

CHAPTER IV

CONCLUSION AND SUGGESTION

4.1. Conclusion

This research is aimed to empirically examine the influence of Green Trust and Environmental Awareness through Customer Loyalty and its impact on Customer Participation in Telkomsel's Carbon Offset Program: *Jaga Bumi* Initiative among Telkomsel users in Semarang City. Based on the data analysis using Partial Least Squares Structural Equation Modeling (PLS-SEM) via SmartPLS 4.1.1.8 with 100 respondents, the following conclusions are drawn:

1. Green Trust (X1) has a positive and significant effect on Customer Loyalty (Z), thus **H1 is accepted**. This finding indicates that the stronger a customer's trust in Telkomsel's environmental credibility and commitment, the higher their behavioral and attitudinal loyalty toward the brand. Customers who believe Telkomsel's green claims to be reliable and sincere are more motivated to maintain a long-term relationship with the company.
2. Environmental Awareness (X2) has a negative and non-significant effect on Customer Loyalty (Z), thus **H2 is rejected**. This result suggests that a customer's level of ecological consciousness alone does not directly translate into loyalty toward Telkomsel. Environmentally aware customers

may still switch providers based on competing factors such as price, network quality, or service convenience. A phenomenon consistent with the attitude-behavior gap in green consumer research.

3. Customer Loyalty (Z) has a positive but non-significant effect on Customer Participation (Y), thus **H3 is rejected**. Although the direction of the relationship is positive, loyalty alone does not sufficiently motivate customers to actively engage in Telkomsel's Carbon Offset Program. Participation in green initiatives appears to require additional motivational triggers beyond brand loyalty, such as personal environmental values or program awareness.
4. Green Trust (X1) has a positive and significant effect on Customer Participation (Y), thus **H4 is accepted**. Customers who trust Telkomsel's environmental performance are more willing to directly engage in the Carbon Offset Program. This finding confirms that green trust serves as a key motivational driver for active customer participation in corporate sustainability initiatives.
5. Environmental Awareness (X2) has a positive and significant effect on Customer Participation (Y), thus **H5 is accepted**. Customers with a higher degree of environmental consciousness are more inclined to participate in Telkomsel's

green programs. Environmental awareness acts as a direct behavioral motivator, encouraging customers to take active steps aligned with their ecological values.

6. Customer Loyalty (Z) does not significantly mediate the relationship between Green Trust (X1) and Customer Participation (Y), thus **H6 is rejected**. While Green Trust directly and significantly drives Customer Participation, the indirect pathway through Customer Loyalty does not produce a statistically meaningful effect. This indicates that customers who trust Telkomsel's environmental stance tend to participate directly in the Carbon Offset Program without requiring loyalty as an intermediary step.
7. Customer Loyalty (Z) does not significantly mediate the relationship between Environmental Awareness (X2) and Customer Participation (Y), thus **H7 is rejected**. The indirect effect is negligible and slightly negative, indicating that Customer Loyalty plays no constructive mediating role in this pathway. The influence of Environmental Awareness on Customer Participation operates through a direct mechanism, bypassing loyalty entirely.

4.2. Suggestion

Based on the findings of this research, the following strategic recommendations are offered for Telkomsel's future evaluation in

managing and strengthening the effectiveness of the Carbon Offset Program:

4.2.1. Suggestion for Telkomsel

1. Given that Green Trust is the strongest predictor of both Customer Loyalty ($\beta = 0.855$) and Customer Participation ($\beta = 0.340$), Telkomsel should prioritize building and sustaining environmental credibility as a core strategic asset. This can be achieved by publishing transparent, audited sustainability reports that clearly disclose participation data, carbon offset outcomes, and program impact metrics. Which moves beyond output-only reporting such as trees planted. Credibility gaps, once perceived by customers, can undermine trust and suppress program participation.
2. Since Environmental Awareness directly and significantly influences Customer Participation, Telkomsel is encouraged to invest in customer environmental education campaigns. These efforts could take the form of in-app awareness content within the MyTelkomsel application, push notifications timed around environmental observances (e.g., Earth Day, World Environment Day), and targeted content marketing on digital platforms that contextualizes the personal impact of the *Jaga Bumi* Initiative. Raising the salience of environmental issues

within the customer journey can narrow the intention-action gap.

3. Given that the majority of respondents (68%) were aware of but had never participated in the Carbon Offset Program, Telkomsel should reduce the barriers to participation. Practical improvements may include simplifying the POIN conversion mechanism, adding a dedicated Carbon Offset feature on the MyTelkomsel homepage, and introducing gamification elements such as environmental contribution milestones or badges that reinforce participation habits and provide social recognition.
4. Since Customer Loyalty did not significantly mediate the path to Customer Participation, Telkomsel should not assume that loyal customers will automatically engage in sustainability programs. Instead, direct a program-specific engagement strategies such as exclusive participation incentives for long-term subscribers, or loyalty tier bonuses tied to green activity. Those may help bridge the gap between loyalty and active participation.
5. Telkomsel should conduct periodic consumer research to monitor shifts in customer perceptions of its green initiatives, track program awareness levels across different demographic segments, and assess the effectiveness of its sustainability

communications. Longitudinal survey data and social listening tools can provide real-time insights into how customer trust and environmental attitudes evolve over time.

4.2.2. Academic Suggestion

This research has several limitations that presents opportunities for future research. Which are:

1. The research model in this study is confined to only four constructs; Green Trust, Environmental Awareness, Customer Loyalty, and Customer Participation. Future research may enrich the model by incorporating additional variables such as Green Perceived Value, Green Satisfaction, Brand Identification, or perceived CSR authenticity, which may offer a more comprehensive explanation of the participation decision-making process.
2. This study was conducted exclusively among Telkomsel users in Semarang City with a sample size of 100 respondents, which limits the generalizability of the findings. Future studies are encouraged to adopt larger sample sizes and extend the geographic scope to include multiple cities or regions in Indonesia to improve the external validity of the results.
3. The cross-sectional design of this study captures respondent perceptions at a single point in time. Longitudinal research designs would allow for a more dynamic understanding of how

Green Trust and Environmental Awareness evolve over the course of a customer's relationship with a corporate sustainability program.

4. Future research may consider expanding the study to other telecommunications providers in Indonesia or to sectors beyond telecommunications. Such as banking, retail, or fast-moving consumer goods. The test is to aim at the generalizability of the green trust and environmental awareness framework across different industry contexts.