

EXPLORING SOLAR PV ADOPTION IN INDONESIA: INFLUENCES AND CONSUMER BEHAVIOR

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Purpose: The paper investigates how green consumption value, price value, social influence, and facilitating conditions influence Indonesian consumers' intentions to adopt solar PV. This research uniquely explores solar PV adoption from a microeconomic, household-level perspective, diverging from the usual macroeconomic and technical focus.

Study design/methodology/approach: The study used a quantitative method, collecting data through online surveys on social media targeting individuals over 20, living in houses, with minimum middle school education and earning over Rp10M monthly. These criteria aimed at selecting respondents with the means to afford solar PV systems. Simple random sampling was employed for participant selection. The survey used a 1 to 6 Likert scale for responses, and data was analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM).

Findings: The study finds that in Indonesia, the decision to adopt solar PV technology is significantly influenced by price value, green consumption value, and facilitating conditions. Price value is crucial, as consumers show high sensitivity to cost and value. Environmental concerns and eco-friendly attitudes, represented by green consumption value, also play a significant role in adoption. Contrary to expectations in a collective society like Indonesia, social influence does not significantly affect adoption, possibly due to low current adoption rates. Availability of resources and support, or facilitating conditions, positively impacts the intention to adopt solar PV systems.

Originality/value: This study fills a research gap by adopting a microeconomic approach to understand household-level solar PV adoption in Indonesia, diverging from the usual focus on macroeconomic and technical factors.

Research limitations/implications: The research is limited by its reliance on self-reported data, which might introduce bias, and its geographical scope confined to East Java, affecting the generalizability of findings. Future research could expand to other regions and consider comparative studies among different demographic groups. These findings offer valuable insights for businesses and policymakers to strategize effectively to promote solar PV technology in Indonesia.

Keywords: Facilitating Condition, Green Consumption Value, Price Value, Social Influence