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RESEARCH ARTICLE

Circular Economy in Customizable Furniture: Applying Norm Activation Model and the Impact of Green Product Perception to Willingness to Pay More

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ARTICLE INFO	ABSTRACT
	The increasing awareness of environmental issues and the urgency of sustainable development have driven significant advancements in creating and implementing circular products. This paper, with its unique contribution, presents a comprehensive (psychological and product characteristics) perspective on purchasing drivers of circular products. By enhancing the understanding of the Norm Activation Model (NAM) in the circular furniture context, it provides fresh insights into this important study area. We used a quantitative survey of 300 respondents collected using convenience sampling and analyzed with partial least squares structural equation modeling (PLS-SEM). The results indicate that environmental concern is the strongest predictor of personal norm, followed by aspiration of responsibility, perceived consumer effectiveness, and awareness of consequences. Findings show that perceived consumer effectiveness does not affect the willingness to pay more. Considerations to pay more for circular products depend more on green image and perceived green quality than on psychological factors (environmental concern and personal norm). Interestingly, although significant, consumers' environmental concern negatively impacts their willingness to pay a premium price. These results contributed to NAM's application in circular furniture products by providing comprehensive drivers of the willingness to pay, offering practical recommendations to companies aiming to engage consumers in a sustainability-oriented production process.

INTRODUCTION

The pollution of the environment resulted from the explosive development of commercial and manufacturing activity. Natural resources are limited and should be used rationally and efficiently, in contrast to the endlessness of human desires [1]. Businesses face unprecedented demands to integrate environmental sustainability into their core business strategies. The furniture sector is one of the oldest sectors in the economy [3] and contributes significantly to deforestation and waste. Global forest areas experienced a decline of 3.3 million hectares annually from 2015 to 2016, exacerbating environmental damage [4]. Addressing furniture waste and deforestation is urgent, as it represents a major part of gross waste [5].

The Circular Economy has emerged as a solution to these challenges. It is seen as the next major economic model, driven by concerns over environmental disruption [6]. A Circular Economy aims to be restorative and regenerative based on the 3R principles: Reduction, Reuse and Recycling [7]. Recycling minimizes environmental harm by reintegrating waste into production processes [8]. Inconsistencies in material utilization and process efficiency can be addressed through Circular Economy models, offering hope for sustainability in the furniture industry [9].

Consumer behavior plays a key role in promoting eco-friendly products. Research shows consumer responsibility influences green purchase intentions [10], and eco-conscious populations support sustainable furniture. However, willingness to pay more for green products varies by region. Spanish consumers are ready to pay 22–37% extra for sustainable products, Japanese consumers are willing to pay 8–22%, Canadian respondents were 10% more likely to pay, and Argentine consumers were anywhere from 6–300% more willing to pay [11]. In contrast, well-educated consumers are not willing to pay for green food products since they are very informed about the risks and benefits of food; they state that a safe product should form part of the cost [12].

Consumers' concern with environmentally responsible products can be expressed through social networks, making buying decisions, and attracting other people's attention, including word-of-mouth endorsements. People's behavior comprises decisions formed by the interaction of internal psychological and external factors [13]. Studies on the role of internal psychological factors identified self-interest and prosocial motives as the most influential predictors of personal pro-environmental behavior [14]. The Norm Activation Model (NAM) explains how personal beliefs affect a person's actions, while people's buying choices are guided by their environmental values. Personal beliefs are triggered when someone understands the harmful effects or realizes the outcomes of not being eco-friendly. It is important for people to feel responsible for these bad outcomes or aspire to take responsibility [15].

The NAM model uses PN, AC, and AR variables in most studies. Our study elaborated on the NAM model, considering the environmental concern (EC) variables to expand it and understand individual consumer behavior better. Consumers are willing to act only when they genuinely feel they are personally responsible for solving the eco-issue, support the initiatives to resolve it, and show a direct willingness to participate. Additionally, perceived consumer effectiveness (PCE), an assessment by a person of their ability to affect practices within an organization or those around them, can strengthen and may be an additional explanatory factor for NAM [13][14].

Much research is focused on how external factors affect consumer decision-making behavior, such as government policy [16], packaging and labeling [17], green marketing [51], and social media [13]. However, green image (GI) and green perceived quality (GPQ) research is needed in light of the circular economy. The interaction between GI and GPQ may reduce price sensitivity to some degree for circular economy manufactured products [18]. While consumers indeed hold the key to the success of Circular Economy strategies and endeavors, for the most part, it is still industries at the recipient end of many initiatives undertaken within Circular Economies. It is necessary to analyze and understand consumers at the micro-level, which is one of the first levels of analysis for promoting and deploying the circular economy [19]. This is especially the case in the furniture segment as part of the circular economy, which is also a subject of this article. This study attempts to generate scholarly contributions in the green marketing strategy space by offering a theoretical framework based on NAM theory that extends internal (psychological) and external (GI and GPQ) variables associated with the tendency to pay more for green or eco-friendly furniture products.

MATERIAL AND METHOD

2.1 Norm Activation Model (NAM)

The norm activation model has been widely used in social psychology to predict prosocial or pro-environmental behavior [15]. It posits, that norms are internalized moral responsibility toward behaving in specific ways exists. NAM has been of use in studying altruism and extensively applied in the research of pro-environmental behaviors, such as biogas technology [13], organic food [20], green housing [21], and environmental complaints [22]. This model consists of three variables: PN, AC, and AR.

2.1.1 Personal Norm (PN)

PN represents a person's beliefs about behavior that conforms to internalized norms regarding moral obligation and behavior, it is key in predicting environmental behaviors [15]. Social norms are collective understandings of acceptable behaviors in a given community. In contrast, personal norms are beliefs about applying or responding to those social norms [23]. The NAM theory states that PN is triggered by awareness of consequences and the aspiration of responsibility [21][22].

2.1.2 Awareness of Consequences (AC)

AC as the awareness of how others and things/objectives that are important to a person might suffer if this person fails to do prosocial actions [21]. AC indicates the degree to which a person realizes the consequences of having adverse effects on society or not for values that do not support environmental sustainability [22]. AC prompts the activation of the initial norm as, according to the reasoning, AC causes individuals to think about the harm they can cause to others, leading to forming personal norms [15].

2.1.3 Aspiration of Responsibility (AR)

AR describes the sense of personal responsibility one feels when one realizes that failing to act in a certain way would harm someone else or the environment [15]. It acknowledges that individuals have a part to play in rectifying or lessening the harm their choices have caused [21]. AR also refers to how individuals perceive their responsibility and obligation to act to mitigate adverse consequences and their belief in their ability to effect change [22].

2.1.4 Environmental Concern (EC)

EC refers to the general behavior of consumers toward environmental conservation. EC strongly predicts pro-environmental behavior [24]. EC as the degree to which individuals are aware of environmental issues, support efforts to address them, and express their willingness to contribute directly to the solution [13]. Pro-environmental attitudes can be shown in various ways, from beliefs to certain behaviors, including using eco-friendly products [25].

2.1.5 Perceived Consumer Effectiveness (PCE)

PCE is an individual's belief that his or her actions as a consumer can influence a specific problem [13]. PCE is more than a widespread intuition; it is a field-specific, decision-affecting faith in an environmental context [26]. People who care about nature prioritize pro-environmental behavior to the extent they believe it is effective [27].

2.1.6 Willingness to Pay More (WTP)

WTP is the highest price consumers are ready to afford to have a product or service [27], reflecting hand over in return for the benefits of a product [28]. It is also an indicator of the perceived monetary worth customers attach to the experience of a product or service, which is important for environmentally friendly products [29]. There is a range in the upper limit of WTP due to factors influencing WTP [30].

2.1.7 Green Image (GI)

Image is public's beliefs, ideas, and impressions of a product, service, destination, individual, company, or brand [31]. GI reflects how much the customers perceive a business serves their requirement for green products or services [32]. A positive image affects customer relationships and loyalty, such as repurchase intent and word-of-mouth, which happens when a positive image is built. Images can stimulate decision-making and consumer behavior as they offer shortcuts when processing price information [33].

2.1.8 Green Perceived Quality (GPQ)

Quality is described as excellence or superiority. Meanwhile, quality perception is the consumer evaluation of the goodness of a product [30]. Consumer preconceptions can significantly affect the perception of quality as they require global information to learn about the actual quality of products, leading to differences in perceived quality between consumers and suppliers [24]. Product quality can be measured in six dimensions: adaptability, durability, performance, usability, serviceability, and reputation [28].

2.2 Hypothesis Development

AC and AR have a positive impact on PN, according to the norm activation model as antecedents that influence a person's intentions, plans, or actions [22]. Humans take pro-environmental actions when aware of negative consequences and are responsible for this [13]. For instance, consumers may

believe they are more environmentally conscious and responsible when they are aware of the environmental damage the restaurant industry is inevitably causing, making eco-friendly menu more obligatory [20].

Therefore, we propose the following hypothesis:

H1. AR has a favorable effect on PN.

H2. A positive influence of AC on PN

Individuals with a higher environmental concern will inadvertently read about the damaging impacts of not being pro-environment and recognize that they must perform these behaviors [14]. This awareness and responsibility allow them to organize their standards; individuals who are better informed or exhibit more significant levels of environmental concern can sustain more positive attitudes toward the environment and be willing to practice environmental sustainability [13]. Individual behavior is rooted in a person's experience with their ecosystem and understanding of environmental issues, people highly concerned about the environment are more likely to find their moral norms that cover a moral responsibility [34].

Given the above statements, the study develops the following hypothesis:

H3. Positive effects of EC on PN

A positive impact of PCE on PN is when people are empowered enough in their communities to effect change and are more likely to understand the value of private recycling [14]. Moreover, this internalization creates the standards via which they regulate their conduct. For example, people who believe that adopting recycled products can curtail environmental contamination will be motivated to adopt and use them. Since these people think that they contribute towards promoting environmental sustainability, they would be more inclined to adopt green behaviors [13]. If people believe that their choices can be a part of a solution to pollution or promote sustainable production, they will enjoy developing personal routines that favor eco-friendly choices [26].

From the above arguments, the hypothesis of the study is as follows:

H4. PCE has a positive effect on PN.

Eco-friendly products are perceived by consumers as EC and more worthy of nature preservation, so they are ready to pay more for these products [24]. Eco-concern positively affects the purchase behavior of young and educated consumers towards eco-friendly products, hence willingness in this study. Educated customers are more willing to pay for goods that are produced in an eco-friendly way. However, the price of eco-friendly products is the only barrier for them to adopt an eco-friendly lifestyle [1]. Eco-friendly consumers will purchase products made with sustainable methods and are willing to pay more because they think the product can contribute to protecting the environment [25].

Thus, this study proposes the following:

H5. The influence of EC on WTP is positive.

Cognitive dissonance helps explain how personal norms influence reluctance to buy green products, it arises when strong environmental responsibility conflicts with purchasing eco-friendly items [35]. Dissonance recognizes that customers are willing to pay higher prices for environmentally friendly products. Personal norms of a particular strength regarding environmental responsibility are more likely to buy with environmental criteria [36]. College students with a sense of responsibility for environmental protection and carbon reduction are likelier to have positive attitudes, social norms, and perceived behavior control about the desire to pay for carbon offset [37].

Therefore, the following hypothesis is provided in the study, according to the above arguments:

H6. PN effect is positive on WTP.

A positive relationship between PCE and WTP for sustainable food attributes shows that consumers empowered by their sustainable choices are willing to spend more on products that align with their sustainability values [27]. People with higher levels of PCE are more willing and motivated to favor sustainable options and manifest positive attitudes toward adopting eco-friendly behaviors. They

perceived that their actions contributed positively toward preserving the environment and mitigating pollution, which built favorable personal norms and influenced them to spend on green products [38]. Similarly, consumers of carbon-labeled tea products have a positive relationship between PCE and WTP, paying more attention to supporting sustainability [39].

The following hypothesis is formulated based on the above arguments:

H7. A positive effect of PCE on WTP

At an individual level, GI of a restaurant significantly influences eco-friendly self (behavior) identity, prompting consumers to support and pay more for eco-friendly businesses [31]. Consumers are willing to pay a higher price to dine at a green-friendly restaurant when consumers perceive a restaurant as dedicated to environmental sustainability and operationally green-friendly [40]. GI increases WTP because consumers view supporting sustainable brands as reflecting their values. It also enhances perceptions of quality and value, encouraging consumers to pay more. Additionally, GI builds trust and confidence, making the brand seem reliable and responsible [32].

Therefore, we propose the following hypothesis:

H8. The effect of GI on WTP is positive.

GPQ is a key driver in motivating consumers to pay higher premiums for eco-friendly products when customers perceive them as of higher quality and cost-effectiveness [24]. Several reasons contribute to GPQ on WTP: First, consumers see these products as being better quality and more valuable when made of sustainable materials. Second, GPQ enhances its brand image and reputation as a responsible and ethical organization. Third, GPQ significantly impacts customer perceptions of product performance and effectiveness because eco-friendly products are considered more efficacious and of higher quality [28]. Brand-perceived quality also affects WTP, as consumers favor brands known for superior quality [30].

Based on the above arguments, this study hypothesizes:

H9. GPQ has a positive impact on WTP.

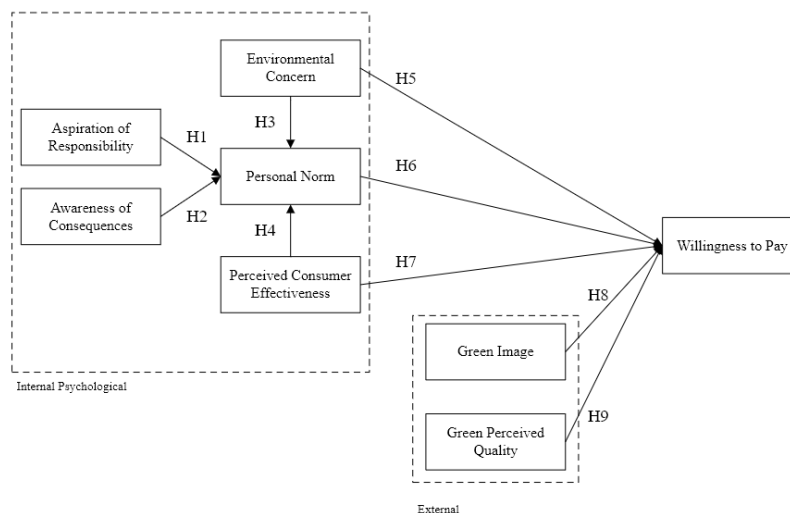The conceptual framework can be represented as follows based on the hypothesis formulated below (Figure 1):

Figure 1. Conceptual Framework

RESEARCH DESIGN

This study discusses the effect of AC, AR, EC, and PCE on PN and EC, PCE, PN, GI, and GPQ on WTP for eco-friendly furniture products. The research hypothesis will test the linkages and relationships between these variables. Quantitative analysis is carried out through surveys, where survey questions are arranged in the form of questionnaires that will be filled out electronically by respondents [41]. The population in this study is Indonesia, and the unit of analysis is individuals

(consumers). The study was conducted under natural conditions without intervention using a non-contrived approach. Data collection through surveys will be executed once (cross-sectional) with a time horizon of two to three months.

2.3.1 Sampling Method and Process

Sampling Method with a purposive sampling design based on consideration has been deployed. The study considered adults (25 years and older) as its unit of analysis. The data was gathered through an online survey, targeting a respondent group largely confined to Jakarta and nearby surrounding areas, though not exclusively on Indonesian respondents. Sample size of 5-10 observed variables [42]. We selected 33 measurement items for this study, so at least 165 (33 x 5) questionnaires were required.

2.3.2 Data Collection Technique

The technique for data collection is an online survey distributed through social media in the shape of a questionnaire. The current study used four items to assess AC and AR [23]. EC by four items [1], and PCE by four items [14], PN was assessed through four question items [21]. A series of questions related to GI, five items [32], and GPQ with four items were measured [1]. This study employed four items to measure WTP for eco-friendly furniture products [29]. The responses to each sample statement were rated on a 5-point Likert scale (1-strongly disagree/5- strongly agree). Initially, the measurement items were in English and translated into Indonesian through the back-to-back translation method [43].

RESULTS

Three hundred and fifty-eight respondents were obtained, and 300 could be used for further analysis. The descriptive statistics of the sample showed that respondents were 49.5% male and 50.2% female. All respondents were over 25 years old. Nearly 37% were between 25 and 29 years old, 38% were between 30 and 39, 25% were above 39. 64% of respondents have a bachelor's degree, 28% have completed 12th grade or less, and the other completed a master's degree. In professional occupations, 60% are employees, 17% are business owners, 11% are freelancers, 11% are housewives, and 1% are students in master's and PhD.

Smart PLS (v.4.0.9.8) is used to evaluate hypotheses through Structural Equation Modeling (SEM). A two-stage procedure is used to perform SEM, namely the evaluation of measurement and structural models [44].

Outer Model Evaluation

A reflective measurement model used in this study was developed for AC, AR and EC, PCE on PN and EC, PCE, PN, GI, GPQ on WTP. Individual constructs examine their reliability by integrating Cronbach's Alpha and composite reliability (> 0.7 show good reliability); the factor loading (> 0.7), the convergent validity (AVE > 0.5) and discriminant validity (HTMT < 0.85) [42]. Two assessment items (AC1 and PCE1) with factor loading < 0.7 were removed from these constructs. The Cronbach's α and CR for each latent variable ≥ 0.7 [45], indicate good reliability. The factor loadings and the average variance extracted comply with the criteria [46].

Table 1. Outer Model Test Result

Variable		Measurement	Outer Loading	Cronbach's Alpha	Composite Reliability	AVE
Awareness of Consequences	AC2	"Eco-friendly furniture can reduce environmental damage"	0.821	0.725	0.845	0.646
	AC3	"Eco-friendly furniture can reduce global warming"	0.834			
	AC4	"Overall. waste can lead to some negative consequences"	0.754			
Aspiration of	AR1	"I am responsible for the furniture waste that I purchase"	0.838	0.826	0.883	0.656

Responsibility	AR 2	"I am responsible for the contribution of furniture waste to global warming"	0.715			
	AR 3	"I am responsible for the contribution of furniture waste to environmental damage"	0.842			
	AR 4	"I am responsible for the negative consequences of furniture waste"	0.837			
Environmental Concern	EC 1	"I believe in the importance of nature conservation"	0.726	0.769	0.852	0.592
	EC 2	"I am pleased to purchase eco-friendly furniture"	0.831			
	EC 3	"I consider the potential environmental impact of my purchase"	0.773			
	EC 4	"I am an environmentally responsible person"	0.743			
Perceived Consumer Effectiveness	PCE2	"I can help solve natural resource problems"	0.807	0.755	0.858	0.669
	PCE3	"I can protect the environment"	0.852			
	PCE4	"I feel able to help solve environmental problems"	0.793			
Personal Norms	PN 1	"I have a moral obligation to purchase eco-friendly furniture"	0.738	0.825	0.885	0.659
	PN 2	"I have a moral responsibility to purchase eco-friendly furniture"	0.895			
	PN 3	"I should do my best to purchase eco-friendly furniture"	0.823			
	PN 4	"I feel guilty if I do not purchase eco-friendly furniture"	0.782			
Green Image	GI 1	"Eco-friendly furniture shows commitment to the environment"	0.792	0.895	0.923	0.705
	GI 2	"Eco-friendly furniture has a strong reputation for its commitment to the environment"	0.864			
	GI 3	"Eco-friendly furniture seems successful in protecting the environment"	0.867			
	GI 4	"Eco-friendly furniture has been proven to terms of environmental concern"	0.843			
	GI 5	"Eco-friendly furniture can be trusted for its promise to the environment"	0.831			
Green Perceived Quality	GPQ1	"Eco-friendly furniture has acceptable quality standards"	0.859	0.877	0.915	0.73
	GPQ2	"Eco-friendly furniture looks durable"	0.879			
	GPQ3	"Eco-friendly furniture seems reliable"	0.867			
	GPQ4	"Workmanship on eco-friendly furniture looks good"	0.811			
Willingness to Pay	WTP 1	"I am willing to pay more for eco-friendly furniture"	0.706	0.874	0.914	0.729
	WTP 2	"I am willing to spend more money to buy eco-friendly furniture"	0.891			

	W TP 3	"I believe that paying more for eco-friendly furniture is acceptable"	0.913				
	W TP 4	"I believe that spending more money on eco-friendly furniture is acceptable"	0.889				

We used the Heterotrait-Monotrait (HTMT) method to assess discriminant validity [47]. HTMT values above 0.85 to achieve a satisfactory level of discriminant validity, if not, the constructs are conceptually similar [47]. The results showed that all constructs had an HTMT value of < 0.85, as shown in Table 2, confirming adequate discriminant validity.

Table 2. Discriminant Validity of Constructs (HTMT)

	AC	**AR**	**EC**	**GI**	**GPQ**	**PCE**	**PN**
AR	0.372						
EC	0.41	0.393					
GI	0.435	0.479	0.631				
GPQ	0.269	0.424	0.569	0.838			
PCE	0.502	0.446	0.368	0.354	0.297		
PN	0.427	0.538	0.57	0.577	0.584	0.443	
WTP	0.278	0.294	0.269	0.689	0.681	0.22	0.487

Structural Model Evaluation

Structural model evaluation tests the hypothesis of influence between research variables through a bootstrapping process with sub-sample = 5000. The test result from the t-statistic value for the one-tailed test is greater than 1.645. The aspect is the f square value, representing the effect of direct variable at the structural level. The f-square criteria of 0.02 indicates low impact, with a medium range value of 0.15, and high range value at 0.35 [42].

Table 3. Analysis of Structural Model

Hypothesis		**Path coeff.**	**t statistic**	**P-value**	**Support**	**F square**	**R square**
H 1	AR has a positive effect on PN	0.285	5.643	0.000	Yes	0.099	0.347
H 2	A positive influence of AC on PN	0.109	1.931	0.027	Yes	0.015	
H 3	Positive effects of EC on PN	0.292	5.089	0.000	Yes	0.108	
H 4	PCE has a positive effect on PN.	0.128	2.237	0.013	Yes	0.020	
H 5	The influence of EC on WTP is positive	-0.199	3.050	0.001	Yes	0.050	0.473
H 6	PN effect is positive on WTP	0.166	2.521	0.006	Yes	0.033	
H 7	A positive effect of PCE on WTP	-0.014	0.311	0.378	No	0.000	
H 8	The effect of GI on WTP is positive	0.386	4.167	0.000	Yes	0.109	
H 9	GPQ has a positive impact on WTP	0.342	4.326	0.000	Yes	0.091	

Based on Table 3, this study contributes to the external validity of the Norm Activation Model within the circular economy framework. AR and AC emerge as significant predictors of PN, EC, and PCE. However, there are two stronger drivers of PN: EC (β = 0.292) and AR (β = 0.285). The impact of these drivers on personal norms is evident and serves as a robust predictor (R^2 = 0.347). The result also shows that PCE has no significant impact on WTP (p = 0.378, p > 0.05). Meanwhile, EC, PNL, GI, and GPQ all significantly impact WTP and provide a good prediction of

WTP (R2 = 0.473). It suggests that external factors influence willingness to pay more than internal factors (personal norms and perceived consumer effectiveness).

DISCUSSION

This research examines different elements that encourage consumers to purchase eco-friendly furniture products based on internal (psychological) factors and external reasons. Analysis of the two factors shows that they contribute to a willingness to pay more for such purchases. The study's findings highlighted a positive effect on personal norms through motivation to be responsible and awareness of consequences. In conformity with NAM's principles, individual standards can be set off by aspiration of responsibility and awareness of consequences. The previous studies mentioned the importance of awareness of consequences and aspiration of responsibility in the formation and consolidation of personal norms [13][20][22]. This is the reason why people buy eco-friendly furniture; they know that using environmentally harmful materials can harm our earth, so consumers should be alert.

Awareness of consequences is the first step you have taken towards feeling accountable [15]. The weakest among these predictors is the awareness of the consequences of invoking cognitive representation and personal norms. External factors can constrain the activation of personal norms [47]. Couples can fall out about different views on the environment, leading to sacrifices each partner has made, opening a fissure in outlook.

Furthermore, this study reveals that environmental concern significantly affects personal norms, emerging as the most potent predictor among various factors. Published findings support this conclusion [14]. The level of individual concern for the environment significantly impacts the promotion of eco-friendly furniture. This phenomenon is closely related to findings that show that environmental concern substantially affects personal norms [20]. The critical role of recognizing ecological impacts in shaping pro-environmental behavior [13]. Additionally, heightened awareness and deep understanding of environmental consequences prompt individuals to approach ecological issues with greater wisdom and sensitivity [14]. Research results show that perceived consumer effectiveness positively impacts personal norms. This finding is in line with studies, which showed that consumers who believe in the positive effects of their actions tend to form personal norms that support pro-environmental behavior [13][14][26].

This research revealed that environmental concern does not necessarily increase the willingness to pay more for eco-friendly furniture. This finding does not match the conclusions that found a positive influence [24][25]. Thus, more than environmental concern is needed to motivate consumers to pay more for eco-friendly furniture. The phenomenon of social desirability bias might explain this discrepancy, especially in surveys or studies. In this study, individuals want to look like they care about the environment but must follow through with appropriate actions or be willing to pay more. In studies related to sustainability and the environment, respondents may tend to give answers that they consider more socially acceptable rather than actual reflections of their opinions or behaviors [48]. It can lead to distortions in the data and interpretation of the results.

This study also showed that among internal factors, personal norms had the most substantial influence on willingness to pay more, aligning with previous studies [36][37]. Personal norms reflect consumers' moral convictions towards environmental responsibility, making consumers more likely to pay more for eco-friendly furniture.

Meanwhile, this study found that perceived consumer effectiveness did not affect willingness to pay more. It is not following the research results [38][39]. Although perceived consumer effectiveness is often associated with socially conscious attitudes, this does not necessarily increase willingness to pay more [27].

Price sensitivity also plays a role; many consumers are willing to pay more for eco-friendly furniture, but this willingness decreases as price increases [49]. The study suggests that

environmental concerns motivate consumers to pay more for eco-friendly furniture, but there are limits to how much they are willing to pay.

In terms of external factors, this study shows that green image has the most substantial effect in increasing willingness to pay more, supported by previous studies [31][40]. A strong green image makes consumers perceive businesses as environmentally responsible entities in line with their values, thus encouraging financial support. A green image augments a product or service's perceived quality and value, leading consumers to perceive it as worthy of a higher price. In addition, it also builds trust and credibility, which is essential for consumers when choosing eco-friendly furniture.

Research shows that the green perceived quality influences the willingness to pay more. Consumers view eco-friendly furniture as a high-quality product that balances cost and benefit. A high green perceived quality can enhance brand image, leading consumers to perceive it as a responsible and ethical choice, so they are more likely to pay a higher price to support these sustainable practices, according to previous studies [24][28].

Consumers frequently purchase eco-friendly products and develop habits or norms supporting eco-friendly behavior. This familiarity increases their awareness of the benefits and importance of sustainability. As a result, these consumers are more open and willing to pay a premium over other eco-friendly products, including furniture.

CONCLUSION AND IMPLICATIONS

The findings of this research should be helpful to the furniture industry, particularly in utilizing waste as raw materials. This study can give some clues to companies trying to sell their products. The findings from the study state that companies need to strengthen attachment through external factors, in particular by building a solid green image and creating high product quality.

By rolling out advertising that leverages innovative new approaches to convert waste streams into furniture of high quality, aesthetic value, and low environmental impact, companies can begin to create a green image for their brand. The campaign will help minimize the environmental footprint and demonstrate vital elements of the Circular Economy: recycling and reuse. Here, companies can show their innovative capacity and care for the environment, characterizing a good image.

The community and the government also have a critical role in the waste collection. The federal government can also collaborate with local governments to make this waste collection program work and help educate the public about the importance of recycling. Education and community engagement outreach programs to better educate the public on recycling processes and their environmental benefits need to be implemented. This way, companies empower their green image with waste as input but generate high brand visibility in social responsibility and actively invite the public to contribute through sustainable actions.

At the same time, the industry needs to improve its product quality. Companies have to invest in R&D to produce eco-friendly furniture, which they would test and ensure superior durability, functionality, and aesthetics. The goal is to maintain the same high quality and performance associated with eco-friendly furniture. Better design, quality of material, and add-on technology in the product will increase value.

The added value in the eco-friendly furniture they purchase is due to marketing communications that reach consumers. It makes consumers willing to pay more and further supports the role of a global company that is innovative and responsible. As a result, businesses can draw eco-friendlier consumers committed enough to helping others go green by putting their purchasing power behind sustainability.

Although the study provides valuable insights, several limitations should be highlighted. One, of course, is the risk of social desirability bias (that bit where people do things just because they are good behavior), contaminating any data. Furthermore, the respondent demographic is often non-

representative: 25-39 years old, covering 75% of respondents. A better representation of all age demographics in the study results might have been needed to attenuate this potential source of bias. Our results may be specific to eco-friendly furniture using Circular Economy principles and may not hold for products from other contexts. A more balanced approach such as ensuring the sample population has the same percentage representation as the representation of the whole country's population, could be considered.

This study offers several recommendations for further research. Direct and indirect strategies to suppress the activation of social desirability processes [50]. Further, researchers can protect the anonymity of respondents directly; they may commit to maintaining respondent confidentiality and use false pipeline procedures to deter dishonesty or allow responses for audit. Even so, surveys can be designed to ensure they are filled anonymously, and respondents cannot give socially desirable answers. It can accomplish this by giving face-saving answer options.

Another suggestion for future research is that of expanding the demographic sample. A study would sample individuals from a wide range of age groups to better represent the larger community, representing the replies from healthcare practitioners and non-healthcare practitioner discussants. Different age group diversification will enhance the extent to which data is being captured and, thus, provide a more precise picture of consumer behavior.

The practical implications of these empirical results are critical for informing actionable guidance to help the enterprise promote and implement environmentally friendly furniture aimed at the circular economy mindset. This study emphasizes the importance of effectively using as much waste as possible in marketing campaigns on furniture production. It also highlights the importance of industry, local communities, and government cooperation to improve recycling activities. Companies will also need an environmentally conscious value proposition because their sustainable products are better in all aspects, such as sustainability, durability, functionality, looks, and feel. Improving its image as a pioneering firm in innovation and sustainability helps the company promote its brand.

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