The Role of Halal Label to Increase the Effect of Attitude Toward Halal Product on Brand Image and Purchase Intention

Nur Hidayati, Hadi Sunaryo
Faculty of Economics and Business, Department of Management, Islamic University Malang, Indonesia
nurida.unisma@gmail.com, hadifeunisma@gmail.com

ABSTRACT

Purpose: The purpose of this study was to examine the role of halal labels in affecting attitude toward halal products on brand image and purchase intention among Muslim consumers in Malang.

Design/methodology/approach: Quantitative methods were employed in this study to reveal the important role of attitude toward halal directly on brand image and purchase intention or indirectly through halal label. In addition to analyzing the direct and indirect effects, this study also confirms how the relationship and significance between each construct and its indicators.

Findings: The results of the research findings indicate that each effect on the relationship between variables was found to be significant. The most important determinant of halal labeling is halal product attitude. Meanwhile, the halal label is the most important factor in encouraging brand image and purchase intention.

Research limitations/implications: Discussion of Islamic branding especially in the halal label can be considered as a separate theoretical study. It is considered that the epistemological basis of Islamic marketing theory, models, and approaches is rather limited in terms of its development.

Practical implications: This research provides practical implications about the importance of halal product management by product marketers in the Malang area.

Originality/value: There is an increasing need for clarifying the need to establish a theoretical framework for Islamic Branding with Halal Labels when they intersect as in terms of Islamic concepts, theories, models and approaches.

Paper type: Research paper.


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I. INTRODUCTION

Humans are creatures that consist of various elements, both spirit, mind, body, and heart. These various elements are related to one another. For example, the human need to eat is not a stomach or physiological need. The human need to eat and drink will affect the physical level (strength and endurance), but will also affect other elements of the human body such as the spirit, mind, and heart. As a guide and way of life, Islam has required that every food we eat should be obtained in a halal way and contain halal elements so that it has benefits for all elements of the body. Islam has stated that humans are social beings who are also inseparable from economic activities, especially to meet their needs. Humans at a simple level can meet their own needs, or in their development, based on services, a marketing system is developed so that their products can be sold in the market and consumed by consumers.
It is generally known that Indonesia is a country with the largest Muslim population in Southeast Asia, amounting to 207,176,162 (www.bps.go.id). Indonesia with a Muslim majority population is a large potential market for various producers of goods and services. In the perspective of consumer behavior, the concept of purchase interest is defined as a plan to buy certain goods or services in the future. As a form of effort to meet needs, a consumer will try to find information about how to make product purchasing decisions. In addition, purchase interest is a concept that gives indications to producers regarding actual purchases by consumers (Morwitz 2014).

The concept of halal from an Islamic perspective is very important for Muslim individuals. This is not only related to paying attention to whether the product to be consumed as a "halal" label from the MUI institution but also halal haram is a person's business with the Allah SWT directly which will have an impact in the world until the hereafter. Principally, halal is a term allowed or permitted in Islam (Al-Qur'an Surah Albaqarah 168-169). Every Muslim will certainly look for and consume products according to the teachings of Islam. The word tayyib in the context of food means food that is not dirty in terms of substance and is not damaged (expired) or mixed with unclean objects.

Indonesia, with a majority Muslim population, will certainly have a great influence on the culture that develops in Indonesia (Nanda and Irawati 2020). Therefore, considering the number of Muslim populations in Indonesia as the largest part of society, the study in the context of halal is still important to be studied and explored further. However, Halal products must be recognized as a symbol of cleanliness, safety, assurance, and high quality for Muslim consumers.

In its development, the halal concept formed through the interaction of consumers, producers, and industry supporters is a social concept rather than a strict theological concept. This is influenced by problems economically and socially as well as theologically. Furthermore, data or information about the concept of halal and its practice in society is often used to argue that increasing interest in halal is part of the rise of Islam. Islamic revival should not be seen as a uniform antagonist to modernity. While the halal industry and the open labeling and certification of Halal items have grown rapidly over the past few years beyond the traditional sector of meat and money (i.e. Halal meat and Islamic finance) to other sectors such as Halal utilities (energy and water), Halal transportation, Halal professional services, Halal communication channel and Halal experience (Rizkitysha and Hananto 2020).

Manufacturers and marketers use Halal certification and logos as a way to inform and encourage target markets that products in the form of goods or services are Halal and compliant with sharia (Hashim and Musa 2014). For example in Malaysia, food producers and operators use halal logos as a way to ensure consumers that food or products comply with halal provisions (Khalil, 2014), and indirectly halal certification gives consumers confidence in the halalness of the food they consume (Hashim and Musa 2014). In general, Malaysian Muslim consumers tend to trust and buy products with reliable Halal certification issued by the Government. With Halal certification, companies can use it on its packaging or display it in the company premises.

Halal certification that makes products with a halal logo or label can have important implications on how Muslim consumers perceive and respond to them. Several previous studies have reviewed the important linkages regarding halal certification (Aminuddin 2016; Aziz and Chok 2013; Hidayat and Siradj 2015) or halal labeling (Omar et al. 2012; Salindal 2019; Setyaningsih and Marwansyah 2019; Yener 2015) on the purchase decisions of halal products made by consumers (Kusumastuti 2020; Mahendri, Darsono, and Firdiansjah 2020; Utami and Genovea 2020). This shows the importance of the concept of halal labeling in a product and how the potential for halal labeling can affect other things related to consumers.

The awareness of the Muslim community not to consume haram products will increase higher involvement in the product selection process (high involvement). For Muslim consumers, halal products are more important and meaningful than products that carry International Organization Standardization certification, such as ISO 9001 or similar, because the halal label or logo serves to facilitate Muslim consumer decisions in product selection (Briliana and Mursito 2017). In the consumer decision-making mechanism or process, there will be products that are selected for consumption and products that are removed due to the selection process. As the results of the previous study that only halal knowledge of products and halal products beliefs can reflect consumer perceptions of halal products (Hidayati et al. 2020). Thus, there will be products that are selected for consumption and products that are removed due to the selection process. The selection process itself will make halal the main parameter. This provision places limitations on the products to enter the Muslim market.

There are two categories of Muslim adherents of Islam in Indonesia, namely modernism and traditionalism (Clarita, Zimbalist, and Setiowati 2020), with the criteria of modernism being Muslims who follow modern developments and follow trends. While traditionalism is that which follows norms and culture. These two categories can contribute to how the selection of a product is consumed for daily needs. If previously the halal product market was considered limited and less profitable, now halal products have been able to become the...
prima donna used by several manufacturers or companies in capitalizing the market for example in cosmetic companies (Briliana and Mursito 2017; Wahyurini and Trianasari 2020).

According to the researcher's observations, that many Muslims buy halal products but it is still not known exactly how halal labeling can affect this. In addition, it is believed that a person's attitude towards halal products can encourage halal labeling and brand image of the halal product. Researchers see and consider this phenomenon as a very interesting problem to be explored and studied empirically.

II. LITERATURE REVIEW AND CONCEPTUAL FRAMEWORK DEVELOPMENT

The research of Nanda and Ikawati (2020) aims to determine the relationship between the perception of the MUI halal label and the interest in purchasing food products among students of the Faculty of Health Sciences, Muhammadiyah University, Surakarta. The results showed that the perception of the MUI halal label from the respondents was in a low category while purchase interest was in the high category. In this case, the research findings from Nanda and Ikawati (2020) show that there is a significant relationship between the perception of halal labels and interest in buying food products.

Harahap (2020) in their study aims to find out how the influence of the halal label on people's decisions that are formed in buying food and beverage products. By using 70 respondents, the results of the study show that there is a significant positive relationship between the halal label and the decision to buy a product. Research from Setyaningsih dan Marwansyah (2019), aims to examine the effect of halal certification and halal awareness through an interest in consumer decisions in buying food products. The results of the analysis on 350 samples of respondents show that halal certification and halal awareness have a positive effect on consumer decisions that are formed in buying food products. Imamuddin et al., (2020) in their study aims to examine the effect of halal labels on purchasing decisions, the influence of religiosity on purchasing decisions, and the influence of religiosity can strengthen or weaken the influence of halal labels on purchasing decisions of packaged products. This finding shows that religiosity strengthens the influence of halal labels on purchasing decisions for packaged products. Furthermore, Imamuddin et al., (2020) explained that Muslims must have literacy on packaged food so that they are not trapped with packaged food and drinks that have not been known to be halal.

Utami & Genoveva, (2020) analyze the influence of brand image, halal label, and halal awareness on customer purchasing decisions on halal cosmetic products. The research findings indicate that brand image and halal awareness influence purchasing decisions of halal cosmetics. Findings in Utami & Genoveva (2020) eliminates the halal label from the influence model developed for analysis in the study. The concept of halal label is considered not to have a solid construction to be able to stand as a research variable. While the research from Wahyurini & Trianasari (2020) analyze the halal label and price in influencing the purchasing decision of Wardah cosmetics. By using multiple regression analysis, research data were obtained from distributing research questionnaire instruments to 102 respondents who participated in this study. The research findings indicate that the halal label has an important and positive influence on the purchasing decision of Wardah cosmetics. Meanwhile, the price was found to have no significant effect on the purchasing decision of Wardah cosmetics. Research from (Mahendri et al. 2020), aims to examine four important variables, namely religiosity, halal labeling, halal awareness of purchasing decisions. The results of this study found that religiosity, halal label and halal awareness had a positive effect on purchasing decisions for KFC products in Jombang. Consumers when buying halal food will also be influenced by their understanding of Islam which leads to their awareness to only consume halal food.

Various empirical results from previous studies show that there is a relationship between the concepts observed in this research model. In its development, a very important relationship pattern is formed in the process of forming the purchase intention of halal products and the brand image of halal products. In the process, consumers have an interpretation of the information received with a process of cognition, namely attention and comprehension. In the attention process, a consumer selects the necessary information related to halal products such as halal labels, then in the consumer comprehension process determines the subjective meaning that creates knowledge and beliefs about halal products. The conceptual framework built based on the empirical result in this study can be described in the following figure:
III. METHODOLOGY

This study uses a quantitative approach and aims to look at perceptions of attitudes, halal labeling, brand image, and purchase interest. By referring to the subject matter and objectives as well as the research variables that have been formulated, this type of research is explanatory research. Explanatory research is intended to explain a generalization of the sample to the population or explain the relationship, difference or influence of a variable with other variables. This research is classified as using the Positivist Research approach because the research is carried out quantitatively on the measurement of the constructs that make up the brand image model and product purchase intention.

The primary data collection method was obtained directly from the distribution of questionnaires in this study. The questionnaire is a collection of data obtained directly from respondents, carried out by providing a list of questions to respondents that have been adapted to the research objectives. The questionnaire is a list of predetermined questions sent or given to respondents, in this case, Muslim consumers in the Malang City area. In this study, the assessment of respondents’ perceptions is carried out through a self-rating process where the assessment is only done unilaterally based on personal assessment. Research questionnaires were developed and distributed online considering the situation in the data collection process. This research was conducted by collecting data through online surveys to the public in Malang City within a period of 1 month from March to April 2021. Data collection by distributing questionnaires was carried out online by distributing online questionnaires in the form of google forms so that respondents can directly fill out the online questionnaire.

IV. RESULTS AND DISCUSSION

Measurement of the validity of the indicators that make up the latent variable can also be done through discriminant validity. Discriminant validity can be done by comparing the coefficient of the AVE Root (√AVE or Square root Average Variance Extracted) of each variable with the correlation value between variables in the model. A variable is said to be valid, if the AVE root (√AVE or Square root Average Variance Extracted) is greater than the correlation value between variables in the research model, with the AVE value greater than 0.50.
Table 1. Discriminant Validity

<table>
<thead>
<tr>
<th>Construct</th>
<th>AVE</th>
<th>√AVE</th>
<th>Attitude toward Halal</th>
<th>Halal Labelization</th>
<th>Brand Image</th>
<th>Purchase Intention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitude toward Halal</td>
<td>0.493226</td>
<td>0.702</td>
<td>1.00</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Halal Labelization</td>
<td>0.529663</td>
<td>0.727</td>
<td>0.4644</td>
<td>1.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand Image</td>
<td>0.694554</td>
<td>0.833</td>
<td>0.6545</td>
<td>0.6744</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>Purchase Intention</td>
<td>0.604845</td>
<td>0.777</td>
<td>0.6248</td>
<td>0.6278</td>
<td>0.8311</td>
<td>1.00</td>
</tr>
</tbody>
</table>

Table 1 shows that the average value of AVE for all constructs is 0.731 to 0.844; or greater than the average correlation between constructs, which is between 0.384 to 0.800 and the AVE value of all constructs > 0.50; so that it meets the valid requirements based on the discriminant validity criteria.

Table 2. Path Analysis

<table>
<thead>
<tr>
<th>Relationship Among Variables</th>
<th>Beta Coefficient</th>
<th>t-Statistic</th>
<th>Cut Off</th>
<th>Remark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attitude toward Halal on Halal Labelization</td>
<td>0.464</td>
<td>4.203</td>
<td>1.96</td>
<td>Significant</td>
</tr>
<tr>
<td>Attitude toward Halal on Brand Image</td>
<td>0.435</td>
<td>3.699</td>
<td>1.96</td>
<td>Significant</td>
</tr>
<tr>
<td>Attitude toward Halal on Purchase Intention</td>
<td>0.425</td>
<td>3.109</td>
<td>1.96</td>
<td>Significant</td>
</tr>
<tr>
<td>Halal Labelization on Brand Image</td>
<td>0.472</td>
<td>4.723</td>
<td>1.96</td>
<td>Significant</td>
</tr>
<tr>
<td>Halal Labelization on Purchase Intention</td>
<td>0.430</td>
<td>3.585</td>
<td>1.96</td>
<td>Significant</td>
</tr>
</tbody>
</table>

The results of the SmartPLS analysis test provide output in the form of the path coefficient value along with the t-statistic value. From the results of the path analysis test, a path diagram can be drawn as shown in the following figure.
Hypothesis testing in PLS (Partial Least Square) analysis. What is expected in this hypothesis is that Ho is rejected or sig value < 0.05 (or t statistic value > 1.96 if the test is with a significant level of 0.05. Based on Table 4.13 above, the following hypothesis is proven:

H1 Halal attitude has an important influence on halal labeling for the Muslim community of Malang City

The path coefficient between halal attitudes and halal labeling was found to have a positive effect of 0.464. The value of the relationship is significant at the 0.05 level because the t-statistic value is greater than 1.96, which is 4.203. This result proves that the first hypothesis is accepted. In other words, there is a significant effect of halal attitude on halal labeling for Muslim communities in Malang City. The more positive the halal attitude perceived by Muslim consumers, this will encourage a more positive increase in halal labeling for the Muslim community of Malang City.

H2 Halal attitude has an important influence on halal brand image for the Muslim community of Malang City

The path coefficient between halal attitude and halal brand image which was found to have a positive effect was 0.435. The value of the relationship is significant at the 0.05 level because the t-statistic value is greater than 1.96, which is 3.699. This result proves that the second hypothesis is accepted. In other words, there is a significant influence of halal attitude on halal brand image for the Muslim community in Malang City. The more positive the halal attitude perceived by Muslim consumers, this will encourage a more positive improvement of the halal brand image for the Muslim community of Malang City.

H3 Halal attitude has an important influence on interest in buying halal products for the Muslim community of Malang City

The path coefficient between halal attitudes and interest in buying halal products was found to have a positive effect of 0.425. The value of the relationship is significant at the 0.05 level because the t-statistic value is greater than 1.96, which is 3.109. This result proves that the second hypothesis is accepted. In other words, there is a significant influence of halal attitude on interest in buying halal products for the Muslim community in Malang City. The more positive the halal attitude perceived by Muslim consumers, this will encourage a more positive increase in interest in buying halal products for the Muslim community of Malang City.

H4 Halal labeling has an important influence on the brand image of halal products for the Muslim community of Malang City

The path coefficient between halal labeling and halal brand image was found to have a positive effect of 0.472. The value of the relationship is significant at the 0.05 level because the t-statistic value is greater than 1.96, which is 4.723. This result proves that the fourth hypothesis is accepted. In other words, there is a significant effect of halal labeling on halal brand image for the Muslim community in Malang City. The more positive consumer perceptions of halal labeling perceived by Muslim consumers, this will encourage a more positive increase in the brand image of halal products for the Muslim community of Malang City.
H5 Halal labeling has an important influence on interest in buying halal products for the Muslim community of Malang City

The path coefficient between halal labeling and interest in buying halal products was found to have a positive effect of 0.430. The value of the relationship is significant at the 0.05 level because the t-statistic value is greater than 1.96, which is 3.585. This result proves that the fifth hypothesis is accepted. In other words, there is a significant effect of halal labeling on product purchase intention for the Muslim community in Malang City. The more positive consumer perceptions of halal labeling perceived by Muslim consumers, this will encourage a greater increase in interest in buying halal products for the Muslim community of Malang City.

H6 Halal attitude has an important influence on halal brand image through halal labeling for the Muslim community of Malang City

The path coefficient between halal attitudes and halal labeling was found to have a positive effect of 0.464. The value of the effect is significant at the 0.01 level (p < 0.01), and because the t-statistic value is greater than 1.96, which is 4.203. Meanwhile, the path coefficient value between halal labeling and halal product brand image was found to have a positive effect of 0.472 (p. 0.005). The influence value is significant at the 0.01 level (p. < 0.01) and because the t-statistic value is greater than 1.96, which is 4.723.

The results of the calculation of the path coefficient on the indirect effect of halal attitudes on halal brand image through halal labeling are 0.464 x 0.472 = 0.219. Meanwhile, the coefficient value of the direct influence of halal attitude on halal brand image is 0.435. There is a significant (important) mediating effect of halal labeling on the effect of halal attitude on the halal brand image of Muslim consumers in Malang City, with a z score = 3.1374 and a p-value of 0.0009. These results prove that the sixth hypothesis is accepted. It can be concluded that there is an important mediating role of halal labeling on the influence of halal attitudes on the brand image of halal products for the Muslim community in Malang City.

H7 Halal attitude has an important influence on interest in buying halal products through halal labeling for the Muslim community of Malang City

The path coefficient between halal attitudes and halal labeling was found to have a positive effect of 0.464. The value of the effect is significant at the 0.01 level (p < 0.01), and because the t-statistic value is greater than 1.96, which is 4.203. Meanwhile, the path coefficient value between halal labeling and purchase interest in halal products was found to have a positive effect of 0.430 (p. 0.005). The influence value is significant at the 0.01 level (p. < 0.01) and because the t-statistic value is greater than 1.96, which is 3.585.

The results of the calculation of the path coefficient on the indirect effect of halal attitudes on halal purchase interest through halal labeling are 0.464 x 0.430 = 0.199. Meanwhile, the coefficient value of the direct influence of halal attitude on halal purchase interest is 0.425. There is a significant (important) mediating effect of halal labeling on the effect of halal attitudes on Muslim consumers' halal purchase interest in Malang City, with a z score = 2.7251 and a p-value of 0.000. These results prove that the seventh hypothesis is accepted. It can be concluded that there is an important mediating role of halal labeling on the effect of halal attitude on interest in buying halal products for Muslim communities in Malang City.

Positive customer decisions on a halal product provide an indirect contribution that is very profitable for halal product manufacturers. This is what must be maintained by every producer of halal products in Malang City because they understand that attitudes towards halal products and halal labeling that are perceived as good and positive by consumers will encourage interest in buying these halal products. Research findings generally confirm the results of previous studies such as Aziz and Chok (2013); Briliana and Mursito (2017); Harahap (2020) which shows that attitudes towards halal products can be related to brand image, halal labeling, and purchase interest in halal products from a consumer perspective. This shows the importance of attitudes towards halal products within the framework of the theory of planned behavior as a determinant of other forms of attitude (perception of brand image and halal labeling) as well as behavioral tendencies from consumers (interest in buying halal products) for Muslim consumers in the people of Malang City.

The halal brand image that is formed will encourage the creation of values that are believed by consumers. This is more because the value formed is not just the final result or what is provided by marketers or companies, but rather the results of customer or consumer interactions with companies that will bring up the value standards that are believed to be for a product or service. Henceforth, the discussion of Islamic brands can be considered as a separate theoretical study. It is considered that the epistemological basis of Islamic marketing theory, models, and approaches is rather limited in terms of its development. There is an increasing need for clarifying.
the need to establish a theoretical framework for Islamic marketing with a focus on two things namely (1) first namely the accuracy of the approaches available in the world. Islamic point of view; and (2) the two marketing situations when they intersect as in terms of Islamic concepts, theories, models, and approaches. Research findings generally confirm the results of previous studies such as Salindal (2019); Setyaningsih & Marwansyah (2019) which show that halal labeling has an important relationship with brand image and purchase interest in halal products (Khalek 2014; Yener 2015) from the perspective of the consumer. This shows the importance of halal labeling as a determinant of the form of attitude (perception of brand image) and behavioral tendencies of consumers (interest in buying halal products) for Muslim consumers in the people of Malang City.

V. CONCLUSION

Based on the results of data analysis, it was found that the attitudes of Muslim consumers can have an important influence on the perception of halal labeling, brand image, and purchase interest in halal products. These findings indicate that the halal attitude which is more reflected by preferring to buy halal products has an important contribution in increasing halal labeling which is more reflected by the product manufacturing process under the supervision of LPPOM-MUI, as well as the halal brand image which is more reflected by assessing well for the halal image of consumers, a product, and then the interest in buying halal products which are reflected by realizing the intention they have to buy products that are labeled halal.

Results have also shown that halal labeling according to the perception of Muslim consumers can have an important influence on brand image and purchase interest in halal products. These findings indicate that halal labeling which is more reflected by the assessment of the product manufacturing process under the supervision of LPPOM-MUI can affect the halal brand image of a product, in addition to purchase interest in halal products which is reflected by realizing the intention to buy products labeled halal.

Due to the cross-sectional nature of this research, it is hoped that further research can use a longitudinal research model. When there is an adjustment, development, or improvement of policies in the field of halal products, it will be very interesting to see a comparison between inputs and outputs, before and after there is a change in the health policy. It is possible for future research to research with a wider scope and a larger number of samples, to allow for information and things that have not been revealed in this study. Halal product managers in Malang City need to consider how to improve consumer attitudes of Muslim communities in Malang City to encourage a better brand image of halal products and the potential for greater product purchases.

References


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