, Maybelline, and Pixy in the compact face powder category. Although its index value fluctuated from approximately 26.7% in 2021 to 20.7% in 2025, Wardah has maintained the highest index value among its competitors. This indicates that Wardah has strong brand awareness, usage, and consumer loyalty.

Research on green marketing in Indonesia's beauty sector has developed quite rapidly. Most previous studies have focused on purchase intention, purchase decisions, repurchase intention, and brand image as consequences of green marketing implementation. Meanwhile, research on willingness to pay a premium remains relatively limited and generally treats this variable as a direct consequence of product attributes or consumers' perceptions of sustainability value. Research conducted by Puspasari et al. (2024) indicates that most consumers are willing to pay more for beauty products that support environmental sustainability. However, this study has not yet explained the marketing factors or psychological mechanisms that drive the formation of willingness to pay a premium. Consequently, the process by which green marketing translates into consumer willingness to pay a premium price remains inadequately understood.

Furthermore, research specifically examining the mediating role of consumer trust in the relationship between green marketing and willingness to pay a premium, particularly within Indonesia's local beauty industry, remains limited. This issue has become increasingly relevant as the growing prevalence of greenwashing has led consumers to become more cautious and sceptical when evaluating environmental claims made by companies. Under these circumstances, the effectiveness of green marketing cannot be assumed to occur automatically, as consumers tend to assess the credibility of sustainability-related information before responding positively. Consequently, consumer trust becomes a critical mechanism that explains how green marketing activities are translated into consumers' willingness to pay a premium. Additionally, this study focuses on Indonesia's local beauty industry, specifically Wardah, a brand known for its relatively affordable pricing and for its active integration of green marketing practices. This context provides a unique setting to examine whether consumers remain willing to pay a premium when environmental initiatives are supported by a trusted brand.

2. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

2.1. Green Marketing

Green marketing is a marketing approach that integrates environmental sustainability across a company's marketing activities, from product development and pricing to promotion and distribution. Green marketing aims not only to meet consumer needs but also to minimise negative environmental impacts through the use of eco-friendly materials, sustainable production processes, and marketing communications that emphasise sustainability values (Mei et al., 2025).

According to Kotler et al. (2021), green marketing is part of value-driven marketing that is oriented toward the simultaneous creation of economic, social, and environmental value. In this study, green marketing is treated as an independent variable, reflecting consumers' perceptions of a company's commitment to green marketing practices.

2.2. Consumer Trust

Consumer trust is consumers' confidence in a company's integrity, reliability, and commitment to fulfilling the promises it makes to them (Wardhana, 2024). Trust is built through consumers' experiences, knowledge, and evaluations of the company and its products.

In the context of green marketing, consumer trust is a critical factor, as consumers often face uncertainty about the credibility of companies' environmental claims. Therefore, consumer trust is positioned as a mediating variable that explains how green marketing strategies can influence consumer behaviour.

2.3. Willingness to Pay a Premium

Willingness to pay a premium refers to consumers' willingness to pay a higher price for a product than for other alternatives, driven by a perception of greater value (Ren et al., 2022). According to Kotler et al. (2021), this willingness arises when consumers perceive additional benefits, such as product quality, brand image, emotional benefits, or social and environmental contributions.

In this study, willingness to pay a premium is treated as a dependent variable that reflects consumers' willingness to make a financial sacrifice for products considered to have greater sustainability value than conventional products.

2.4. Signalling Theory

Spence's Signalling Theory holds that, in situations of information asymmetry, the party with more complete information sends signals to the other party to reduce uncertainty in the decision-making process (Connelly et al., 2025). In the context of marketing, companies use various forms of signals to demonstrate the quality, credibility, and commitment to the products they offer.

In green marketing practices, these signals are manifested through eco-friendly labels, environmental certifications, recyclable packaging, the use of natural materials, and sustainability communications that demonstrate the company's commitment to environmental conservation. When consumers perceive these signals as credible, they tend to evaluate the company and its products positively (Liu & Kim, 2025).

In this study, Signalling Theory is used to explain how green marketing serves as a sustainability signal that reduces information asymmetry and uncertainty regarding the company's environmental claims, thereby strengthening consumer trust in the brand.

2.5. Theory of Reasoned Action

The Theory of Reasoned Action (TRA), developed by Fishbein and Ajzen, explains that individual behaviour is influenced by behavioural intentions, which are formed from attitudes and subjective norms (Gundala et al., 2022). This theory assumes that individuals will act rationally by considering the consequences of each action before making a decision.

In the context of eco-friendly product consumption, consumers are willing to pay a premium when they hold positive attitudes toward green products and believe that using them benefits both the environment and society. Additionally, evolving social norms regarding sustainable lifestyles can reinforce consumers' intentions to choose products perceived as more environmentally responsible (Hlaba & Shava, 2025).

In this study, the Theory of Reasoned Action is used to explain how green marketing can shape consumers' positive attitudes toward eco-friendly products, thereby increasing their willingness to pay a premium.

2.6. Commitment-Trust Theory

The Commitment-Trust Theory, developed by Morgan and Hunt, explains that trust is the cornerstone of building long-term relationships between companies and consumers. Trust arises when consumers believe that a company acts honestly, is reliable, and demonstrates integrity in fulfilling its commitments (Fernandes, 2024).

In the context of green marketing, consumer trust reduces consumers' perceptions of risk and uncertainty about a company's sustainability claims. Consumers who have a high level of trust in a brand tend to be more willing to accept higher prices because they perceive a guarantee of quality and sustainability value in the product. In this study, Commitment-Trust Theory is used to explain the influence of consumer trust on willingness to pay a premium.

Based on previous theoretical developments and research, the hypotheses proposed in this study are as follows:

- H1: Green marketing has a positive effect on willingness to pay a premium.
- H2: Green marketing has a positive effect on consumer trust.
- H3: Consumer trust has a positive effect on willingness to pay a premium.
- H4: Consumer trust has a positive mediating effect on the relationship between green marketing and willingness to pay a premium.

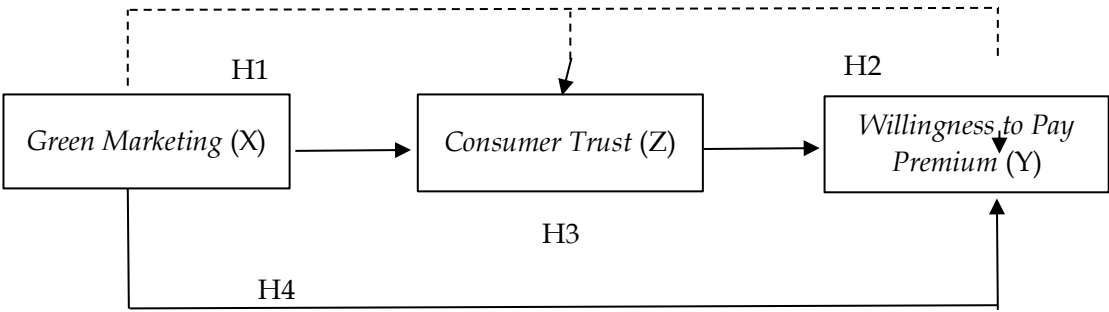


Figure 2. Research Framework
Source: Author's data analysis, 2026

3. RESEARCH METHOD

This study employs an explanatory quantitative method to examine how eco-friendly marketing influences willingness to pay a premium price through consumer trust among Wardah consumers in Surabaya. The quantitative method was chosen because this study aims to test hypotheses and assess relationships between variables objectively through statistical analysis (Creswell & Creswell, 2022). The study population comprises all consumers of Wardah products in Surabaya. Surabaya was selected as the research location because it is one of Indonesia's largest metropolitan cities with a large urban population and active beauty consumers, making it a relevant setting for examining consumer responses toward green marketing practices in the beauty industry (Nabila et al., 2018; Rahmani, 2019).

The sampling technique used was purposive sampling, with the following criteria: respondents must be a female, reside in Surabaya, be at least 17 years old, and have previously purchased and used Wardah products. This study focuses on female consumers because Wardah is positioned as a halal beauty brand that primarily targets Muslim women, while previous studies indicate that women tend to exhibit greater involvement and stronger purchase intentions toward skincare and beauty products than men (Chairina et al., 2023; Purnomowati, 2024). Since the exact population size is unknown, the minimum sample size was calculated using the Lemeshow formula, which is commonly used for large populations or for populations whose size is not precisely known (Alynudin, 2025).

$$\begin{aligned}
 n &= \frac{Z^2 \cdot p \cdot (1 - p)}{d^2} \\
 n &= \frac{1,96^2 \cdot 0,5 \cdot (1 - 0,5)}{0,07^2} \\
 n &= \frac{3,8416 \cdot 0,25}{0,0049} \\
 n &= 196
 \end{aligned}$$

Description :

n = Sample size

Z = Z-score at the 95% confidence level, with a value of 1.96

P = Upper limit of the estimate

d = 7% sampling error, or 0.07

Based on these calculations, the minimum sample size was determined to be 196 respondents. To improve analysis accuracy and account for invalid data, the sample size was increased to 200 respondents.

Data were collected via a Google Forms survey. The research instrument was developed based on indicators derived from the literature and previous studies. All items were measured using a five-point Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree) (Sugiyono, 2021).

Table 1. Research Instrument Development

Variable	Indicator	Items	Source
Green Marketing (X)	Green product	1. Use of natural or eco-friendly materials	Mukonza et al. (2021)
		2. Environmental safety of the product	
		3. Use of eco-friendly packaging materials	
	Green price	1. Understanding the production costs of eco-friendly products	
		2. Perception of product price fairness	
		3. Perception of relative pricing compared to other products	
	Green promotion	1. Intensity of communication regarding environmental issues	
		2. Clarity of environmental information	

	Green place	3. Trust in promotional messages 1. Convenient access to purchase locations 2. Product availability in various locations 3. Distribution support for eco-friendly initiatives	
Willingness to Pay a Premium (Y)	Willingness to pay a higher price	1. Perception that the product offers superior value compared to alternatives 2. Strong brand preference due to quality or benefits 3. Belief that the higher price is commensurate with the value	Dwivedi et al. (2018)
	Acceptance of price increases	1. The understanding that prices may rise 2. Acceptance of price increases 3. Willingness to continue purchasing even as prices rise	
	Willingness to pay more	1. Willingness to continue choosing the product even when cheaper alternatives are available 2. It's not easy to switch to a cheaper alternative 3. Commitment to purchasing, even if it means paying more	
Consumer Trust (Z)	Competence	1. The company's ability to produce high-quality products 2. Expertise in product development 3. The company's understanding of consumer needs	Paliszkiewicz et al. (2023)
	Integrity	1. Honesty in conveying information 2. Alignment of claims with reality 3. Consistency between promises and actions	
	Benevolence	1. Concern for consumer interests 2. Attention to user safety 3. Attention to user safety	
	Reliability	1. Consistency in product quality 2. Product reliability during use 3. Minimal negative experiences	
	Transparency	1. Transparency regarding product ingredients 2. Clarity of product information 3. Ease of access to information	
	Communication	1. Use of various media in communication with consumers 2. Active communication with consumers 3. Responsiveness to consumers	

Source: Mukonza et al., 2021; Dwivedi et al., 2018; Paliszkiewicz et al., 2023

This study employed several procedures to minimise potential common-method bias, including assuring respondents of the confidentiality of their responses, informing them that there were no right or wrong answers, and randomly ordering the survey items. These measures were implemented to reduce bias associated with the use of a single data source (MacKenzie & Podsakoff, 2012).

The data were analysed using Structural Equation Modelling–Partial Least Squares (SEM-PLS) with SmartPLS 4.0 software. SEM-PLS is chosen for its appropriateness in analysing intricate correlations among latent variables and testing mediating effects simultaneously (Hair et al., 2021). The analysis included an evaluation of the outer and inner models. The outer model evaluation assessed validity and reliability through outer loading, Average Variance Extracted (AVE), Cronbach's Alpha, Composite Reliability, and discriminant validity using the Heterotrait-Monotrait Ratio (HTMT). Meanwhile, the inner model evaluation examined the structural relationships among variables through R-square and Q-square values. Hypothesis testing was conducted using bootstrapping to assess the significance of direct and indirect effects among variables.

4. RESULTS AND DISCUSSION

4.1. Results Analysis

This research involved 200 respondents who were consumers of Wardah products in Surabaya. All respondents were women aged 17 or older who had used or were currently using Wardah products. The respondents' characteristics indicate that the majority of 138 respondents, or 69%, were in the 20–29 age group. Additionally, most respondents had finished high school or its equivalent, 99 respondents (49.5%) and were students, 147 respondents (73.5%). The majority of respondents also had an income or monthly allowance of less than Rp1,000,000, totalling 62 respondents (31%), and had been using Wardah products for more than two years, totalling 66 respondents (33%). This demographic is dominated by young consumers with relatively low incomes. Nevertheless, this characteristic does not diminish the study's relevance, as willingness to pay a premium reflects consumers' willingness to pay a higher price based on their perceived value rather than solely on their financial capacity. In the context of beauty products, consumers with relatively low incomes can still be willing to pay a premium price if they perceive additional benefits, such as product quality, safety of use, brand image, or sustainability value. Additionally, students are one of the primary consumer segments for Wardah products, making them a relevant subject for this study.

Table 2. Characteristics of Respondents

Characteristics	Category	Frequency	Percentage
Age	< 20 years old	22	11%
	20–29 years old	138	69%
	30–39 years old	24	12%
	≥ 40 years old	16	8%
Latest education	Junior High School	16	8%
	High School or equivalent	99	49,5%
	College or university	85	42,5%
Work	Students	147	73,5%
	Employees	23	11,5%
	Entrepreneurs	20	10%
	Other	10	5%

Income or allowance	< Rp 1.000.000	62	31%
	Rp 1.000.000 – Rp 2.000.000	52	26%
	Rp 2.000.001 – Rp 3.000.000	35	17,5%
	> Rp 3.000.000	51	25,5%
Length of time using the product	< 6 months	36	18%
	6 months – < 1 year	61	30,5%
	1 year – 2 years	37	18,5%
	> 2 years	66	33%

Source: Author's data analysis, 2026

4.1.1.Outer Model Evaluation

The outer model was evaluated to ensure that all constructs met the required standards of validity and reliability. According to Hair et al. (2021), an indicator is considered acceptable when its outer loading is at least 0.708. In addition, the Average Variance Extracted (AVE) should exceed 0.50, the Heterotrait-Monotrait Ratio (HTMT) should be below 0.90, and both Cronbach's Alpha and Composite Reliability should be above 0.70.

During the initial evaluation, several indicators with low outer loadings were removed to improve the measurement model's quality. After re-estimation, six indicators (GM3, GM7, GM8, WTPP1, WTPP2, and CT3) still exhibited outer loadings below 0.708 but above 0.50. These indicators were retained because Hair et al. (2021) suggest that indicators with loadings between 0.40 and 0.70 may be maintained if their removal does not substantially improve the Average Variance Extracted (AVE) and Composite Reliability. Furthermore, all constructs achieved AVEs above 0.50 and Composite Reliabilities above 0.70, indicating that convergent validity and construct reliability were adequately established. From a theoretical perspective, the retained indicators represent important dimensions of green marketing, consumer trust, and willingness to pay a premium identified in previous studies. Therefore, retaining these indicators helps preserve the conceptual coverage of the constructs.

The AVE values ranged from 0.501 (Green Marketing) to 0.545 (Consumer Trust), indicating adequate convergent validity. Cronbach's Alpha values ranged from 0.859 to 0.907, demonstrating acceptable to high internal consistency. In addition, Composite Reliability values ranged from 0.888 to 0.923, indicating satisfactory construct reliability across all research variables.

Table 3. Outer Model Test

Constructs	Items	Outer Loading	AVE	Cronbach's Alpha	Composite Reliability	VIF
Green Marketing	GM1	0,718	0,501	0,859	0,888	1,634
	GM3	0,770				1,793
	GM5	0,707				1,615
	GM6	0,710				1,575
	GM7	0,778				1,878
	GM8	0,779				1,912
	GM10	0,597				1,555
	GM12	0,570				1,512
Willingness to Pay a Premium	WTPP1	0,603	0,526	0,870	0,898	1,383
	WTPP3	0,648				1,494
	WTPP4	0,732				1,601
	WTPP5	0,709				1,901

Consumer Trust	WTPP6	0.801				2,431
	WTPP7	0,774				2,036
	WTPP8	0,788				2,095
	WTPP9	0,722				1,742
	CT2	0,719	0,545	0,907	0,923	1,882
	CT3	0,723				1,739
	CT5	0,595				1,414
	CT8	0,734				1,807
	CT9	0,730				1,822
	CT11	0,746				1,952
	CT13	0,760				1,902
	CT14	0,766				2,102
	CT17	0,807				2,343
	CT18	0,784				2,078

Source: SEM-PLS data analysis, 2026

Furthermore, the Heterotrait-Monotrait Ratio (HTMT) criterion was used to assess discriminant validity. The test results showed that all HTMT values between variables were below 0.90, indicating that each variable in the study possessed distinct characteristics and adequately explained its respective construct. Furthermore, the Variance Inflation Factor (VIF) values were below 5.0, ranging from 1.383 to 2.431, eliminating concerns regarding multicollinearity among the indicators in the research model.

Table 4. Heterotrait-Monotrait Ratio (HTMT)

	GM	WTPP	CT
GM	-	-	-
WTPP	0,501	-	-
CT	0,256	0,416	-

Source: SEM-PLS data analysis, 2026

4.1.2.Inner Model Evaluation

The structural model was evaluated through the R-Square (R^2) value and predictive relevance (Q^2). An R-Square value of 0.75 is classified as strong, 0.50 as moderate, and 0.25 as weak (Hair et al., 2021). The test findings reveal that the R-Square value for the consumer trust variable is 0.058, indicating that green marketing explains 5.8% of consumer trust, with the remaining 94.2% is attributed to factors beyond the research model. Meanwhile, the R-Square value for willingness to pay a premium is 0.298, indicating that green marketing and consumer trust account for 29.8% of the variation in willingness to pay a premium, while the remainder is influenced by factors outside the study. The test results show that the variable “willingness to pay a premium” has a Q^2 value of 0.145 and “consumer trust” has a Q^2 value of 0.029. According to Hair et al. (2021), a Q^2 value greater than zero indicates that the model has predictive relevance for the endogenous constructs under study. Thus, this research model has predictive power regarding willingness to pay a premium and consumer trust. However, the relatively small Q^2 value indicates that the model’s predictive power remains limited, suggesting that other factors outside the research model may explain the variation in these two variables.

Table 5. Inner Model Test

Constructs	R ²	Q ²
Green Marketing	-	0,000
Willingness to Pay a Premium	0,298	0,145
Consumer Trust	0,058	0,029

Source: SEM-PLS data analysis, 2026

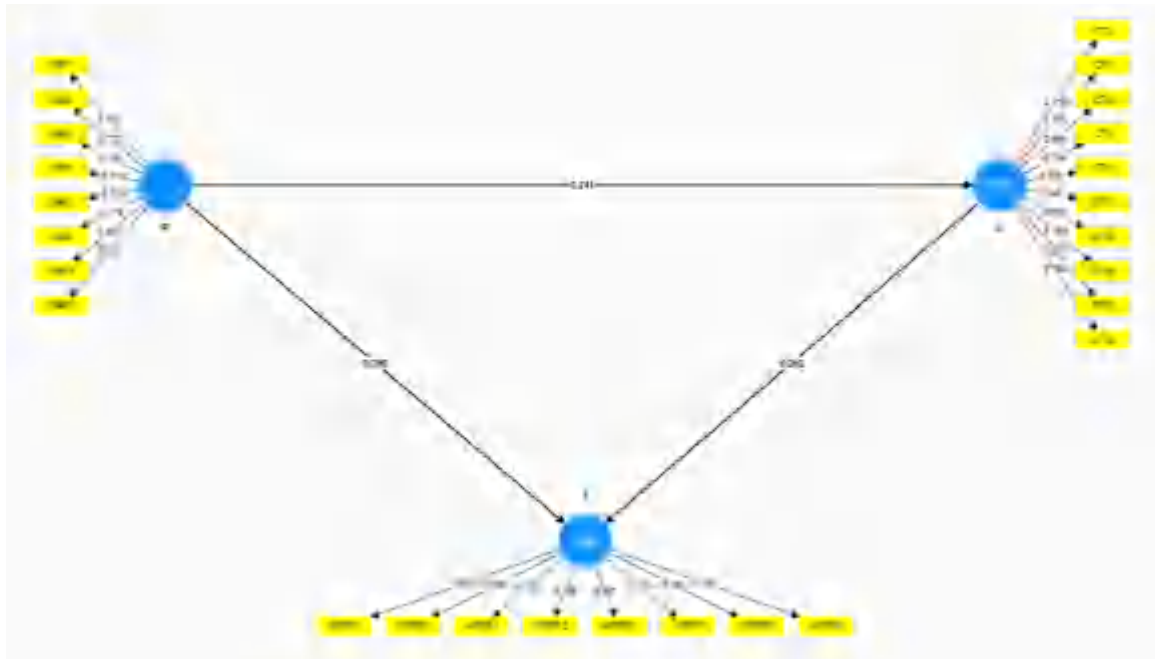


Figure 3. SmartPLS Test Results

Source: SEM-PLS data analysis, 2026

Table 6. Bootstrapping Test Results

Variable	Original Sample	Sample Mean	Standard Deviation	T Statistic	P Values
GM -> WTPP	0,396	0,404	0,066	5,961	0,000
GM -> CT	0,241	0,254	0,084	2,874	0,004
CT -> WTPP	0,292	0,302	0,070	4,175	0,000
GM -> CT -> WTPP	0,070	0,077	0,032	2,205	0,028

Source: SEM-PLS data analysis, 2026

4.2. Discussion

4.2.1. The Effect of Green Marketing on Willingness to Pay a Premium

The study's results indicate that green marketing positively and significantly affects the willingness to pay a premium among Wardah consumers in Surabaya. This finding indicates that consumers not only consider product price and quality but also pay attention to the sustainability value inherent in the products they consume. When consumers perceive that Wardah is committed to the environment through the use of more eco-friendly materials, recyclable packaging, and consistent sustainability communication, they tend to view the product as having added value, warranting a higher price.

This finding supports the Theory of Reasoned Action, which explains that consumer behaviour is influenced by attitudes formed through the evaluation of received information (Gundala et al., 2022). Information regarding sustainability attributes communicated through green marketing activities fosters positive consumer attitudes toward Wardah products,

ultimately increasing their willingness to pay a premium price. Thus, sustainability value is perceived not only as an environmental benefit but also as part of the product's value, influencing consumers' economic decisions.

The majority of respondents in this study were students with relatively low incomes or allowances. This suggests that the willingness to pay a premium price is not solely determined by financial capacity, but also by consumers' perception of the value they receive. In the case of Wardah, a local beauty brand known for its relatively affordable prices, green marketing practices can create added value, thereby increasing consumer acceptance of premium pricing.

4.2.2. The Effect of Green Marketing on Consumer Trust

The study's results indicate that green marketing positively and significantly affects consumer trust among Wardah consumers in Surabaya. These findings suggest that consumers tend to place greater trust in companies that consistently demonstrate their commitment to environmental sustainability. Various green marketing activities provide information that helps consumers evaluate a company's integrity, responsibility, and sincerity in implementing sustainable business practices.

These findings can be explained by Signalling Theory, which holds that companies can reduce consumer uncertainty by conveying credible signals about their quality and commitment (Connelly et al., 2025). In this study, the various sustainability initiatives undertaken by Wardah serve as signals demonstrating the company's commitment to the environment. When these signals are perceived as consistent and trustworthy, consumers become more confident in the company's credibility, thereby increasing brand trust. The findings of this research coincide with those of Jamal et al. (2023), who found that implementing green marketing positively affects brand trust, as consumers generally have greater confidence in brands that consistently demonstrate dedication to environmental sustainability.

In the beauty industry, trust is a critical factor because consumers consider not only a product's benefits but also its safety, quality, and the company's credibility. Therefore, green marketing serves not only as a promotional tool but also as a means of building trust through communication that demonstrates the company's environmental responsibility. These findings indicate that Wardah's various sustainability initiatives have successfully strengthened consumer trust in the brand.

4.2.3. The Effect of Consumer Trust on Willingness to Pay a Premium

The study's results indicate that consumer trust positively and significantly affects the willingness to pay a premium among Wardah consumers in Surabaya. These findings suggest that the higher the level of consumer trust in Wardah, the greater their willingness to pay a higher price for Wardah's products. Trust makes consumers more confident in a product's quality, safety, and benefits, thereby making price considerations relatively less dominant.

This finding aligns with Commitment-Trust Theory, which posits that trust is the primary foundation for building long-term relationships between companies and consumers (Fernandes, 2024). Trust helps reduce the risk and uncertainty consumers experience during the decision-making process. When consumers believe that Wardah can maintain product quality while consistently fulfilling its sustainability commitments, they are more likely to accept premium prices because they perceive benefits and value commensurate with the financial sacrifice they make.

In the beauty industry, trust is crucial because the products used directly affect consumers' health and appearance. As a result, consumers tend to prefer brands that are perceived as credible and reliable. These findings suggest that consumer trust not only helps build loyalty

but also increases consumer acceptance of companies' premium pricing strategies. These findings align with the study by Kesumahati and Marbun (2021), indicating that trust in consumers has a positive effect on their willingness to pay a premium. Customers who trust a brand are generally more willing to pay a premium price than those who do not.

4.2.4. The Effect of Green Marketing on Willingness to Pay a Premium through Consumer Trust

The results indicate that consumer trust acts as a partial mediator, with a relatively small mediating effect, in the relationship between green marketing and willingness to pay a premium among Wardah consumers in Surabaya. This finding indicates that the success of green marketing in increasing consumers' willingness to pay a premium price is influenced not only by green marketing itself but also by consumers' trust in the company. In other words, green marketing practices will be more effective if they can build confidence that the company's environmental commitments are truly realised in tangible business activities.

This finding reinforces the argument that, amid growing consumer scepticism toward various green claims, consumers do not simply accept companies' green marketing messages. Consumers first evaluate the credibility of the information they receive before providing an economic response, such as a willingness to pay a premium price. Therefore, consumer trust serves as one of mechanism bridging the relationship between green marketing and willingness to pay a premium although its mediating effect is relatively small.

This finding is particularly relevant given that the beauty industry is increasingly characterised by various green claims, which have led consumers to become more critical in evaluating the credibility of environmental information. As a result, the effectiveness of green marketing can no longer be taken for granted. In the context of Wardah, the company's sustainability initiatives appear to contribute to the development of consumer trust, thereby driving acceptance of premium pricing. Thus, this study reinforces the role of consumer trust as a mechanism that explains how sustainability value can be translated into consumer economic responses, such as a willingness to pay a premium, particularly within Indonesia's local beauty industry. These results are consistent with the study by Donald and Abdullah (2025), indicating that green trust significantly mediates the relationship between green marketing and consumer purchasing behaviour.

5. CONCLUDING REMARKS AND RECOMMENDATION

This study aims to analyse the effect of green marketing on willingness to pay a premium through consumer trust among consumers of Wardah products in Surabaya. The study was conducted to address a gap in the literature regarding the mechanisms that explain how green marketing translates into consumers' willingness to pay a premium, particularly amid growing consumer scepticism toward green claims. The results indicate that green marketing has a positive and significant effect on willingness to pay a premium and consumer trust. Furthermore, consumer trust has a positive and significant effect on willingness to pay a premium and partially mediates the relationship between green marketing and willingness to pay a premium.

This research makes a theoretical contribution by reinforcing the understanding that the effectiveness of green marketing does not occur automatically but is influenced by the level of consumer trust in companies' green claims. These findings expand the green marketing literature by positioning consumer trust as a key mechanism that explains how sustainability values are translated into consumer economic responses, such as a willingness to pay a premium. From a practical perspective, the research results indicate that it is not enough for

companies to merely communicate their environmental commitments through green marketing activities. They must also build consumer trust through transparency, consistency, and the tangible implementation of sustainable practices to increase consumers' willingness to accept premium prices.

This research has several limitations, as it focuses only on Wardah consumers in Surabaya, limiting the applicability of the results to other regions or beauty brands. Furthermore, this study only examines consumer trust as a mediating variable, whereas other factors may also influence willingness to pay a premium. Therefore, future studies should incorporate broader research subjects and additional variables, such as perceived green value, brand image, consumer satisfaction, and environmental awareness, to provide a more thorough understanding of consumer behaviour toward environmentally friendly products. Future researchers are also encouraged to compare multiple beauty brands or different industrial sectors to enrich findings on green marketing and willingness to pay a premium.

STATEMENT OF USE OF GENERATIVE AI

During the preparation of this work, the author used ChatGPT to assist in improving the clarity and readability of the text. The author reviewed and edited the output and takes full responsibility for the content of the publication.

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