ABSTRACT

The retail industry has become a highly competitive sector in the era of globalization, influenced by changes in consumer behavior and technological developments. IKEA, as a leading furniture retailer in Indonesia, is not only known for its functional and affordable product designs, but also for its commitment to environmental sustainability through Green Supply Chain Management (GSCM) practices. However, despite various sustainability efforts, many consumers still prioritize price and product design over sustainability aspects, posing a challenge for the company in raising consumer awareness of the importance of green practices.

This study aims to analyze the relationship between IKEA's GSCM practices and customer behavioral intentions, such as willingness to pay, revisit intention, and word of mouth, by placing customer satisfaction as a mediator. This study chose IKEA Kota Baru Parahyangan as the object of research due to the positive response of the Bandung community to its existence, as well as to understand the dynamics of implementing sustainability practices and customer behavior at that location. This research is based on previous studies that show that customer satisfaction can be a key factor in linking sustainability practices with customer loyalty.

The research method used a quantitative approach with data analysis through SPSS and SEM-PLS. Data was collected using a questionnaire that measured elements of GSCM as well as indicators of customer behavioral intentions. The analysis includes direct and indirect effects between variables by considering the role of customer satisfaction as a mediator. The results of this study are expected to provide strategic recommendations for IKEA in improving customer satisfaction and loyalty through more effective sustainability practices, as well as contributing to the GSCM literature in the Indonesian retail sector, especially in the context of local consumers.

Keywords: behavioral intentions, customer satisfaction, green supply chain management, willingness to pay, revisit intention, word of mouth.