

The Influence of Halal Certification and Halal Awareness on Purchasing Decisions

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ABSTRACT

Economic developments have required the food and beverage industry to further develop by bringing out the latest product innovations. This challenge also answers questions from consumers regarding food not just as a basic necessity but as a complement to human lifestyle. As a country with a Muslim majority, the state is an important part of being a facilitator to guarantee the halalness of products in circulation. The method in this research uses quantitative descriptive analysis methods. With the consumer population in Blitar district. This study was conducted using a "non-probability sampling" method, with a sampling technique known as "purposive sampling". The results in this research state that halal certification and halal awareness have a positive and significant influence on purchasing decisions.

INTRODUCTION (Start on new page, separated from title page above)

As a country with a majority Muslim population, the state is an important part of being a facilitator to guarantee the halalness of products in circulation. As citizens of the country, they have the right to obtain the information they need about halal-certified food products (Susetyohadi et al., 2021). The government is making efforts to guarantee the halalness of food products in circulation by issuing Law No. 33 of 2014 Article 17 and its derivatives, which discusses the first, namely food and drink, second, supporting materials for food and drink, and third, the slaughtering process. Based on the Ministry of Religion (2023), it is stated that based on the three points above, you must already have halal certification before circulating on the wider market. If any of these three points is found not to have halal certification, you will be subject to administrative sanctions and even withdrawal of the product from circulation.

Economic developments have required the food and beverage industry to further develop by bringing out the latest product innovations. This challenge also answers questions from consumers regarding food not just as a basic necessity but as a complement to human lifestyle (Yulia & Trianita, 2021). The food and beverage business unit has quite large potential in Indonesia, this is proven by the food and beverage business unit being the largest contributor to PDP in the third quarter of 2022, amounting to 38.69%. This shows that the food and beverage business unit is one of the most developed business units in an industry in Indonesia. There is no doubt that this raises awareness for producers to fulfill halal requirements for their products so that they can compete with other competitors.

The importance of the meaning of halal in products has become an important concern for producers, to ensure consumer trust regarding the production process, packaging, and distribution processes that comply with Islamic law (Wulandari et al., 2020). The word HALAL which can be interpreted as "justified" in Arabic, looks at the services and products that have gone through processes by the Islamic religion. There are several impacts of halal certification, the first is the religious sector and the next is the marketing of a significant product (Aditi, 2017). Producers who have completed the halal certification process can expand their market to Muslims who are aware of the importance of consuming halal food. Apart from that, halal certification can increase trust in a product (AFNAN, 2022).

Apart from the halal certification factor, awareness about halal products is an important part of purchasing decision-making. Halal awareness looks at the understanding and knowledge of consumers regarding the principles of consuming food that has been confirmed to be halal. The higher the understanding of halal products, the higher the possibility of consumers deciding to buy halal food. Producers need to educate consumers about halal food. This knowledge examines which products are good for consumption and what the production process is. Awareness of halal products that comply with Sharia is an obligation for Muslim citizens when processing food and consuming food.

Based on research from the MUI team, a survey regarding understanding halal food is starting to show a significant increase in graphs (Hamdani et al., 2021). Based on the survey, it was stated that there was an increase of 92.2 percent. This phenomenon has the potential to elevate Indonesia to become one of the halal producers at the global level. Halal awareness from the perspective of the business world is awareness of consuming food that is free from pork content and does not contain alcohol or its derivatives, as well as understanding issues related to the concept and understanding of halal (Cupian et al., 2023).

Purchasing decisions are based on consumers finding out about the brand and the contents of the product they want to buy. With the level of understanding that consumers already have, they are expected to be able to think critically when exploring information about the products they are going to buy. In Islam, it is taught that to fulfill human needs, a Muslim must be based on the Koran and Sunnah. From the product quality factor, a Muslim citizen must pay attention to whether the production process is halal or not, to ensure that it meets Islamic law so that he can provide a selective view when making decisions to purchase a product. This gives rise to actions from producers to increase trust for buyers (Ismunandar et al., 2021).

Based on existing phenomena, researchers focused on MSEs in the Blitar district. The MSEs that are the object of this research are packaged food business units, which enter modern markets spread across the Blitar district. To be able to compete in the modern market, MSEs must complete the product requirements, namely a halal label. In MSEs in the Blitar district, there are still not too many people who are aware of halal certification, apart from that they still have not fulfilled the permits to get a halal label. With a program driven by the government for all food products in circulation to have business permits and halal certification, the existence of this program in the business world can increase sales.

THEORETICAL REVIEW

Halal Certification

Halal Certification is a written fatwa from the MUI that states that a product is halal and is by Islamic law. Halal certification issued by BPJPH is one of the mandatory requirements for the food and beverage management industry. Halal certification in food management is a guarantee for consumers for a product being marketed. Based on Law no. 33 of 2014 halal certification is an acknowledgment of the halalness of a product issued by BPJPH based on a written halal fatwa issued by the MUI. Halal certification is also a sign that there has been a detailed process from raw materials, production processes and packaging stages to be a factor in issuing halal certification (Lestari et al., 2020).

Halal Awareness

Halal awareness is the level of understanding of Muslims in knowing issues related to the halal concept (Rois, 2016). According to (Pratiwi & Falahi, 2023), namely the level of understanding that consumers have to know about the identity of a product that is in accordance with religious rules. According to

Nurhayati & Hendar, (2020) halal awareness can be interpreted as the consumer's ability to remember halal products in different situations. According to Ambali & Bakar, (2014) knowledge about halal is defined as a deepening understanding of information regarding the importance of halal certification, as well as the ability to be aware of products that can and cannot be consumed in everyday life. Based on the definition above, it can be concluded that halal awareness is Muslims' understanding of halal concepts, processes and principles which ultimately prioritize halal food for consumption. The more people understand the concept of halal, halal processes and principles, the more people will understand it. Muslims tend to be more selective in choosing the products they consume.

Buying decision

Purchasing decisions are an exchange of the most desired product from most of the available alternatives, but there are two causes that can determine purchasing goals and decisions. The first cause is other people's behavior and the second cause is the situation (Afnan, 2022) . Purchasing decisions are also defined by (Saputra & Jaharuddin, 2022) which means that at the evaluation stage, consumers choose between several brands and are also more likely to buy from the brand they like. Meanwhile, according to (Morrison, 2010), the purchasing decision is the next stage after the intention or desire to buy, but the purchasing decision is not the same as the actual purchase.

METHODOLOGY

The method in this research uses quantitative descriptive analysis methods. With the consumer population in Blitar district. This study was conducted using the "non-probability sampling" method, with a sampling technique known as "purposive sampling", which is a sampling method that is included in the non-probability sample category where sample selection is carried out based on certain criteria. To determine the sample, this analysis uses the Lemeshow Formula to determine respondents from the population as a whole. So the results obtained by the minimum sample required in this study are 384.16 respondents which will be rounded up to 385 respondents. The reason researchers use the Lameshow (1997) formula is because the target population level cannot be determined or is too large.

RESULTS

Validity test

The validity test is useful for finding out whether the statement items in the questionnaire are valid or not. An instrument is said to be valid if the item can measure what it should measure, namely with actual data and data explained by the researcher (Cooper & Schindler, 2014). If the calculated r correlation value $> r$ table, namely (0.361) at a significance level (α) of 0.05, it can be concluded that the research instrument items are valid. On the other hand, if the calculated r correlation $< r$ table, namely (0.361) at a significance level (α) of 0.05, then the instrument item is invalid.

Table 1. Validity Test Results for Purchasing Decision Variables

Variable	Items	Sig.	r table	r count	Information
Purchase Decision (Y)	Y1.1	0.05	0.0250035	0.825	VALID
	Y1.2	0.05	0.0250035	0.834	VALID
	Y1.3	0.05	0.0250035	0.769	VALID
	Y1.4	0.05	0.0250035	0.834	VALID
	Y1.5	0.05	0.0250035	0.690	VALID

Table 2. Validity Test Results for Halal Certification Variables

Variable	Items	Sig.	r table	r count	Information
Halal Certification (X1)	X1.1	0.05	0.0250035	0.563	VALID
	X1.2	0.05	0.0250035	0.527	VALID
	X1.3	0.05	0.0250035	0.528	VALID
	X1.4	0.05	0.0250035	0.478	VALID
	X1.5	0.05	0.0250035	0.525	VALID
	X1.6	0.05	0.0250035	0.518	VALID
	X1.7	0.05	0.0250035	0.552	VALID
	X1.8	0.05	0.0250035	0.632	VALID
	X1.9	0.05	0.0250035	0.499	VALID
	X1.10	0.05	0.0250035	0.352	VALID
	X1.11	0.05	0.0250035	0.704	VALID
	X1.12	0.05	0.0250035	0.704	VALID
	X1.13	0.05	0.0250035	0.505	VALID
	X1.14	0.05	0.0250035	0.677	VALID
	X1.15	0.05	0.0250035	0.641	VALID
	X1.16	0.05	0.0250035	0.568	VALID

Table 3. Validity Test Results for Halal Awareness Variables

Variable	Items	Sig.	r table	r count	Information
Halal Awareness (X2)	X2.1	0.05	0.0250035	0.768	VALID
	X2.2	0.05	0.0250035	0.706	VALID
	X2.3	0.05	0.0250035	0.793	VALID
	X2.4	0.05	0.0250035	0.765	VALID
	X2.5	0.05	0.0250035	0.785	VALID
	X2.6	0.05	0.0250035	0.815	VALID

Reliability Test

The reliability test aims to measure the consistency of the research instrument. A reliable instrument is an instrument that, when used several times on the same object, will produce the same data.

Table 4. Reliability Test

Variable	Cronbach's Alpha value	Results
Buying decision	0.858	VALID
Halal Certification	0.859	VALID

Halal Awareness	0.867	VALID
Purchase Interest	0.774	VALID

Respondent Description

Characteristics of respondents based on gender

From the research that has been carried out, data on respondents based on gender was obtained. The following is respondent data based on gender, as in Table 5. below.

Table 5. Respondent distribution table based on gender

Gender	Frequency	Percentage %
Man	162	42.8
Woman	223	57.92
Total	385	100

Source: raw data processed by researchers.

Based on table 4.1 above, 42.8% of the respondents were male, while 62.0% of the respondents were female. The data that has been obtained shows that the female gender dominates the decision-making process for purchasing MSME snack food products.

Characteristics of respondents based on age

In the research that has been carried out, data on respondents based on age was obtained. The following data is obtained based on age, as in Table 4.2 below.

Table 6. Respondent distribution table based on age

Age	Frequency	Percentage %
20-30 Years	280	73
31-40 Years	35	9
40-50 Years	20	5
> 51 Years	50	12.99
Total	385	100

Source: raw data processed by researchers.

Based on table 4.2 above, respondents aged 20-30 years amounted to 73%, respondents aged 31-40 years amounted to 9%, respondents aged 40-50 years amounted to 5%, then those aged > 51 years amounted to 12.99% so it can be explained that consumers of MSME snack food products are predominantly aged 20-30 years.

Respondent characteristics based on last education

In the research that has been carried out, respondent data was obtained based on their latest education. The following data is obtained based on age, as in Table 4.3 below.

Table 7. Table of distribution of respondents based on last level of education

Last education	Frequency	percentage %
Elementary/MI	0	0
SMP/MTS	3	1
SMA/MA	167	43
S1	215	56
Total	385	100

Source: raw data processed by researchers.

Based on table 4.3 above, it explains that respondents with a final education of SD/MI amounted to 0%, with a final education of SMP/MTS amounted to 1%, with a final education of SMA/MA amounted to 43%, with a final education of S1 amounting to 56%. So it can be seen from the data above that a bachelor's degree education is more dominant in determining the decision to purchase MSME snack food products with a percentage of 56%.

Classic assumption test

Multiple Linear Regression Test

Multiple regression analysis functions to determine the relationship between independent variables (Halal Certification (X1), Halal Awareness (X2)) and the dependent variable (Purchasing Decision (Y)). Multiple linear regression analysis was measured using IBM SPSS Statistics 20.

Table 8. Multiple Regression Table

Coefficients	Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.	Collinearity Statistics	Tolerance	VIF
		B	Std. Error	Beta				
1	(Constant)	12,792		,857		14,933	,000	
	KH_X2	.114		.041	,171	2,778	,006	,487
	SH_X1	.113		.017	,407	6,608	,000	,487
a.	Dependent Variable: KEP_Y							

Source: Researcher Data, 2024

So, the data equation model above is as follows.

$$Y = 12.792 + 0.113X_1 + 0.114X_2$$

- a. Constant: 12,792, which means that if halal certification and halal awareness are constant or equal to zero then the purchasing decision for MSE products is 12,792.
- b. Variable coefficient b1: 0.113, which means the coefficient of the halal certification variable (X1) is 0.114. For every one unit increase in halal certification, purchasing decisions increase by 0.113 or vice versa.

- c. Variable coefficient b2: 0.114, which means the coefficient for the Halal Awareness variable (X2) is 0.114. For every one unit increase in halal awareness, purchasing decisions increase by 0.114 or vice versa.

Determination Test

Determination testing functions to determine how far the model's ability is to explain variations in the dependent variable.

Table 9. Determination Test

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,543 ^a	,295	,291	1,712

Based on the table above, it is known that the coefficient of determination or R Square value is 0.295 or equal to 29.5%. This explains that halal certification (X1) and halal awareness (X2) contribute to the purchasing decision variable (Y) by 29.5%, while the remaining 70.5% is influenced by other variables.

Hypothesis testing

t Test Results (Partial Test)

The results of the t test are used to determine the effect of the independent variables (halal certification (X1), and halal awareness (X2)) on the dependent variable (purchasing decisions (Y)).

Table 10. T test

Variable	t- count	t- table	significance	Information
Halal Certification (X1)	6,608	1.96621	0,000	H0 is rejected and Ha is accepted
Halal Awareness (X2)	2,778	1.96621	0,000	H0 is rejected and Ha is accepted

1. Based on the results of the t test calculation above, the halal certification variable has a t test result of 6.608 > 1.96621 and is greater than the t table, and a significance value of 0.000 indicates it is smaller than 0.05. Based on these results, it states that halal certification has a positive and significant influence on purchasing decisions.
2. Based on the results of the t test calculation above, the Halal Awareness variable has a t test result of 2.778 > 1.96621 and is greater than the t table, and a significance value of 0.000 indicates it is smaller than 0.05. Based on these results, it states that halal awareness has a positive and significant influence on purchasing decisions.

DISCUSSION

The first hypothesis (H1) explains that the halal certification variable has a positive and significant effect on purchasing decisions for MSE food products in Blitar. Fadlullah et al., (2021); Fitria et al., (2019); (Nurfajrina et al., nd); AAE Pratiwi et al., (2022). in this research stated that halal certification has a positive and significant effect on purchasing decisions. The Islamic religious factor is one of the main factors that influences consumers to buy halal food.

The second hypothesis (H2) explains that the halal awareness variable has a positive and significant influence on purchasing decisions for MSE food products in Blitar. Halal awareness has an influence on the willingness to buy. With the following results, it can be interpreted that consumers' halal awareness regarding understanding halal products is quite good. Because basically, if consumers already understand the concept of halal products, then consumers will willingly buy products that have the halal label. Therefore, producers are required to educate consumers about the importance of consumers consuming halal food. This statement is in line with research from Setyaningsih & Marwansyah, (2019) explaining that halal awareness has a positive and significant effect on purchasing decisions.

CONCLUSIONS AND RECOMMENDATIONS

From the results and discussion above, conclusions can be drawn in this research, including halal certification, halal awareness regarding purchasing decisions for MSE food products in Blitar district, which are the focus of this research. Based on the results discussed previously, halal certification is an important focus for business actors to develop existing products for a wider market. The role of halal certification is an important role for consumers regarding awareness of consuming halal products. Good halal awareness from consumers will have an impact on the desire to buy halal food. Halal certification is a guarantee for consumers to make product purchasing decisions. Products that are guaranteed to be halal by BPJPH include guarantees regarding the materials used, clean production areas, good management of raw materials, and packaging that complies with standards. Furthermore, purchasing interest plays an important role in mediating between halal certification and halal awareness on purchasing decisions. The direct influence is the influence between halal certification and awareness of halal products on purchasing decisions.

Halal certification has important role in consumer purchasing decisions to product snacks , this can be seen from the existing data that tcount 6,608 more big from ttable 1.96221 with a significance value of 0.000 which is smaller than 0.05, this proves that halal certification has a positive and significant effect on decisions to purchase snacks. Furthermore that is halal awareness has positive influence as well as significant in purchasing decisions MSME snack food products , this is supported by tcount data 2,778 p the more small from ttable 1.96221, and value significance of more than 0.000 small of 0.05, this can indicate that awareness influences purchasing decisions.

This research has limitations, the first is that the findings in this research only cover snack food problems in the modern market. It is hoped that future

researchers can develop potential problems in the environment that can drive purchasing decision factors. The second limitation includes variables that can influence purchasing decisions. In this research, only the halal certification variable and halal awareness are discussed. Future researchers are expected to add several variables that can influence the purchasing decision variable. The sample size in this research is also another limitation, although according to statistical analysis, the focus of this research is only on Blitar district and taking a sample of 385 respondents may affect the generalizability of these findings. A more diverse sample could increase the robustness of the study.

FURTHER STUDY

Further studies in this area could greatly enhance our understanding of consumer behavior and purchasing decisions in the MSE food sector, building upon the conclusions drawn from this research. Firstly, exploring other geographic locations beyond the Blitar district would provide insights into how cultural and demographic factors influence halal awareness and product preferences. Additionally, expanding the scope to include various product categories within the MSE sector, such as beverages or ready-to-eat meals, could offer a more comprehensive understanding of consumer preferences. Moreover, incorporating additional variables beyond halal certification and awareness, such as price sensitivity and brand loyalty, would enrich our understanding of the complex dynamics at play in consumer decision-making. Qualitative research methods could delve deeper into consumer attitudes and motivations, while investigating regulatory compliance and market trends could provide valuable insights for businesses and policymakers alike. Comparative studies between halal-certified and non-certified products, as well as longitudinal studies tracking consumer behavior over time, would further enrich our understanding of this evolving market landscape. By addressing these areas, future research endeavors have the potential to contribute significantly to the field, guiding businesses in effectively catering to the needs and preferences of diverse consumer segments within the MSE food sector.

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