The deeper of consumer knowledge towards intention to purchase halal food products in Indonesia

El conocimiento más profundo del consumidor hacia la intención de comprar productos alimenticios halal en Indonesia

RIPTIONO, Sulis

Abstract
The purpose of this study is to provide a deeper understanding of consumer purchase intentions for halal products. Research samples from 461 consumers in Central Java, Indonesia. Data were analyzed using SEM-AMOS. The results showed that consumer knowledge has a significant effect on consumer attitudes but not significantly on the intention to buy halal products. Consumer awareness has a significant influence on consumer attitudes and purchase intentions of halal products.

Keywords: halal purchase intention, halal knowledge, halal food products

1. Introduction

Islam is a religion that teaches comprehensively aspects of human life that apply to every Muslim person, whenever and wherever. All aspects of a Muslim’s life are regulated in Islam, where there are important teachings that become the major foundation when a Muslim consumes a product, that is, the product must be permitted (Halal) and good (Thayyib). The word “Halal” itself is an original word that comes from Arabic, which means allowed or permitted (Ambali & Bakar, 2014). This concept indicates that everything that is done by a Muslim must be in accordance with the principles of Sharia, including in terms of consuming a product.

In countries where the majority of the population is Muslim, especially Southeast Asian countries such as Indonesia, Malaysia, and Brunei, halal products have become an interesting phenomenon for research. Based on

1 STIE Putra Bangsa, Kebumen, Indonesia. email: sulis.riptiono@gmail.com
these phenomenon reflects that the Indonesian state has enormous potential to develop the halal product industry, including the halal food industry sector (Nurhayati & Hendar, 2019). This statement is proven by the fact that the amount of Indonesian people's consumption of halal food is the highest in the world, Indonesia ranks first among countries with the majority of other Islamic religions such as Turkey, Pakistan, Egypt and Bangladesh, spending around 169.7 million USD (Thomson Reuters, 2018).

Product or food can be separated into two namely halal and haram based on sharia law. Products or food can be halal or haram if it is considered so by one of the sources or religious fatwa issued by competent Islamic authorities (Muhamad et al., 2016). Indonesia is a country with a Muslim majority, authorization to introduce halal certification issued by the Majelis Ulama Indonesia (MUI). In line with the Islamic principles, the demand for halal products continues to grow more rapidly, in addition to following Islamic law. Every Muslim is required to consume halal products, and this too has become part of the lifestyle for every Muslim or non-Muslim in the world. Although obtaining halal food is not a major problem in a country where the majority of Muslims are, the problem will occur when large quantities of processed foods, medicines, and other products are imported.

An example of a type of business that applies the concept of halal is a culinary business which is a business that is developing and becoming a trend in Indonesia at this time. The emergence of a variety of unique foods, the existence of culinary tourism, and culinary trends as people's lifestyles, is proof that this business is growing rapidly. To support the development of the business, it is necessary to have a good marketing system in order to bring up consumer buying intentions. The higher consumer purchase intention can affect the selling power of the product. According to Kotler and Keller (2009), purchase intention is one of the phases in the decision making process for consumers that arises after a need is felt by an individual. Even though Indonesia is the country with the highest level of halal food consumption, the development of the halal food industry in Indonesia is far from being developed.

The behavior of Muslims in consuming halal products actually depends on how they have knowledge related to what is halal. Important knowledge is used to determine whether a prospective consumer understands the goods to be bought, whether the products are truly halal, and whether the consumer understands where he can get the products (Muhamad et al., 2016). Religion is a way of life for every human being. Moreover, a Muslim, before taking product consumption will first consider whether the product is halal or haram.

Muslims are required to always consume halal products. This provision will produce different attitudes from each individual according to the amount of influence inherent in each of these individuals (Riptiono et al., 2020). The study of halal product knowledge in relation to purchase intentions or actual purchases on products with halal elements has received special attention for Indonesian people who are predominantly Muslim. Several previous studies revealed that consumer knowledge can provide a positive influence on consumer intentions to buy halal products (Nurhayati & Hendar, 2019; Ahmad et al., 2017). But the results of different studies conducted by (Maichum et al., 2017) which states that knowledge is not able to influence the halal purchase intention. This shows that there are research gaps that make the main problem in this study.

Previous research stated that consumer knowledge will be able to increase consumer purchase intentions on halal products if supported by positive consumer attitudes on halal products (Abd Rahman et al., 2015). Because consumers who increasingly like halal products will have higher attitudes that can increase their intention to buy halal food products (Abu-Hussin et al., 2017). But there is previous research that revealed that consumer knowledge is not strong enough to make consumers have a good attitude on a product (Abd Rahman et al., 2015), and there must be an antecedent variable of consumer attitudes as well as a consequence of consumer knowledge namely consumer awareness variables (Nurhayati & Hendar, 2019) and which can increase consumer purchase intentions (Awan et al., 2015). Furthermore, there are no studies that place the awareness variable as
a consequence of knowledge and antecedents of attitude variables that are associated with consumer purchase intentions on halal food products in a research concept, therefore this is the originality of this study.

2. Literature Review and Hypothesis Development

2.1. Consumer Purchase Intention on Halal Food Products (HFP)

Purchase intention can be interpreted as the willingness of consumers to buy products and as antecedent also key factor in buying decision behavior (Bashir, 2019). In determining the choice of a product, Muslim consumers are required to comply with Islamic law. For consumer goods, Islam encourages consumers to choose products that are prohibited "haram" and products that are permitted to be consumed "halal" (Souiden & Rani, 2015). Halal food product research has a wide scope, one of which is how to increase consumer purchase intentions (Awan et al., 2015). Furthermore, halal products are still an important and interesting topic to study. Many researchers have tested consumer purchase intentions associated with halal products (Nurhayati & Hendar, 2019; Al-Kwifi et al., 2019). According to Ajzen (2015), purchase intention is referring to the willingness of individuals to buy certain products and services that can directly influence purchasing decisions in the future. This means that purchase intentions can be used as strong predictor of consumer buying behavior on halal food products (Bashir, et al., 2019).

2.2. Consumer Knowledge

Knowledge can be interpreting as memories that are known by consumers (Brucks, 1985) concerning theoretical or practical understanding of a subject (Abd Rahman et al., 2015). Knowledge is an important vital component and as a major factor that can create consumer purchase intentions (Nurhayati & Hendar, 2019) actual purchasing behavior (Rahim, 2016) especially on halal products (Maichum et al., 2017). Lack of consumer knowledge of a product will have many effects on the evaluation of product attributes (Hong & Sternthal, 2010). Some products have different attributes and features that cause different perceptions of consumers' knowledge of products either objectively or subjectively (Muhamad et al., 2016). Products offered in an Islamic perspective are different from western thinking, this is an important point of consumer knowledge that must be understood by consumers in deciding to consume halal products (Nurhayati & Hendar, 2019). Consumer knowledge of a halal product includes all the attributes inherent in a product, such as brand, packaging, product information, price, place of sale and how to use the product, and halal label.

Previous studies have shown that knowledge proves significant and positive towards consumer awareness (Ambali & Bakar, 2014), towards attitude toward halal products (Abd Rahman et al., 2015; Maichum et al., 2017) and also on consumer purchase intentions on products Halal (Mathew et al., 2014; Nurhayati & Hendar, 2019). Therefore, the hypotheses proposed in this model are:

H1: There is positive and significant relationship between consumer knowledge and consumer awareness toward halal food products.

H2: There is positive and significant relationship between consumer knowledge and consumer attitudes toward halal food products.

H3: There is positive and significant relationship between consumer knowledge and consumer purchase intention toward halal food products

2.3. Consumer Awareness

Awareness is a concept that refers to consumers' understanding and perception of events or subjects (Randolph, 2003 as cited in Ambali & Bakar, 2014). Therefore, awareness describes the ability of consumers to understand,
feel, and be aware of events and objects (Aziz & Chok, 2013) through sensory perception and cognitive reaction so that consumers can increase purchase intentions (Lim & Goh, 2019). Awareness in the Islamic context means consumers have special experience or acute information about a product and are aware of the halal aspect (Ambali & Bakar, 2014). Consumer awareness in Indonesia of a halal product is of particular concern because products circulating in the market are produced and sold by various groups of both Muslim and non-Muslim (Nurhayati & Hendar, 2019). The development of consumer awareness of halal products accompanied by increased demand for halal products has become a trend in countries both Muslim majority and Muslim minorities (Abu-Hussin et al., 2017). Consumers who are committed to religiosity are able to create greater awareness in making choices of products to be purchased (Asnawi et al., 2018).

Consumers who have a high awareness of halal products will be able to increase a positive attitude towards halal products (Lim & Goh, 2019) and have an impact intention to purchase halal products (Aziz & Chok, 2013; Nurhayati & Hendar, 2019). Therefore, it is hypothesized that:

H4: There is positive and significant relationship between consumer awareness and consumer attitudes toward halal food products.

H5: There is positive and significant relationship between consumer awareness and consumer purchase intention toward halal food products.

2.4. Attitude toward Halal Food Products (HFP)

Consumers attitudes and behavior can be enhanced with religion as the foundation that affects consumers to the choice of a product to be consumed (Mukhtar & Butt, 2012). In the marketing context, attitude is the tendency of behavior shown by consumers towards a product considered to be favorable or an unfavorable, this can cause consumers to have different attitudes towards a product in certain situations and conditions (Hussain et al., 2016). Different attitudes of consumers due to different levels of religious beliefs, this means that consumers who feel they have a high level of religiosity will have a stronger motivation to obey religious rules than consumers who have lower level of religiosity (Yener, 2015). Muslim consumers have a positive attitude towards halal products and selective in evaluating products to be purchased because in Islamic law requires Muslims to consume halal products (Mukhtar & Butt, 2012).

Previous research shows that there is a positive relationship between consumer attitudes toward buying intentions, such as Muslim fashion purchase intentions (Riptiono, 2019), purchase intentions of halal products (Hussain et al., 2016; Al-Kwiff et al., 2019; Asnawi et al., 2018), purchase intentions on halal food products (Bashir, 2019; Maichum et al., 2017), Halal purchase intentions (Abd Rahman et al., 2015). Therefore, the proposed hypothesis is:

H6: There is positive and significant relationship between consumer attitude toward halal food products and consumer purchase intention on halal food products.
3. Methodology

This research focuses on consumer purchase intention towards halal food products based on consumer knowledge, halal awareness and consumer attitudes towards halal food products. Respondents in this study involved 461 Muslim consumers in Indonesia as selected samples using purposive sampling techniques. Self-administered data collected using closed-end questionnaires to gather the data from consumer to achieve the objectives of this study. A total 550 questionnaires were distributed, only 461 were available and eligible for further processing. All data collected were then analyzed using Amos software version 24 and the hypotheses are tested by applying structural equation model (SEM). The majority of respondent were male (55.53%), Aged 26-30 (38.83%), the most of respondent occupation were private employees (32.97) and educational level of respondent were bachelor’s degree (42.08).

4. Results and Discussion

4.1. Measurement Model

To examining validity and reliability the variables, this study uses three criteria: convergent validity, discriminant validity and composite reliability. The discriminant validity, convergent validity and construct reliability evaluated based on AVE, outer loading and composite reliability (CR). According to (Hair et al., 2013) to evaluate the convergent validity, criteria of Average variance extracted (AVE) should be exceed 0.50 and loading factor higher 0.7. based on table 1, All of the construct model (e.g., halal knowledge, halal awareness, attitudes toward halal food products, and halal purchase intention) has average variance extracted (AVE) ranged 0.548 to 0.679, which was above 0.50 and The standardized factor loadings were between 0.711 and 0.862, thus this was higher 0.7. This result fulfills recommended the requirement of good discriminant validity of the construct variables. Furthermore, the reliability test refers to the composite reliability and Cronbach’s alpha values which require values above 0.7. Both must be exceed 0.70 (Hair et al., 2013).
Table 1
Validity and Reliability Measurement

<table>
<thead>
<tr>
<th>Variables</th>
<th>Question items</th>
<th>Standardized factor loading</th>
<th>Cronbach’s Alpha (α)</th>
<th>Composite Reliability</th>
<th>Average variance extracted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Halal Knowledge (HK)</td>
<td>HK1</td>
<td>0.810</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HK2</td>
<td>0.791</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HK3</td>
<td>0.860</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HK4</td>
<td>0.828</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HK5</td>
<td>0.711</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Halal Awareness (HA)</td>
<td>HA1</td>
<td>0.748</td>
<td></td>
<td>0.775</td>
<td>0.813</td>
</tr>
<tr>
<td></td>
<td>HA2</td>
<td>0.787</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HA3</td>
<td>0.790</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HA4</td>
<td>0.849</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HA5</td>
<td>0.771</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HA6</td>
<td>0.725</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HA7</td>
<td>0.749</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Attitude towards Halal Food Products (ATT)</td>
<td>ATT1</td>
<td>0.862</td>
<td></td>
<td>0.871</td>
<td>0.829</td>
</tr>
<tr>
<td></td>
<td>ATT2</td>
<td>0.856</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ATT3</td>
<td>0.769</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ATT4</td>
<td>0.761</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>ATT5</td>
<td>0.805</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Halal Purchase Intention (HPI)</td>
<td>HPI1</td>
<td>0.799</td>
<td></td>
<td>0.910</td>
<td>0.866</td>
</tr>
<tr>
<td></td>
<td>HPI2</td>
<td>0.714</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HPI3</td>
<td>0.810</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HPI4</td>
<td>0.847</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>HPI5</td>
<td>0.901</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Sig. at \( p < 0.01 \)

4.2. Hypothesis Testing

Looking from table 2 captured the result of test hypothesis and estimates research model. Totally, five out of six hypotheses are accepted, so only one hypothesis is rejected.

Table 2
Hypotheses Results

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Path</th>
<th>( \beta )-value</th>
<th>t-value</th>
<th>Sig.</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>HK ( \rightarrow ) HA</td>
<td>0.235</td>
<td>2.576</td>
<td>0.001</td>
<td>Accepted</td>
</tr>
<tr>
<td>H2</td>
<td>HK ( \rightarrow ) ATT</td>
<td>0.379</td>
<td>6.012</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H3</td>
<td>HK ( \rightarrow ) HPI</td>
<td>0.055</td>
<td>0.840</td>
<td>1.035</td>
<td>Rejected</td>
</tr>
<tr>
<td>H4</td>
<td>HA ( \rightarrow ) ATT</td>
<td>0.251</td>
<td>2.788</td>
<td>0.002</td>
<td>Accepted</td>
</tr>
<tr>
<td>H5</td>
<td>HA ( \rightarrow ) HPI</td>
<td>0.416</td>
<td>6.694</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H6</td>
<td>ATT ( \rightarrow ) HPI</td>
<td>0.508</td>
<td>8.775</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
</tbody>
</table>

Note: HP= Halal Knowledge; HA= Halal Awareness; ATT= Attitudes toward Halal Food Products; HPI= Halal Purchase Intention on Food Products
The first hypothesis (H1), the finding showed that there was positive and significant effect between halal knowledge and halal awareness. See table 2, it can be seen that the result of path coefficient on the relationship between halal knowledge and halal awareness is equal to 0.235 with t-value 2.576 and significant p-value 0.001. Therefore, the first hypothesis is accepted. Thus, the consumer knowledge about halal food products that are increasingly positive will be able to increase consumer purchase intentions on halal food products. This result is in line with the previous studies (Ambali & Bakar, 2014; Nurhayati & Hendar, 2019) which states that consumer knowledge can increase consumer awareness.

In agreement with the second hypothesis (H2), this study revealed that there was positive and significant effect relation between halal knowledge and consumer attitude toward halal food products. Based on table 2, it can be seen that the result test of path coefficient on the relationship between halal knowledge and consumer attitude toward halal food products is equal 0.379 with t-value 6.012 and significant p-value 0.000. Therefore, the second hypothesis is accepted. Thus, consumer knowledge on halal food products will be positively effects toward consumer attitude on halal food products. This result consistent with the previous study who proved that consumer knowledge as the predictor of consumer attitudes toward halal food products (Hamdan et al., 2013; Maichum et al., 2017).

In divergence with the third hypothesis (H3), the result confirmed that halal knowledge has no effect on halal purchase intention. This is because, the result of path coefficient on the relationship between halal knowledge and halal purchase intention is equal 0.055 with t-value 0.840 and significant p-value 1.035. therefore, the third hypothesis is rejected. The results of this study contradict those of previous researchers who stated that knowledge is capable of influencing consumer purchase intention (Mathew et al., 2014; Nurhayati & Hendar, 2019). However, this is in line with study by (Maichum et al., 2017) who reported that halal knowledge did not show a significant effect on consumer purchase intention on halal food products.

The test of the fourth hypothesis (H4) show that halal awareness has positive and significant effect on consumer attitudes toward halal food products. Based on table 2, it can be seen that the result test of path coefficient on the relationship between halal awareness and consumer attitudes toward halal food products is 0.251 with t-value 2.788 and Significant p-value 0.002. Therefore, the fourth hypothesis is accepted. This implies that, the higher consumer awareness of halal food products will have a positive effect on consumer attitude toward halal food products. This result in line with previous study who states consumer awareness can predict their attitude (Lim & Goh, 2019).

The result of the fifth hypothesis (H5) proved that there was positive and significant effect between consumer awareness and consumer purchase intention on halal food products. Based on table 2, it can be seen that the result test of path coefficient on relationship between consumer awareness and consumer purchase intention on halal food products is 0.416 with t-value 6.694 and significant p-value 0.000. Therefore, the fifth hypothesis is accepted. This implies that, the more positive consumer awareness can be increasing consumer purchase intention on halal food products. This result consistent with previous study who states consumer awareness as the antecedent of consumer purchase intention (Nurhayati & Hendar, 2019; Bashir et al., 2019).

Likewise, the result of the six hypothesis (H6), revealed that there was positive and significant correlation between attitudes toward halal food products and halal purchase intention on halal food products. Based on table 2, shown the result of path coefficient on the relationship between consumer attitudes toward halal food products and consumer purchase intention toward halal food products is equal to 0.508 with t-value 8.775 and significant p-value 0.000. Therefore, the sixth hypothesis is accepted. This means that, positive consumer attitudes towards halal food products will be able to contribute to increasing their purchase intentions on halal food products. This result consistent with previous study (Maichum et al., 2017; Bashir, 2019; Lim & Goh, 2019).
who states that consumer attitudes has role as antecedent of consumer purchase intention on halal food products.

3. Conclusions

In this current study, researchers conducted a deeper investigation related to the role of consumer knowledge in increasing consumer purchase intentions on halal food products. This is important because it fills the research gap in the relationship between consumer knowledge and purchase intention in an empirical model proposed. The research results showed that there were five accepted hypotheses and only rejected one hypothesis from the six hypotheses tested in this study. Consumer knowledge is proven to have an effect on awareness and attitude but not significantly toward consumer purchase intention on halal food products. Furthermore, Consumer awareness and attitude can contribute to increasing consumer purchase intention on halal food products. Therefore, it can be concluded that although consumer knowledge cannot directly affect consumer purchase intention on halal food products, it is able to increase awareness and attitude directly so that it can contribute indirectly in increasing consumer purchase intention on halal food products. Consumer purchase intention on halal food products will be higher if consumer knowledge of halal food products goes deeper. So, the results of this study prove that the deeper consumer knowledge has a very important role to increase consumer purchase intention on halal food products on halal food products through consumer awareness and consumer attitude toward halal food products.

Bibliographic references


