

FACTORS THAT INFLUENCE THE INTENTION TO PURCHASE HALAL FOOD PRODUCTS (CASE STUDY OF UNIVERSITAS GADJAH MADA STUDENTS)

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Abstract-Indonesia is a country that has the biggest Moslem population in the world. It causes an increase in demand for Islamic products, especially halal food products. The obligation to consume halal products become a huge market potential for food producers to produce halal products. This research aimed to find out the relation of factors that influence the intention to purchase halal food products.

This research uses purposive sampling method with 200 respondents consisting of Muslim students from Universitas Gadjah Mada. Structural Equation Modelling was used to analyze existing data. This research uses halal awareness, product ingredients, Islamic brands, halal certification, product quality, and promotion as many factors that influence purchase intention of halal food products.

Results showed that halal awareness, product ingredients, Islamic brands, halal certification, and product quality have a significantly positive effect on purchase intention of halal food products, but halal certification and promotion have no significant effect on purchase intention of halal food products.

Keywords: halal awareness, product ingredients, islamic brands, halal certification, quality product, promotion, purchase intention.

Abstrak-Indonesia merupakan negara dengan populasi Muslim yang terbesar di dunia. Hal ini menyebabkan terjadinya peningkatan permintaan produk-produk Islam, khususnya produk makanan halal. Kewajiban untuk mengonsumsi berbagai produk halal juga menjadi potensi pasar yang besar bagi produsen makanan untuk memproduksi produk halal. Tujuan dari penelitian ini adalah untuk mengetahui hubungan dari faktor-faktor yang mempengaruhi niat untuk membeli produk makanan halal.

Penelitian ini menggunakan metode purposive sampling dengan 200 responden yang merupakan mahasiswa Muslim Universitas Gadjah Mada. Analisis data dilakukan dengan menggunakan metode Structural Equation Modelling. Penelitian ini menggunakan halal awareness, komposisi produk, islamic brands, sertifikasi halal, kualitas produk, dan promosi sebagai faktor yang mempengaruhi niat beli produk makanan halal.

Hasil penelitian menunjukkan bahwa halal awareness, komposisi produk, islamic brands, dan kualitas produk berpengaruh positif dan signifikan terhadap niat membeli produk makanan halal. Sedangkan sertifikasi halal dan promosi tidak berpengaruh signifikan terhadap niat membeli produk makanan halal.

Kata kunci: halal awareness, komposisi produk, islamic brands, sertifikasi halal, kualitas produk, promosi, niat beli.

INTRODUCTION

The market potential for halal food and lifestyle sector is growing rapidly. At this time, the Muslim population of the world reached 1.6 billion people or 25% of the entire population in the world (Thomson Reuters, 2014). In aggregate, global spending in the Muslim consumer food and lifestyle sector is estimated to reach US \$ 2 trillion in 2013 and is expected to increase by 9.5% to US \$ 3.7 trillion in 2019 (Pew Research Center, 2015). Indonesia's Muslim population in 2015 is

around 205 million people. This is the largest amount in the world and makes Indonesia also has a very huge portion from global demand of halal products, such as halal food, halal pharmaceutical, halal cosmetics, and so on (Yasid, Farhan, dan Andriansyah, 2015). In 2017, the total consumption of halal product and service in Indonesia reached US\$ 218.8 billion and become the biggest consumer of halal products in the world (Bank Indonesia, 2018)

Students are one of the vital elements and have an important role in guarding and

make a change in every country towards a better life. Especially Muslim students are the future generation of leaders who will maintain the existence of Islamic practice in Indonesia. The growth of college students in Indonesia in recent years has tended to increase. They will become a potential target market for food manufacturers.

Table 1. The Amount of college students in Indonesia

Period	Amount
2013	5.839.587
2014	5.896.419
2015	5.377.106
2016	6.924.511
2017	8.043.480

Source: PDDikti, processed (2018).

Universitas Gadjah Mada (UGM) is the oldest university in Indonesia which established on December 19th 1949 and also the best university in Indonesia (CNN Indonesia, 2017). Moreover, UGM is a representation of a diverse Indonesian nation, because the students accepted come from all the largest islands in Indonesia.

Table 2. Statistics of UGM's Student

Place of Origin	Educational Level		
	Diploma and S1	S2	S3
Jawa	7839	1888	243
Sumatera	874	476	30
Kalimantan	168	165	8
Sulawesi	56	199	14
Bali-Nusra	103	153	12
Maluku	8	23	1
Papua	44	40	3
Total	9092	2944	311

Source: Primary data, processed (2019).

From an Islamic perspective, the concept of halal becomes vital for a Muslim. Halal means allowed or permitted in Islam. Therefore, Muslims will be looking for

products that are allowed to be consumed under religious teachings that have been received. It is characterized by the many requests for halal products that already have a halal certificate in the world (Aziz and Chok, 2013).

Halal appeal displayed on a product is the main attraction at the same time distinguishing the identity of similar products that become competitors. It has become one of the marketing tools product that can be explored more deeply (Rajagopal et al., 2011). Some examples of products that use the Halal appeal such as: tourism and hospitality (sharia hotels and a halal restaurant), financial services (Islamic banking), health (Thibbun Nabawi), beauty (cosmetics and Muslim salon), public education (Islamic schools), real estate (Islamic housing), and toiletries (Muslim shampoo).

Halal status of food is not only seen from lawful components but also processed in a way that is ethical, healthy and good. Muslims and non-Muslims consumers are also looking for products that have halal certification because they want to maintain their health by paying attention to the food consumed (Rahim, Shafii, and Shahwan, 2013).

Each brand has a lot of meanings physically and emotionally relate to products purchased by consumers. Aziz and Chok's study (2013) showed that the product brand has a positive and significant effect on the intention to buy halal products. While the research results of Yunus et al., (2014) showed that the brand has not a positive and significant effect on the intention to buy halal products.

Quality is the desirable characteristics of a product or service that is desired by the customer (Canavari, Castellini, and Spadoni, 2010). Hussin et al., (2013) stated that the quality of products significantly influences purchase intention. A better quality product will lead to a stronger purchase intention for customers. While Aziz and Chok (2013) stated the quality of the product has no significant influence on purchase intention.

Food ingredient is one of the determinant factors in predicting how consumer intentions

in buying a product (Johri and Sahasakmontri, 1998). Yunus et al., (2014) stated that the ingredients contained in the product have a significant positive effect on purchase intention of Muslim consumer. While the research results of Hussin et al., (2013) showed that the ingredients or the materials contained in the product have a significant negative effect on consumer purchase intention.

Factors that influence purchase intention of Muslim consumer need to be identified in line with the increase in growth of Muslim population in Indonesia. Besides, the limited knowledge about consumer purchase intentions with the halal concept and the research gap about the brand, product quality, and ingredients of the product on the intention to purchase halal products in the previous study made this study important. This study discusses some of the factors that affect the intention to purchase halal food products. Several variables used in this study are halal awareness, product ingredients, Islamic brands, halal certification, product quality, and promotion as the independent variable, while the purchase intention of halal food products as the dependent variable.

LITERATURE REVIEW

1. The Concept of Halal

Halal is derived from Arabic meaning “should”, concerning goods or services that can be interpreted as halal goods or services that can be consumed (and Haleem Khan, 2018). While the opposite of halal is haram, it is about something that should not be consumed, based on the Quran, the Hadits, or ijma (consensus) of the scholars (Jusmaliani and Nasution, 2009). Halal is something that is allowed by law to do, use, or attempted, since it has unraveled rope or bond prevent or elements that harm, accompanied by attention to getting it, not with the results muamalah prohibited (Ali, 2016).

Halal generally refers to things or actions permitted under Islamic law. Islam requires

Muslims to adhere to specific guidelines and principles in the consumption of goods and services. Therefore, Muslim consumers have a high demand for halal products following the Islamic approach.

Intentions to Purchase

Intention to purchase is something that arises after receiving a stimulation from the product seen, since there arises an interest in trying the product until it finally arises the desire to buy in order to own it (Kotler, 2012). Intention to purchase will arise by itself if consumers already feel attracted or provide a positive response to what is offered by the seller. Intention to purchase is also the process which consumers analyze their knowledge of the product, compare products with other similar products and make decisions about the product to be purchased.

2. Halal Awareness

Awareness is the ability to understand, feel and realize every event and object there. Awareness is also a concept that demonstrates the truth of any event or problem that exists (Aziz and Chok, 2013). Awareness plays an important role in determining the intention to choose.

Halal awareness is the level of understanding of Muslims in knowing issues related to the concept of Halal. This knowledge includes understanding what is legal and how the process of producing a product according to Islamic halal standards Shaari and Arifin (2010). By prioritizing halal food for consumption and tends to be more careful in product selection means that Muslims have understood what is halal, halal process, and halal principles.

3. Product ingredients

Wandel (1997) suggests most consumers very seriously to find out what they consume and this information is usually found on food labels. Food labels usually listed ingredients that primarily used in food production. It is also affecting the purchasing behavior of

consumers towards the product. Consumers will see the label ingredients as a consideration to purchase the product or not.

In Islamic thought, halal food is not just a matter of containing animal parts that are forbidden to be eaten or used by Muslims. But certain criteria must be considered, such as halal food which also includes aspects of safety and quality that is strongly associated with the handling, processing, equipment used, packaging, storing, transportation, distributing and retailing (Ardayanti, Nashril, and Helmi, 2013).

4. Islamic Brands

According to Kotler and Armstrong (2012), the brand represents the perception and feelings of consumers through product and everything about the products and services that have meaning in the hearts of consumers. A brand is not just a name or a symbol. Each brand has a lot of meanings, physically and emotionally relate to products purchased by consumers. A brand is also used to distinguish their products with others and communicating them to consumers (Yunus et al., 2014). A product can attract consumers if it has a brand. Branding is not a competition to determine who can make the product better, but who can create a better perception (Tai and Chew, 2012).

5. Halal certification

Halal certification is a certification process to ensure halal goods or services based on Islamic law (Khan and Haleem 2016). Referring to LPPOM MUI (2008), halal certification is a process for obtaining a halal certificate, through a few steps to prove that the materials, production processes, and halal assurance system have been applied to the standardization applied. The process as well as assuring the public that a product has been halal confirmed (both substance and process) and safe for consumption. Thus, consumers do not have worries about the goods or services consumed. Having halal certificate

today is a mandatory in order to fulfill all Muslim needs. Hence, it assumed that halal certification has a positive and significant effect on the intention to purchase halal food products.

6. Product quality

Quality is the desirable characteristics of a product or service that is desired by the customer (Canavari, Castellini, and Spadoni, 2010). The quality of food can be a source of product differentiation and considered as the main parameter for the food industry since used as a reference to be able to compete in this dynamic and highly competitive market.

The food quality is perceived to be two broad contexts. First, in the context of halal food is considered to have quality if they fulfill several requirements such as safe for consumption, healthy and hygienic. While the second perspective is in the context of the food quality in general, that includes such as food offered is superior to competitor products and the food product is appropriate with the ideal consumer product. According to Hussin et al (2013), product quality is one of the factors that significantly influences the purchase of halal products.

7. Promotion

According to Kotler and Armstrong (2012), the promotion is an element that is used to inform and persuade the market a new product or service in the company through advertising, personal selling, sales promotion, and publicity. The promotional mix also called a communications mix or marketing communications mix (marketing communication mix), which is a specific combination of advertising, sales promotion, public relations, personal selling, and direct marketing tool used by companies to communicate the customer value persuasively and build customer relationships. Promotion is a useful marketing tool that can influence purchases among consumers (Aziz and Chok, 2013).

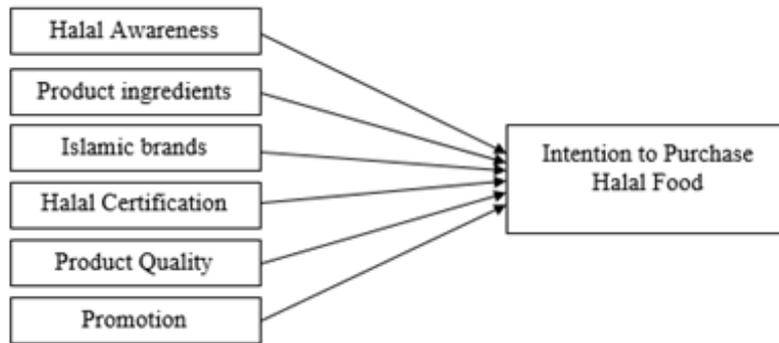


Figure 1. Critical Framework

From the above explanations, the following hypotheses can be formulated:

- H1: Halal Awareness has a positive and significant effect on the intention to purchase halal food products.
- H2: Product ingredients has a positive and significant effect on the intention to purchase halal food products.
- H3: Islamic brands has a positive and significant effect on the intention to purchase halal food products.
- H4: Halal certification has a positive and significant effect on the intention to purchase halal food products.
- H5: Product quality has a positive and significant effect on the intention to purchase halal food products.
- H6: Promotion has a positive and significant effect on the intention to purchase halal food products.

METHODS

The population in this study were all students of Universitas Gadjah Mada (UGM). The sampling method used in this study is nonprobability sampling, in which elements of the population does not have the same chance to be selected as the subject of research (Sekaran and Bougie, 2013). Then the sampling technique used was purposive sampling, which is limiting to a specific type of person who can provide the desired information, either because they are the only people who have the information or meet the criteria set by the researchers (Sekaran and Bougie, 2013). The criteria used in this study are Muslim respondents and an active student enrolled at Universitas Gadjah Mada.

Table 3. Indicator / Items of Questionnaire

Variable	Indicator
Halal Awareness	X1: Sadar terhadap kehalalan makanan.
	X2: Sadar tentang halal karena kewajiban dalam beragama.
	X3: Keamanan dan kebersihan makanan.
	X4: Mengetahui proses produksi makanan halal sangat penting.
	X5: Perhatian terhadap kemasan produk makanan halal internasional.
Product Ingredients	X6: Tingkat pengetahuan bahan yang digunakan
	X7: Tingkat pengetahuan bahan yang tidak halal
	X8: Tingkat kecurigaan terhadap makanan asing
	X9: Tingkat kepercayaan terhadap keamanan dan kualitas bahan
	X10: Pentingnya informasi kandungan dalam label makanan halal.

Variable	Indicator
Islamic Brand	X11: Merek adalah elemen penting X12: Membeli makanan kemasan halal berdasarkan merek X13: Membeli makanan kemasan halal meskipun mereknya tidak familiar X14: Merek mempengaruhi kepercayaan dalam mengonsumsi produk. X15: Merek Islami mengindikasikan kehalalan produk.
Halal Certification	X16: Pentingnya logo halal dalam memilih produk. X17: Memilih produk berdasarkan logo halal. X18: Selalu hati-hati dalam memilih makanan berlogo halal X19: Sadar tentang perbedaan logo halal asli dan palsu. X20: akan tetap membeli produk negara lain yang berlogo halal.
Product Quality	X21: Produk halal menawarkan keunggulan yang tidak dimiliki kompetitor. X22: Produk halal superior dibandingkan produk yang lain.
Promotion	X23: Membeli produk halal berdasarkan promosi penjualan. X24: Membeli produk halal berdasarkan diskon yang diberikan. X25: Membeli produk halal berdasarkan duta/bintang iklan.
Intention to Purchase	Y1: Memilih makanan halal adalah ide bagus. Y2: Akan memilih makanan halal Y3: Memilih makanan halal karena orang terdekat. Y4: Memilih makanan halal karena keluarga Y5: Merekomendasikan makanan halal kepada teman.

Source: adopted from Yunus *et al.*, 2014; Aziz and Chok, 2011; and Hussin *et al.*, 2015.

Data were collected through uses Structural Equation Modeling (SEM) to questionnaires, which distributed to 200 develop models and analyze data. respondents through google forms. This study

RESULTS AND DISCUSSION

Table 4. Profile of Respondent

Characteristics	Category	Percentage
Sex	Woman	55 %
	Man	45 %
Educational Level	Diploma and Bachelor degree (S1)	60 %
	Master degree (S2)	39 %
	Doctoral degree (S3)	1 %
Group of Knowledge	Social and Humanities	62 %
	Science and Technology	38 %
Province	Java	78 %
	Sumatra	16 %
	Kalimantan	2 %
	Bali – Nusa Tenggara	2 %
	Sulawesi	1 %
	Maluku – Papua	1 %

Characteristics	Category	Percentage
Income / allowance	< Rp 500.000	9 %
	Rp 500.000 – Rp 1.000.000	22 %
	Rp 1.000.000 – Rp 1.500.000	27 %
	Rp 1.500.000 – Rp 2.000.000	22 %
	> Rp 2.000.000	20 %

Sources: Primary data, processed (2019)

1. Reliability Test

To test the indicators used in each of latent variables has a good degree of suitability, reliability indicator calculated by using the approach of Construct Reliability. The limit

value (cut off) of the construct reliability accepted if its value > 0.7 (Hair et al., 2010). Reliability test results are shown in Table 5. Value Construct Reliability.

Table 5. Value of Construct Reliability

Variables	Value
Halal Awareness	0,7702
Product ingredients	0,7573
Islamic Brands	0,7307
Halal certification	0,7247
Product quality	0,8076
Promotion	0,8194
Intent to Purchase	0.8807

Sources: Primary data, Processed (2019)

Value of construct reliability on all variables: halal awareness, product ingredients, Islamic brands, halal certification, product quality, promotion, and purchase intentions are greater than 0.7 or all of the variables are already above the limit so that the indicator used has a good level of suitability.

2. Goodness of Fit

The goodness of fit is measured by looking at the value of Comparative Fit Index (CFI). CFI is a size comparison between the hypothesized model with null models. CFI is an improvement of NFI thus not affected by sample size and it is a very good instrument for measuring the suitability model (Latan, 2012). CFI has a value between 0-1 with the provision that if a value close to 1 then the model created has a very high match, whereas if the value close to 0 then the model does not have a good match (Narimawati and Sarwono, 2007). CFI

has a value of 0.84 which means that model is quite feasible and suitable because CFI has a value between 0-1 with the provision that if a value close to 1 then the model created has a very high match.

3. Relationship between Variables

The relationship between variables was obtained by looking at *t value* to determine the level of significance between variables and also the value of R^2 to see how much the relationship between variables.

The *t value* is used to determine whether there is an influence of each independent variable individually (partially) on the dependent variable tested at a certain significance level (Ghozali, 2012). The structural model evaluated by looking at the value of the coefficient and significance level (*t table*) of a construct. Evaluation of the structural model is also used to see how

the relationship between the constructs in the model. The coefficient was significant (at 0,05) if it has *t value* ≥ 1.96 .

R² value is a measurement of the proportion or percentage of variation of the dependent variable can be explained by the independent variables (Gujarati and Porter, 2013). The R²

value is always between 0 and 1. The larger the value of R², the better the quality of the model because of the ability of independent variables in explaining the dependent variable will also be higher (Ghozali, 2012). Relationships between variables can be explained by looking at the table 5. Coefficient Structural Model.

Table 5. Coefficient Structural Model

Variables	Coefficient	Standard Error	<i>t value</i>
Halal Awareness	0,52	0,07	6,75
Product ingredients	0,13	0,055	2,43
Islamic Brands	0,24	0,061	3,89
Halal Certification	0,052	0,085	0,61
Product Quality	0,28	0,081	3,49
Promotion	-0,0025	0,04	-0,05
R ² = 0,76			

Sources: Primary data, processed (2019)

The coefficient of halal awareness is 0,52 with *t value* 6,75 (> 1.96), it can conclude that halal awareness has a positive and significant effect on the intention to purchase halal food products.

The coefficient of product ingredients is 0,13 with *t value* of 2,43 (> 1.96), it can conclude that product ingredient has a positive and significant effect on the intention to purchase halal food products.

The coefficient of Islamic brands is 0,24 with *t value* 3.89 (> 1.96), it can conclude that the Islamic brand has a positive and significant effect on the intention to purchase halal food products.

The coefficient of halal certification is 0,052 with *t value* 0.61 (< 1.96), it can conclude that halal certification has no significant effect on the intention to purchase halal food products.

The coefficient of product quality is 0,28 *t value* 3.49 (> 1.96), it can conclude that product quality has a positive and significant effect on the intention to purchase halal food products.

The coefficient of promotion is - 0,0025 with *t value* - 0,05 (< 1.96), it can conclude that promotion has no significant effect on the intention to purchase halal food products.

The R² value is 0,76 or 76%. It can conclude that 76% of variations in the purchase intentions of halal food products can be explained by the variation of the six independent variables, namely the halal awareness, product ingredients, Islamic brands, halal certification, product quality, and promotion. While 24% is influenced by other variables not included in this study such as price, packaging, flavors, and others.

4. Halal Awareness on Intention to Purchase Halal Food Products

Awareness to consume or buy halal products is very important for every Muslim in Indonesia because the products are certified halal is not only manufactured by Muslims but also generated by non-Muslims. Halal awareness is known based on the comprehension of Muslims about what is halal, knowing the correct slaughtering process, and prioritize the halal food for consumption. Awareness plays an important role in determining the intention to choose.

In this study, halal awareness is the first hypothesis where halal awareness has a positive and significant effect on the intention to purchase halal food products. The coefficient of halal awareness is 0,52 with *t value* 6,75 ($>$

1.96), so the hypothesis is accepted and can be concluded that halal awareness has a positive and significant effect on the intention to purchase halal food products. The higher halal awareness will increase purchase intention of halal food products, and if halal awareness is getting lower, it will decrease the purchase intention of halal food products.

The result is consistent with previous research conducted by Aziz and Chok (2013) and Yunus et al., (2014) which showed that halal awareness has a positive and significant effect on the intention to purchase halal food products.

This illustrates that the higher the halal awareness of students, the intention to buy halal food products will be higher because in choosing food consumed, students will be more careful and choose what is definitely halal. Likewise, on the contrary, if the student's halal awareness is low, the intention to buy halal food products will also be low.

5. Product Ingredients on Intention to Purchase Halal Food Products

Wandel (1997) states that most consumers realize the importance of knowing what they consume and this information is usually found on food labels. In the food label section usually listed what ingredients are used in making food. This can also affect consumer buying behavior towards a product. Consumers will see product content information as a consideration in buying a product.

In this study, product ingredient is the second hypothesis where product ingredient has a positive and significant effect on the intention to purchase halal food products. The coefficient of product ingredients is 0,13 with t value of 2,43 (> 1.96), so the hypothesis is accepted and can be concluded that product ingredient has a positive and significant effect on the intention to purchase halal food products. The higher value of product ingredients will increase purchase intention of halal food products, and the lower value of product ingredients will decrease the purchase intention of halal food products.

The result is consistent with previous research conducted by Yunus et al., (2014) which showed that product ingredient has a positive and significant effect on the intention to purchase halal food products. The result is not consistent with research conducted by Hussin et al., (2013) which showed that product ingredient has no positive and significant effect on the intention to purchase halal products.

This illustrates that students were paying attention to the use of food ingredients that are written on the ingredients label. The more safe and clear the ingredients used, the intention to buy the product will increase. Likewise, on the contrary, if the composition used is suspicious, then the intention of students to buy the product is getting lower.

6. Islamic Brands on Intention to Purchase Halal Food Products

A brand represents the perceptions and feelings of consumers through product and everything about the products and services that have meaning in the hearts of consumers. A brand is not just a name or a symbol, but it has a deeper meaning than that. Each brand has a lot of meanings, physically and emotionally relate to products purchased by consumers. A brand is also used to distinguish their products with others and communicate it to consumers. Brand of products has a positive impact on consumer confidence in buying and eating labeled halal food because it shows the halalness of food products. In terms of habits, an unknown brand could reduce consumer confidence despite the product is halal certified by the local religious authority institutions.

In this study, the Islamic brand is the third hypothesis where the Islamic brand has a positive and significant effect on the intention to purchase halal food products. The coefficient of Islamic brands is 0,24 with t value 3.89 (> 1.96), so the hypothesis is accepted and it can conclude that the Islamic brand has a positive and significant effect on the intention to purchase halal food products. It means that the higher value of Islamic brands will

increase the purchase intention of halal food products, and a lower value of Islamic brands will decrease the purchase intention of halal food products.

The result is consistent with previous research conducted by Golnaz, Zainal and Nasir (2012) which showed that the brand of product has a positive and significant effect on the intention to purchase halal food products.

This illustrates that in choosing halal products, students will pay attention to halal product brands. The better and more well-known halal product brands, the intention to buy these products will be higher. But if the halal product brand is not good and unfamiliar, then the intention to buy the halal product is getting lower because the product is considered to be less reliable.

7. Halal Certification on Intention to Purchase Halal Food Products

Halal certification is a process to obtain the halal certificate, through a few steps to prove that the materials, production processes, and halal assurance system have been applied based on existing standards. The process as well as assuring the public that a product has been halal confirmed (both substance and process) and safe for consumption. Thus, consumers do not have worries about the goods or services consumed.

In this study, halal certification is the fourth hypothesis where halal certification has a positive and significant effect on the intention to buy halal food products. The coefficient of halal certification is 0,052 with t value 0.61 (<1.96), so the hypothesis is rejected and it can conclude that halal certification has no significant effect on the intention to purchase halal food products. It means that the higher or the lower value of halal certification is not a major benchmark on the intention to buy halal food products. The higher value of the halal certification is not necessarily going to increase purchase intention of halal food products, nor vice versa.

The result is not consistent with the study conducted by Aziz and Chok (2013)

which showed that the halal certification has a positive and significant effect on the intention to buy halal food products.

There is a possibility that consumers believe in food producers because Indonesia is a Muslim majority, and assume everything is halal. Consumers tend to be more concerned if the halal label found on food products that come from abroad. In addition, students are more concerned with brand and quality as the basis for choosing food products.

8. Product Quality on Intention to Purchase Halal Food Products

Product quality can be a source of product differentiation and is considered as the main parameter for the food industry because it is used as a reference to be able to compete in a dynamic and highly competitive market. Therefore, understanding the relationship between food quality and customer behavior is important because it provides basic information on how to meet the demands of the customers so that they can be satisfied.

In this study, product quality is the fifth hypothesis where product quality has a positive and significant effect on the purchase intention of halal food products. The Coefficient of product quality is 0,28 t value 3.49 (> 1.96) so the hypothesis is accepted and it can conclude that product quality has a positive and significant effect on the intention to purchase halal food products. It means that the higher value of product quality will increase the purchase intention of halal food products, and if the product quality is getting lower then it will reduce the intention to buy halal food products.

The result is consistent with research conducted by Hussin et al. (2013) which showed that product quality has a positive and significant effect on the purchase intention of halal products. The result is not in line with the research conducted by Aziz and Chok (2013) which showed that product quality has no positive and significant effect on purchase intention of halal products.

This illustrates that students in choosing halal food products attach great importance to the quality of a product. If the halal product has good quality, the intention to buy halal product will increase. Conversely, if the quality of the halal product is not good, the intention to purchase the product will be low.

9. Promotion on Intention to Purchase Halal Food Products

Promotion is an element that is used to inform and persuade the market about a new product or service in the company through advertising, personal selling, sales promotion, and direct marketing tool used by companies to communicate customer value persuasively and build customer relationships. Promotion is a useful marketing tool that can influence purchases among consumers.

In this research, promotion is the sixth hypothesis where the promotion has a positive and significant effect on the intention to purchase halal food products. The coefficient of promotion is $-0,0025$ with t value $-0,05$ (<1.96) so the hypothesis is rejected and it can conclude that promotion has no significant effect on the intention to purchase halal food products. It means that the higher or lower promotion does not become major benchmarks for the intention to buy halal food products. The higher promotion will not necessarily lower the purchase intention of kosher food products, nor vice versa. There is a possibility of promotion done is not optimal as yet such as not highlighting the elements of halal and food security, not yet paying attention to the conformity with Islamic ethics such as polite-looking advertising stars, does not contain elements of hatred and racism, etc.

The result is not in line with research conducted by Aziz and Chok (2013) which showed that the promotion has a positive and significant effect on the intention to buy halal products.

It is possible that the promotions carried out are less than optimal because the halal products offered are not yet known, so they have not been able to attract student purchase intention.

CONCLUSION, MANAGERIAL IMPLICATIONS, AND LIMITATIONS RESEARCH

1. Conclusion

Halal awareness has a statistically significant and positive effect on purchase intentions of halal food products. It illustrates that the higher the halal awareness of students, the intention to buy halal food products will be higher because in choosing food consumed, students will be more careful and choose what is definitely halal.

Product ingredient has a statistically significant and positive effect on purchase intentions of halal food products. It illustrates that students were paying attention to the use of food ingredients that are written on the ingredients label. The more safe and clear the ingredients used, the intention to purchase halal food product will increase.

Islamic brand has a statistically positive and significant effect on the intention to purchase halal food products. It means in choosing halal products, students will pay attention to halal product brands. The better and more well-known halal product brands, the intention to purchase these halal food products will be higher. But if the halal product brand is not good and unfamiliar, then the intention to purchase the halal product is getting lower because the product is considered to be less reliable.

Halal certification statistically has no significant effect on the intention to purchase halal food products. There is a possibility that students believe in food producers because Indonesia is a Muslim majority, and assume everything is halal. Students tend to be more concerned if the halal label found on food products that come from abroad. In addition, students are more concerned with brand and quality as the basis for choosing food products.

Product quality statistically has a positive and significant effect on the intention to purchase halal food products. It means that students in choosing halal food products attach great importance to the quality of a product. If the

halal product has good quality, the intention to purchase halal product will increase. Conversely, if the quality of the halal product is not good, the intention to purchase the product will be low.

The promotion statistically has no significant effect on the intention to purchase halal food products. It is possible that the promotions carried out are less than optimal because the halal products offered are not yet known, so they have not been able to attract student purchase intention.

2. Managerial Implications

Food manufacturers need to improve the quality of products, clarifying information about the ingredients contained in the product

ingredients, maintain brand reputation, and improve the way of promotion. This step can also be done to prepare halal products which will be exported through the global market.

3. Research Limitations

The study is limited to college students only (students of Universitas Gadjah Mada), not include the public in general. The research result will be more comprehensive if the respondents came from all levels of society, or by increasing the number of respondents from each top universities in every major city. Also, research testing is only limited to halal food products, not yet entered the field of halal cosmetics, halal fashion, halal tourism, etc.

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